



103 College Road East • Princeton, New Jersey 08540  
phone 609-987-0880 • fax 609-987-0850 • Eric.Brophy@njefa.nj.gov

Eric D. Brophy, Esq.  
*Executive Director*

**MINUTES OF THE MEETING OF THE  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY  
ON TUESDAY, MARCH 24, 2020**

The meeting was called to order at 10:02 a.m. by board Chair Joshua Hodes. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via fax and email on June 17, 2019, to The Star Ledger, The Times of Trenton and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

**AUTHORITY MEMBERS PRESENT:**

Joshua Hodes, Chair (via phone)  
Ridgeley Hutchinson, Vice Chair (via phone)  
Louis Rodriguez (via phone)  
Elizabeth Maher Muoio, State Treasurer, Treasurer (represented by Ryan Feeney [via phone])  
Zakiya Smith Ellis, Secretary of Higher Education (via phone)

**AUTHORITY MEMBERS ABSENT:**

None

**STAFF PRESENT:**

Eric D. Brophy, Executive Director  
Sheryl A. Stitt, Deputy Executive Director (via phone)  
Steven Nelson, Director of Project Management (via phone)  
Brian Sootkoos, Director of Finance-Controller (via phone)  
Ellen Yang, Director of Compliance Management (via phone)  
Matthew Curtis, Information Technology Manager  
Carl MacDonald, Project Manager  
Sheila Toles, Human Resources Manager

## **ALSO PRESENT:**

George Loeser, Esq., Deputy Attorney General (via phone)  
Craig Ambrose, Esq., Governor's Authorities Unit (via phone)

## **ITEMS OF DISCUSSION**

### **1. Approval of the Minutes of the Meeting of February 25, 2020**

The minutes of the meeting of February 25, 2020 were delivered via United Parcel Service to Governor Philip Murphy under the date of February 28, 2020. Mr. Rodriguez moved the meeting minutes for approval as presented; the motion was seconded by Mr. Hutchinson and passed unanimously.

### **2. Approval of the Minutes of the Executive Session of February 25, 2020**

The executive session of the meeting of February 25, 2020 were delivered via United Parcel Service to Governor Philip Murphy under the date of February 28, 2020. Mr. Hutchinson moved the meeting minutes for approval as presented; the motion was seconded by Mr. Feeney and passed unanimously.

### **3. Executive Director's Report**

Mr. Brophy provided the Executive Director's report for informational purposes only.

Mr. Brophy reported on various meetings attended by himself and/or Authority staff since the February Authority meeting.

Mr. Brophy reported that over the past few weeks, the Authority's main focus has been keeping its employees, friends and colleagues safe and planning for changes in business operations while dealing with the developing COVID 19 crisis. He reported that staff had been in close contact with the Governor's Office and others in the Administration and were complying with all executive orders, guidance and directives from the Administration, the federal government, Centers for Disease Control and others. Mr. Brophy reported that at the request of the Governor's Authorities Unit, staff had provided a summary of the Authority's Continuity of Operations Plan (COOP), which targets management of Authority operations; continuance of all financing services for colleges and universities; continuance of state grant fund administration; bond fund administration; investment of bond proceeds; requisition process for stand-alone transactions and state grant programs; post-issuance compliance; and safekeeping of all vital records. Mr. Brophy reported that staff would be giving the Authority's COOP a thorough review and update to ensure all aspects of the Plan reflect the Authority's current business practices and modernized systems.

Mr. Brophy reported that pursuant to E.O. 103 and the Governor's work from home guidance dated March 15, 2020, he had authorized all personnel to work remotely effective March 18<sup>th</sup>. Prior to that, he reported that on March 13<sup>th</sup> in consultation with the executive team and board members, he had implemented a staggered, in office, work schedule with a skeletal staff of 4-5 and directed the remaining staff to work remotely. The plan included a provision for staff to rotate in office days and remote days. Mr. Brophy reported that given the acceleration of events relating to COVID 19, the plan had been adjusted in favor of a full remote work schedule beginning March 18<sup>th</sup>.

Mr. Brophy reported that the Authority's business systems provide 24/7 remote operational capability within a matter of minutes and remain secure as approved by the New Jersey Office of Information and Technology which enables the Authority to sustain remote operations indefinitely. Mr. Brophy advised that Authority staff was trained and equipped to work remotely to continue to be responsive to the public and to clients and partners across the State. He reported that Board meetings would be conducted remotely when possible and that staff was following written guidance from the Attorney General's Office regarding hosting public meetings remotely and complying with the Open Public Meetings Act. Mr. Brophy advised that Authority staff would continue to evaluate the challenges presented by the COVID 19 virus and would continue to make adjustments as necessary to business operations.

Mr. Brophy reported that staff continued to work with the State Librarian to implement the Library Construction Bond Act. He reported that the State Librarian, in conjunction with the Governor's Office, had recently decided to extend the deadline for submission of grant proposals to June 5, 2020 in response to COVID 19.

Mr. Brophy reported that staff continued to work with the Department of Education and the Office of the Secretary of Higher Education (OSHE) finalizing Memoranda of Understanding and that the status of the timing of both grant programs presently remained unknown. Mr. Brophy reported that staff was also working with OSHE on renewal of the regulations for the Authority's state-backed grant programs for higher education which expire on May 6, 2020.

Mr. Brophy reported that staff has been working on a new fee policy. The proposal seeks to lower annual fees from ten basis points on declining par to seven basis points on declining par. He advised that the new policy would eliminate the cap on annual fees and that there would be no change to the initial fees.

Mr. Brophy reported that the Authority had hired Edward DiFiglia for the Public Information Officer/Manager position. He reported that Mr. DiFiglia, formerly a Program Manager at New Jersey Future would begin employment at the Authority on April 27, 2020.

4. **Resolution Authorizing the Issuance of New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issues, Series 2020 B (Tax-Exempt) and Series 2020 C (Federally Taxable)**

Mr. Nelson reported that the Authority sought the Members' approval for the issuance of refunding bonds for New Jersey City University. He reported the proposed financing would refund all or portions of the University's 2007 F, 2008 F, 2010 F, 2010 G, 2015 A and 2016 D bonds depending upon market conditions at the time of pricing.

Mr. Nelson reported that the Authority distributed and evaluated RFPs and that based on the results of the evaluations, staff recommended the following appointments: Morgan Stanley as senior manager, Raymond James & Associates as co-manager, The Bank of New York Mellon as the 2020 trustee and escrow agent for the Series 2007 F, 2008 F, and 2010 F and G bonds, U.S. Bank as escrow agent for the 2015 A and 2016 D bonds, and Causey, Demgen & Moore P.C. as verification agent.

James Fearon, Esq. of Gluck Walrath described the resolution for the Members' consideration.

Mr. Rodriguez moved the adoption of the following entitled resolution:

RESOLUTION AUTHORIZING THE ISSUANCE OF NEW  
JERSEY EDUCATIONAL FACILITIES AUTHORITY  
REVENUE REFUNDING BONDS, NEW JERSEY CITY  
UNIVERSITY ISSUES, SERIES 2020 B (TAX-EXEMPT)  
AND SERIES 2020 C (FEDERALLY TAXABLE)

The motion was seconded by Mr. Feeney and passed. Mr. Hodes recused himself from the vote based on a business-related conflict.

The adopted resolution is appended as Exhibit I.

5. **Resolution of the New Jersey Educational Facilities Authority Authorizing the Execution and Delivery of an Escrow Deposit Agreement and Other Actions in Connection with the Refunding of Certain NJEFA Bonds Previously Issued on Behalf of the New Jersey Institute of Technology**

Mr. MacDonald reported that the Authority sought the Members' approval for the execution and delivery of one or more Escrow Deposit Agreement(s) and other actions in connection with the refunding of certain Authority bonds previously issued on behalf of the New Jersey Institute of Technology.

Mr. MacDonald reported that the Institute had elected to defease approximately \$29,340,000 in aggregate of the outstanding New Jersey Institute of Technology, Series 2010 H bonds previously issued through the Authority. He reported that the 2010 H bonds will be callable on July 1, 2020 and that the Institute expects to refund the bonds via a direct purchase with a bank.

Mr. MacDonald reported that Janney Montgomery Scott had been retained by the Institute to serve as financial advisor and the Bank of New York Mellon, trustee for the 2010 H bonds had been appointed to serve as escrow agent. McManimon, Scotland and Baumann would serve as bond counsel.

John Cavaliere, Esq. of McManimon, Scotland & Bauman described the resolution for the Members' consideration.

Secretary Smith Ellis moved the adoption of the following entitled resolution:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND OTHER ACTIONS IN CONNECTION WITH THE REFUNDING OF CERTAIN BONDS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY PREVIOUSLY ISSUED ON BEHALF OF THE NEW JERSEY INSTITUTE OF TECHNOLOGY

The motion was seconded by Mr. Hutchinson and passed unanimously.

The adopted resolution is appended as Exhibit II.

6. **Resolution of the New Jersey Educational Facilities Authority Authorizing the Release and Conveyance of Certain Real Property Related to a Financed Project to Rowan University**

Ms. Yang reported that the Authority is the owner of parcels of land at Rowan University where Chestnut Hall, Magnolia Hall and Willow Hall are located. She explained that the residence halls were financed and refinanced through various series of Authority bonds, all of which have been redeemed.

Ms. Yang reported that the University was currently developing a new student housing project near the residence halls and that a portion of the parking entrance and a sidewalk for the new student housing project would encroach upon property owned by the Authority related to the financings for the residence halls. She reported that since the property is no longer a leased facility or a

project facility under any outstanding lease and agreement, the University had requested that the Authority convey the property. Ms. Yang explained that under the Lease, when the term of the agreement expired and the bonds have been paid in full, the Authority shall convey the leased property to the appropriate State entity. She reported that in consultation with the Attorney General's Office, Authority staff had determined that the University is the appropriate State entity to hold title and that the resolution would authorize the conveyance.

Elyse Crawford, Assistant General Counsel for Rowan University was available by phone to answer any questions.

Mr. Rodriguez moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY AUTHORIZING THE RELEASE  
AND CONVEYANCE OF CERTAIN REAL PROPERTY  
RELATED TO A FINANCED PROJECT ON BEHALF OF  
ROWAN UNIVERSITY

The motion was seconded by Secretary Smith Ellis and passed unanimously.

The adopted resolution is appended as Exhibit III.

**7. Resolution Authorizing Amendments to the Employee Policy Manual**

Ms. Yang reported that on February 19, 2019, Governor Murphy signed into law an amendment to the New Jersey Family Leave Act, the New Jersey Security and Financial Empowerment Act, and the New Jersey Family Leave Benefits Law. She explained that the new legislation, with certain amendments effective June 30, 2019, and certain amendments effective July 1, 2020, expands employee benefits under New Jersey's family leave law. The amendments include increasing the amount of leave time, higher wage reimbursement while on leave, expanding the definition of family member and child, expanding employee job protections while on family leave and allowing an employee to take unpaid family leave for medical attention, counseling, legal assistance or legal proceedings arising out of domestic or sexual violence.

Ms. Yang reported that to conform to the requirements of the new legislation, Section 600, 605 and Exhibit F of the Manual had been revised.

Mr. Hutchinson moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY AUTHORIZING AMENDMENTS  
TO THE EMPLOYEE POLICY MANUAL

The motion was seconded by Mr. Feeney and passed unanimously.

The adopted resolution is appended as Exhibit IV.

**8. Report on Operating and Construction Fund Statements and Disbursements**

Mr. Sootkoos reviewed the Results of Operations and Budget Variance Analysis and reported on the status of construction funds and related investments for February 2020.

Mr. Rodriguez moved that the reports be accepted as presented; the motion was seconded by Mr. Hutchinson and passed unanimously.

The reports are appended as Exhibit V.

**9. Next Meeting Date**

Mr. Hodes reminded everyone that the next meeting is scheduled for Tuesday, April 28<sup>th</sup> at 10:00 a.m. Mr. Hodes advised that all board meetings would be conducted by phone until further notice. He then requested a motion to adjourn.

Secretary Smith Ellis moved that the meeting be adjourned at 10:37 a.m. The motion was seconded by Mr. Hutchinson and passed unanimously.

Respectfully submitted,



Eric D. Brophy  
Secretary



103 COLLEGE ROAD EAST • PRINCETON, NEW JERSEY 08540  
 PHONE 609-987-0880 • FAX 609-987-0850 • www.njefa.com

### TERM SHEET

**Borrower:** New Jersey City University, Jersey City, New Jersey

**Issue:** Series 2020 B (Tax-Exempt) and Series 2020 C (Federally Taxable)

**Amount:** Not to Exceed \$155,000,000

**Purpose:** To provide funds to: (i) pay the cost of the current refunding of all or part of the outstanding \$12,910,000 principal amount of the Series 2007 F Bonds, the outstanding \$6,175,000 principal amount of the Series 2008 F Bonds, the outstanding \$13,015,000 principal amount of the Series 2010 F Bonds, the outstanding \$18,310,000 principal amount of the Series 2010 G Bonds, the outstanding \$35,340,000 principal amount of the Series 2015 A Bonds and the outstanding \$49,990,000 principal amount of the Series 2016 D Bonds and (ii) pay certain costs incidental to the issuance, sale and delivery of the Bonds.

**Security:** General Obligation of the University

**Structure:** Negotiated Sale, Fixed Rate

**Term:** No later than July 1, 2050

**True Interest Cost:** Not to Exceed 5.50%

**Current Bond Rating:** Baa1 (Moody's)  
BBB (Fitch)

**Tentative Sale Date:** April 2020

**Tentative Closing Date:** May 2020

The Authority Members will be asked to adopt the Series 2020 B (Tax-Exempt) and Series 2020 C (Federally Taxable) Series Resolution pertaining to the Bonds which outlines the various parameters of the financing; authorizes the issuance of the Bonds; authorizes and approves the form of and entry into all legal documents necessary for the financing; and delegates to any Authorized Officer of the Authority the ability to take all actions as may be necessary to sell, award and issue the Bonds and execute all necessary bond documents to finalize this transaction.

**Professionals on the Transaction:**

<b>Bond Counsel:</b>	GluckWalrath LLP
<b>Authority's Counsel:</b>	Attorney General of the State of New Jersey
<b>University's Financial Advisor:</b>	Janney Montgomery Scott LLC
<b>Trustee:</b>	The Bank of New York Mellon
<b>Trustee's Counsel:</b>	McManimon, Scotland & Baumann LLC
<b>Escrow Agent</b>	
<b>(2007 F, 2008 F, 2010 F &amp; G):</b>	The Bank of New York Mellon
<b>Escrow Agent (2015 A &amp; 2016 D):</b>	U.S. Bank National Association
<b>Senior Manager:</b>	Morgan Stanley
<b>Co-Manager:</b>	Raymond James & Associates, Inc.
<b>Underwriter's Counsel:</b>	McCarter & English, LLP
<b>Verification Agent:</b>	Causey Demgen & Moore P.C.
<b>Printer:</b>	ImageMaster LLC

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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY  
EDUCATIONAL FACILITIES AUTHORITY REVENUE REFUNDING  
BONDS, NEW JERSEY CITY UNIVERSITY ISSUES, SERIES 2020 B (TAX-  
EXEMPT) AND SERIES 2020 C (FEDERALLY TAXABLE)**

Adopted: March 24, 2020

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**RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY REVENUE REFUNDING BONDS, NEW JERSEY CITY UNIVERSITY ISSUES, SERIES 2020 B (TAX-EXEMPT) AND SERIES 2020 C (FEDERALLY TAXABLE)**

**WHEREAS**, the New Jersey Educational Facilities Authority (the “Authority”) was created as a public body corporate and politic of the State of New Jersey (the “State”) pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A. 18A:72A-1 et seq.* (the “Act”); and

**WHEREAS**, the Authority has heretofore issued, *inter alia*, its \$17,910,000 Revenue Refunding Bonds, New Jersey City University Issue, Series 2007 F (the “Series 2007 F Bonds”), its \$6,175,000 Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F (Federally Taxable) (the “Series 2008 F Bonds”), its \$24,065,000 Revenue Bonds, New Jersey City University Issue, Series 2010 F (Tax-Exempt) (the “Series 2010 F Bonds”), its \$18,310,000 Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment) (the “Series 2010 G Bonds”), its \$35,340,000 Revenue Bonds, New Jersey City University Issue, Series 2015 A (the “Series 2015 A Bonds”), and its \$52,075,000 Revenue Refunding Bonds, New Jersey City University Issue, Series 2016 D (the “Series 2016 D Bonds”), all on behalf of New Jersey City University (the “Public University”); and

**WHEREAS**, the Series 2007 F Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on February 28, 2007 and a Trust Indenture, dated as of April 1, 2007 (the “Series 2007 F Indenture”), between the Authority and The Bank of New York Mellon, as successor to The Bank of New York (the “Series 2007 F Trustee”), as Trustee, *inter alia*, to (i) refund a portion of the Authority’s Revenue Bonds, Jersey City State College Issue, Series 1998 E, which were issued to finance the renovation of Forrest A. Irwin Hall, the University’s main library, and Fries Hall, an academic building (collectively, the “Series 1998 E Project”), (ii) refund a portion of the Authority’s Revenue Bonds, New Jersey City University Issue, Series 1999 B (the “Series 1999 B Bonds”) and (iii) refund a portion of the Authority’s Revenue Bonds, New Jersey City University Issue, Series 2002 A (the “Series 2002 A Bonds”), which financed the construction of a fine arts building and various parking improvements, the upgrade of the fire protection systems and the institution of “campus card” technology (collectively, the “Series 2002 A Project”); and

**WHEREAS**, the Series 1999 B Bonds were issued, *inter alia*, to (i) refund a portion of the Authority’s Revenue Bonds, Jersey City State College Issue, Series 1992 D (the “Series 1992 D Bonds”), which financed the construction and equipping of an academic building and an athletic and recreation center (collectively, the “Series 1992 D Project”) and (ii) refund a portion of the Authority’s Revenue Bonds, Jersey City State College Issue, Series 1995 A (the “Series 1995 A Bonds”), which financed the acquisition of land adjacent to the Public University and the buildings thereon for use as a parking, a storage and a maintenance facility and an academic building (collectively, the “Series 1995 A Project”); and

**WHEREAS**, the Series 2008 F Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on February 27, 2008, as amended on March 31, 2008, and a Trust Indenture, dated as of April 1, 2008 (the “Series 2008 E/F Indenture”), between the Authority and The Bank of New York Mellon, as successor to The Bank of New York (the “Series 2008 E/F”

Trustee”), as Trustee, *inter alia*, to refund a portion of the Authority’s Revenue Bonds, New Jersey City University Issue, Series 2006 C (Federally Taxable) (the “Series 2006 C Bonds”); and

**WHEREAS**, the Series 2006 C Bonds were issued, *inter alia*, to (i) refund a portion of the Authority’s Series 1999 B Bonds, which refunded portions of the Authority’s Series 1992 D Bonds and Series 1995 A Bonds, and (ii) refinance a bank loan which financed the acquisition of fee simple title to certain land purchased by the University (the “Series 2006 C Project”); and

**WHEREAS**, the Series 2010 F Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on May 25, 2010 (the “Series 2010 F/G Bond Resolution”) and a Trust Indenture, dated as of September 1, 2010 (the “Series 2010 F/G Indenture”), between the Authority and The Bank of New York Mellon (the “Series 2010 F/G Trustee”), as Trustee, *inter alia*, to (i) refund a portion of the Authority’s Series 1999 B Bonds and (ii) finance a portion of the costs of the acquisition, construction, renovation and installation of certain capital assets located on the Public University’s campus, including, but not limited to, the renovation and repair of various Public University buildings and other facilities (collectively, the “Series 2010 F/G Project”); and

**WHEREAS**, the Series 2010 G Bonds were issued under the terms and provisions of the Series 2010 F/G Bond Resolution and the Series 2010 F/G Indenture, *inter alia*, to finance a portion of the costs of the Series 2010 F/G Project; and

**WHEREAS**, the Authority has previously designated the Series 2010 G Bonds as “Build America Bonds” within the meaning of Section 54AA of the Internal Revenue Code of 1986, as amended (the “Code”), whereby the Series 2010 G Bonds were issued on a federally-taxable basis and (in lieu of issuing and selling separate tax credits) the Authority, contingent upon timely application therefor and compliance with certain ongoing requirements imposed by the Code, has been entitled to receive on each interest payment date a refundable credit from the United States Treasury (collectively, the “Cash Refunds”), which Cash Refunds are remitted (or paid directly) to the Public University; and

**WHEREAS**, the Series 2015 A Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on December 17, 2014 and a Trust Indenture, dated as of January 1, 2015, as amended by a First Supplement to the Trust Indenture dated as of December 1, 2015 (collectively, the “Series 2015 A Indenture”), between the Authority and U.S. Bank National Association (the “Series 2015 A Trustee”), as Trustee, *inter alia*, to (i) refund a portion of the Authority’s Series 2002 A Bonds, (ii) refund a portion of the Authority’s Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 E (the “Series 2008 E Bonds”) and (iii) finance the renovation of the existing Science Building and the construction of an addition thereto, HVAC improvements to the John J. Moore Athletics and Fitness Center, the capital fit-out of certain leased facilities for the School of Business, the construction of Stegman Boulevard, the renovation of facilities for the Nursing Department located in Rossey Hall, and the renovation of facilities for the Public Safety Department located in Vodra Hall (collectively, the “Series 2015 A Project”); and

**WHEREAS**, the Series 2008 E Bonds were issued, *inter alia*, to (i) refund a portion of the Authority’s Revenue Bonds, New Jersey City University Issue, Series 2003 A, which financed the construction of a College of Arts and Sciences Tower, replacement of the Hepburn Hall elevator, renovation of the Student Union Building, installation of fire sprinklers, replacement of chillers in

Science and Rossey Halls, acquisition of equipment for the Fine Arts Building, renovation of the Information Technology Services Department, improvement of the Public University's parking program, acquisition and renovation of a portion of an existing Public University building to house a charter high school, Science Hall lab improvements, and replacing windows, masonry and performing other capital improvements to various Public University buildings (collectively, the "Series 2003 A Project"), and which refunded a portion of the Authority's Revenue Bonds, Jersey City State College Issue, Series 1993 H (the "Series 1993 H Bonds"), and (ii) refund a portion of the Authority's Revenue Bonds, New Jersey City University Issue, Series 2005 A, which financed various capital improvements consisting of the renovation of the Gilligan Student Union Building, the construction of a pedestrian mall on a campus service road from Audubon Avenue to Culver Avenue, the equipping and installation of a cogeneration plant, the acquisition and installation of information technology equipment for the Public University's computer network, improvements to bring Rossey Hall into compliance with building and fire codes applicable to high rise buildings, construction of a ramp at Gilligan Student Union to meet requirements of the Americans with Disabilities Act, a water penetration project at the Gilligan Student Union, and electrical system improvements to Hepburn Hall (collectively, the "Series 2005 A Project"); and

**WHEREAS**, the Series 1993 H Bonds were issued, *inter alia*, to finance the cost of the acquisition of land, an administration building and athletic facilities at the Public University (collectively, the "Series 1993 H Project"); and

**WHEREAS**, the Series 2016 D Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on March 22, 2016 and a Trust Indenture, dated as of June 1, 2016 (the "Series 2016 D Indenture", and collectively with the Series 2007 F Indenture, the Series 2008 E/F Indenture, the Series 2010 F/G Indenture and the Series 2015 A Indenture, the "Prior Indentures"), between the Authority and U.S. Bank National Association (the "Series 2016 D Trustee", and collectively with the Series 2007 F Trustee, the Series 2008 E/F Trustee, the Series 2010 F/G Trustee and the Series 2015 A Trustee, the "Prior Trustees"), as Trustee, *inter alia*, to refund a portion of the Authority's Series 2008 E Bonds; and

**WHEREAS**, the Public University has requested that the Authority issue, and the Authority has determined that it is necessary and in keeping with its authorized purposes to issue, one or more series of tax-exempt and/or taxable bonds as described herein (collectively, the "Bonds") for the purpose of providing funds to (i) pay the cost of the refunding of all or part of the outstanding \$12,910,000 principal amount of the Series 2007 F Bonds, the outstanding \$6,175,000 principal amount of the Series 2008 F Bonds, the outstanding \$13,015,000 principal amount of the Series 2010 F Bonds, the outstanding \$18,310,000 principal amount of the Series 2010 G Bonds, the outstanding \$35,340,000 principal amount of the Series 2015 A Bonds and the outstanding \$49,990,000 principal amount of the Series 2016 D Bonds (collectively, the "Bonds To Be Refunded"), thereby refinancing the Series 1992 D Project, the Series 1993 H Project, the Series 1995 A Project, the Series 1998 E Project, the Series 2002 A Project, the Series 2003 A Project, the Series 2005 A Project, the Series 2006 C Project, the Series 2010 F/G Project and the Series 2015 A Project, and (ii) pay certain costs incidental to the issuance, sale and delivery of the Bonds (collectively, the "Refunding Project"); and

**WHEREAS**, the repayment of the Bonds will be secured by a Lease and Agreement between the Authority and the Public University (the "Agreement"), pursuant to which the Authority will

lease the Leased Facilities (as defined in the Agreement) to the Public University; *provided*, that the Agreement (to the extent set forth therein) shall be subject to the Prior Agreements (as defined in the Agreement), if any; and

**WHEREAS**, the Bonds will be issued under and secured by a Trust Indenture (the "Trust Indenture") to be entered into by and between the Authority and the financial institution named herein, as trustee (together with its successors in trust, the "Trustee"); and

**WHEREAS**, a portion of the proceeds of the Bonds, together with other available funds, will be deposited with the respective Prior Trustees in their respective capacities as the hereinafter-defined Escrow Agents, to be held in trust for the benefit of the holders of the respective Bonds To Be Refunded, all in accordance with the provisions of the respective Prior Indentures; and

**WHEREAS**, the Public University has acknowledged that it shall not be entitled to receive Cash Refunds in respect of the Bonds to Be Refunded constituting Series 2010 G Bonds accruing from and after the date of issuance of the Bonds; and

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to issue the Bonds under the Trust Indenture herein authorized for the purpose of financing all or any combination of the purposes enumerated above, and to authorize certain actions and the execution and delivery of certain documents in connection therewith; and

**WHEREAS**, the Authority has undertaken procedures to procure professionals in connection with the issuance of the Bonds and the members of the Authority have been provided with a memorandum summarizing the procurement procedures of the Authority staff's recommendations with respect thereto; and

**WHEREAS**, pursuant to Section 8(c) of the Act, the bonds of the Authority shall be authorized by resolution of the members of the Authority;

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:**

**ARTICLE I**  
**AUTHORIZATION OF BONDS; APPROVAL OF DOCUMENTS**

**1.1 Purpose and Issuance of the Bonds.**

The Authority hereby declares the Refunding Project to be an authorized undertaking of the Authority and authorizes and directs the Chair, Vice Chair, Executive Director, Deputy Executive Director, Treasurer, Director of Project Management, Director of Compliance Management, Secretary, Assistant Treasurer or any Assistant Secretary of the Authority, and any other person authorized by resolution of the Authority, and any such officers designated as “acting” or “interim” (each an “Authorized Officer”), to execute and deliver all documents necessary to enable the Authority, as permitted by the Act, to finance, on behalf of the Public University, the costs of the Refunding Project, in whole or in part.

**1.2 Authorization of the Bonds.**

(a) The Authority hereby authorizes the issuance of the Bonds, in an aggregate principal amount not to exceed \$155,000,000, in one or more series, in order to finance, on behalf of the Public University, the costs of the Refunding Project, in whole or in part; *provided, however*, that prior to the issuance and delivery of the Bonds, the Board of Trustees of the Public University shall have adopted a resolution authorizing the execution of the Agreement, the hereinafter-defined Purchase Contract and any commitment for a financial guaranty insurance policy insuring payment of principal of and interest on all or part of the Bonds when due, and the consummation of the transactions contemplated thereby and by this resolution. The Bonds (which may consist of one or more series of tax-exempt and/or taxable Bonds issued at the same time) shall be designated “New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, [Series 2020 B (Tax-Exempt)] [Series 2020 C (Federally Taxable)]” or such other or additional designation or designations as shall be set forth in the Trust Indenture or as an Authorized Officer may determine.

(b) The Authority hereby finds and determines that the issuance of the Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26 (Whitman 1994) (“Executive Order No. 26”), namely, volatile market conditions and a complex financing structure, and that a competitive sale of the Bonds is not in the best interest of the Authority and the Public University.

(c) Based upon the Authority’s competitive request for proposal process under its standard procurement process and procedures and in accordance with Executive Order No. 26 and Executive Order No. 37 (Corzine 2006) (“Executive Order No. 37”), the Authority hereby selects Morgan Stanley & Co., LLC as the senior managing underwriter for the Bonds. Any Authorized Officer is hereby authorized to execute and deliver on behalf of the Authority one or more contracts of purchase (collectively, the “Purchase Contract”) by and among the Authority, the Public University and Morgan Stanley & Co., LLC, on behalf of itself and any other members of an underwriting syndicate headed by such firm (collectively, the “Underwriters”), in substantially the form presented to this meeting with such changes as shall be approved by any Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State (such approval to be evidenced conclusively by such Authorized Officer’s execution thereof), for the purchase of the

Bonds at the price or prices to be agreed upon; provided, however, that the Underwriters' discount for the Bonds shall not exceed \$5.00 per \$1,000 of principal amount. A copy of the Purchase Contract as executed shall be filed with the records of the Authority.

(d) The Chair, the Vice-Chair, the Executive Director, the Deputy Executive Director or the Director of Project Management are hereby authorized to select and appoint a co-senior and/or one or more co-managing underwriters, if necessary, in connection with the financing and in accordance with Executive Order No. 26 and Executive Order No. 37 and the Authority's competitive request for proposal process under its standard procurement policies and procedures, to purchase the Bonds as members of an underwriting syndicate headed by Morgan Stanley & Co., LLC.

(e) The Bonds shall be issued in fully registered form, shall be in the denominations, and shall be numbered as shall be provided in the Trust Indenture. The Bonds shall be dated initially, bear interest from the date of issuance thereof at the rates set forth in the Trust Indenture, mature and be executed and authenticated as shall be set forth in the Trust Indenture; *provided, however*, that the final maturity date of the Bonds will be no later than July 1, 2050. The Bonds shall bear interest at one or more fixed interest rates as set forth in the Trust Indenture, with a true interest cost not to exceed 5.50%. The Bonds shall be subject to redemption as provided in the Trust Indenture; *provided, however*, the redemption premium, if any, on the Bonds issued as tax-exempt bonds shall not exceed 5%, and the redemption premium, if any, on the Bonds issued as taxable bonds shall be without limitation and may be in the form of a "make-whole" redemption.

### **1.3 Form of Bonds.**

The Bonds shall be in substantially the form set forth in Exhibit A to the Trust Indenture, with such insertions, omissions or variations as may be necessary or appropriate, as approved by an Authorized Officer with the advice of Bond Counsel and the Attorney General of the State, such execution and attestation to be conclusive evidence of the approval thereof.

### **1.4 Delivery of the Bonds.**

The Bonds shall be executed in the name of the Authority by the manual or facsimile signature of its Chair, Vice Chair, Executive Director or Deputy Executive Director, and any such officers designated as "acting" or "interim", and its official common seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Executive Director, Deputy Executive Director, Secretary or any Assistant Secretary or Assistant Treasurer, and any such officers designated as "acting" or "interim", or in such other manner as may be provided by law; *provided*, the Bonds may not be attested by the party executing the Bonds. Following the execution of the Bonds, any Authorized Officer is hereby authorized to deliver the Bonds to the Trustee for authentication and, after authentication, to deliver the Bonds to the Bank or its agent against receipt of the purchase price or unpaid balance thereof.

### **1.5 Approval of Preliminary Official Statement and Official Statement.**

The distribution of one or more Preliminary Official Statements relating to the Bonds (a draft

of which is presented to this meeting and shall be filed with the records of the Authority) (collectively, the "Preliminary Official Statement") is hereby approved in substantially such form, with such insertions, deletions and changes therein and any supplements thereto as approved by any Authorized Officer with the advice of Bond Counsel and the Attorney General of the State. Any Authorized Officer is hereby authorized to "deem final" the Preliminary Official Statement in accordance with Rule 15c2-12 of the Securities and Exchange Commission, if applicable.

Any Authorized Officer is hereby authorized and directed to execute and deliver one or more final Official Statements (collectively, the "Official Statement"), in substantially the form of the Preliminary Official Statement, with such changes, insertions and alterations as the Authorized Officer executing same shall approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced conclusively by the execution thereof by such Authorized Officer.

#### **1.6. Approval of Agreement.**

The form of the Agreement presented to the meeting at which this Resolution is adopted (a copy or copies of which shall be filed with the records of the Authority) is hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to the Agreement in substantially such form, with such changes therein (including, without limitation, the date thereof, and any acceptable covenants or provisions that may be required by the Underwriters or the bond insurer, if any) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof.

#### **1.7 Approval of Trust Indenture.**

The form of the Trust Indenture presented to the meeting at which this Resolution is adopted (a copy or copies of which shall be filed with the records of the Authority) is hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to the Trust Indenture in substantially such form, with such insertions and changes therein (including, without limitation, the date thereof and the initial Interest Payment Date contained therein, provisions relating to a policy of bond insurance, if any, any covenants or provisions that may be required by the Underwriters or the bond insurer, if any, and modifications to the permitted investments so as to be consistent with the Authority's investment policies as in effect from time to time) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof.

#### **1.8 Approval of Escrow Deposit Agreements.**

The form of the Escrow Deposit Agreement presented to the meeting at which this Resolution is adopted (a copy or copies of which shall be filed with the records of the Authority) is

hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal of the Authority to one or more Escrow Deposit Agreements in substantially such form, with such insertions and changes therein and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer's execution thereof.

### **1.9 Appointments.**

(a) The Bank of New York Mellon is hereby appointed to act as the initial Trustee, Bond Registrar and Paying Agent for the Bonds under the Trust Indenture. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Trust Indenture by the Trustee's execution and delivery thereof.

(b) The Bank of New York Mellon is hereby appointed to act as the Escrow Agent in respect of the Refunded Bonds constituting the Series 2007 A Bonds, the Series 2008 F Bonds, the Series 2010 F Bonds and the Series 2010 G Bonds. Such Escrow Agent shall signify its acceptance of the duties and obligations imposed upon it by the applicable Escrow Deposit Agreement by such Escrow Agent's execution and delivery thereof.

(c) U.S. Bank National Association is hereby appointed to act as Escrow Agent in respect of the Refunded Bonds constituting the Series 2015 A Bonds and the Series 2016 D Bonds. Such Escrow Agent shall signify its acceptance of the duties and obligations imposed upon it by the applicable Escrow Deposit Agreement by such Escrow Agent's execution and delivery thereof.

(d) Causey Demgen & Moore P.C. is hereby appointed to act as verification agent in connection with the refunding of the Bonds To Be Refunded pursuant to the terms of the Prior Indentures and the Escrow Deposit Agreements.

### **1.10 Book-Entry System for the Bonds.**

(a) Except as provided in the Trust Indenture, the registered owner of all of the Bonds shall be The Depository Trust Company ("DTC"), and the Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) Unless a blanket DTC Representation Letter has theretofore been executed by the Authority and filed with DTC, at or prior to settlement for the Bonds, the Authority and the Trustee shall execute or signify their approval of a DTC Representation Letter. Any Authorized Officer is hereby authorized to execute and deliver a DTC Representation Letter to DTC.

### **1.11 Bond Insurance Authorized.**

Any Authorized Officer is hereby authorized to: (i) select a municipal bond insurer (the “Bond Insurer”) for the Bonds pursuant to a competitive solicitation process and in accordance with applicable law, to the extent that such Authorized Officer, with the advice of the Underwriters and the Attorney General of the State and with the approval of the Public University, determines that the bond insurance or a surety for the debt service reserve fund is necessary or desirable in order to market the Bonds, *provided*, that the Underwriters will be able to certify substantially to the effect that the present value of the premium for the bond insurance is less than the present value of the interest reasonably expected to be saved as a result of obtaining the bond insurance; (ii) execute a commitment letter for the issuance of a bond insurance and surety policy or policies (collectively, the “Policy”) by such Bond Insurer (or a certificate evidencing selection of the Bond Insurer); (iii) carry out the Authority’s obligations thereunder (including payment of the premium for the Policy); and (iv) accept the terms and conditions relating to the Bonds required by the Bond Insurer as a condition to the issuance of the Policy and to incorporate such terms and conditions into the Trust Indenture, the Agreement, the Preliminary Official Statement and the Official Statement as such Authorized Officer deems necessary and appropriate, with the advice of Bond Counsel and the Attorney General of the State.

#### **1.12 Continuing Disclosure.**

Pursuant to the Agreement, the Public University will undertake all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the holders of the Bonds or any other person with respect to such disclosure matters. The form of the Continuing Disclosure Agreement presented to the meeting at which this Resolution is adopted (a copy or copies of which shall be filed with the records of the Authority), is hereby approved. The Trustee shall be appointed to act as Dissemination Agent under the Continuing Disclosure Agreement(s), and shall comply with and carry out all of the obligations imposed on the Dissemination Agent under the Continuing Disclosure Agreement(s) and the Agreement. Notwithstanding any other provision of this Resolution, the Trust Indenture or the Agreement, failure of the Public University or the Dissemination Agent to comply with the Continuing Disclosure Agreement(s) shall not be considered an event of default under this Resolution, the Trust Indenture or the Agreement.

#### **1.13 Conformance of Documents.**

Any Authorized Officer is hereby authorized and directed to approve, as Bond Counsel may advise, such changes to the forms of the Preliminary Official Statement, the Official Statement, the Purchase Contract, the Agreement, the Trust Indenture, the Escrow Deposit Agreements, the Continuing Disclosure Agreement(s) and such other agreements, documents or certificates as may be necessary and appropriate to conform same to the bond insurance requirements of the issuer of a financial guaranty insurance policy insuring payment of principal of and interest on the Bonds when due, if any, and modifications to the permitted investments so as to be consistent with the Authority’s investment policies as in effect from time to time, with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced conclusively by such Authorized Officer’s execution thereof.

## **ARTICLE II MISCELLANEOUS**

## **2.1 Authorization to Invest Bond Proceeds and Certain Funds.**

(a) Any Authorized Officer is hereby authorized to enter into or direct the Trustee to enter into one or more agreements to invest the proceeds of the Bonds as permitted by the Trust Indenture (the “Eligible Investments”), which may include investment agreements and repurchase agreements, in the event that such Authorized Officer determines, in consultation with and with the consent of the Public University, that it is advantageous to the Public University for the Authority to invest any proceeds of the Bonds in Eligible Investments. The form of any such investment agreement or repurchase agreement shall be as approved by an Authorized Officer, with the advice of Bond Counsel and the Attorney General of the State.

(b) Any Authorized Officer is hereby authorized to utilize the proceeds of the Bonds or other available moneys held pursuant to the Prior Indentures either (a) to purchase United States Treasury Obligations, State and Local Government Series (“SLGS”) or (b) to select a firm to act as the Authority’s broker or to select a bidding agent to solicit bids pursuant to a competitive solicitation process to purchase open market U.S. Treasury Obligations (which qualify as permissible defeasance obligations pursuant to the Prior Indentures), in the event that such Authorized Officer of the Authority determines that it is necessary or advantageous to the Authority to purchase such open market U.S. Treasury Obligations. In connection with the purchase of open market U.S. Treasury Obligations, any Authorized Officer of the Authority is further authorized to solicit bids for one or more float forward or escrow reinvestment agreements (a “Float Forward Agreement”) and to direct the applicable Escrow Agent(s) pursuant to the applicable Escrow Agreement(s) to enter into any such Float Forward Agreement with the successful bidder or bidders thereof. Pursuant to the terms of any Float Forward Agreement, the provider, in consideration of an upfront payment to the applicable Escrow Agent, shall have the right to sell U.S. Treasury Obligations to such Escrow Agent, at the times and in the amounts set forth in the Float Forward Agreement at an aggregate purchase price not exceeding the maturity value thereof. Such U.S. Treasury Obligations shall mature on or before the dates when the proceeds thereof are needed to make payments in accordance with the applicable Escrow Agreement. Each Float Forward Agreement shall be awarded to the bidder offering to pay the highest upfront payment therefor. The form of any Float Forward Agreement shall be approved by an Authorized Officer of the Authority, in consultation with Bond Counsel and the Attorney General of the State. An Authorized Officer of the Authority is further authorized to execute and deliver any such Float Forward Agreement and/or any certificates or other documents required in connection therewith. Notwithstanding the foregoing, nothing contained herein shall prohibit an Authorized Officer of the Authority from purchasing both SLGS and open market U.S. Treasury Obligations, to the extent permitted by law. Bond Counsel, the applicable Escrow Agent(s), the Underwriters and the Public University’s financial advisor, Janney Montgomery Scott LLC, are each hereby authorized to act as agent(s), if so directed by an Authorized Officer, on behalf of the Authority for the subscription of SLGS via SLGSafe pursuant to the regulations promulgated therefor set forth in 31 C.F.R. Part 344.

## **2.2 Incidental Actions.**

(a) The Authorized Officers are hereby authorized to refund the Bonds To Be Refunded as selected by the Public University, in consultation with the Authority, the Public University's financial advisor and the Underwriters.

(b) The Authorized Officers are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate in order: (i) to effectuate the financing of the Refunding Project and the refunding and redemption of the Bonds To Be Refunded; (ii) to effectuate the execution and delivery of the Purchase Contract, the Agreement, the Trust Indenture, the Escrow Deposit Agreements and the Official Statement, and the issuance, sale and delivery of the Bonds, including, without limitation, documents necessary to effectuate the issuance, sale and delivery of the Bonds; (iii) to implement the DTC book-entry only system for the Bonds; (iv) to maintain the tax-exempt status of the interest on the Bonds (to the extent such Bonds are to be issued on a tax-exempt basis) and the Bonds To Be Refunded (to the extent such Bonds to Be Refunded were originally issued on a tax-exempt basis) (including the preparation and filing of any information reports or other documents with respect to the Bonds as may at any time be required under Section 149 of the Internal Revenue Code of 1986, as amended, and any regulations thereunder); (v) to effectuate the execution and delivery of any Float Forward Agreement; and (vi) to effectuate and/or recognize the termination of the Cash Refunds in respect of the Bonds To Be Refunded constituting Series 2010 G Bonds accruing from and after the date of issuance of the Bonds, which may include the deemed exchange (for federal income tax purposes) of such Bonds To Be Refunded as a result of the defeasance thereof.

(c) The Authorized Officers are hereby authorized and directed to take such actions from time to time as may be necessary or appropriate to determine the specific real and/or personal property to be subject to the Agreement and (if necessary) to accept conveyance of, or convey such property to, the Public University or other applicable entity.

### **2.3 Prior Resolutions.**

All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby repealed.

### **2.4 Effective Date.**

This Resolution shall take effect as provided for under the Act.

\_\_\_\_\_ Mr. Rodriguez \_\_\_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_ Mr. Feeney \_\_\_ and upon roll call the following members voted:

**AYE:** Ridgeley Hutchinson  
Louis Rodriguez  
Elizabeth Maher Muoio (represented by Ryan Feeney)  
Zakiya Smith Ellis

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Vice Chair thereupon declared said motion carried and said resolution adopted.

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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN  
ESCROW DEPOSIT AGREEMENT AND OTHER ACTIONS IN  
CONNECTION WITH THE REFUNDING OF CERTAIN BONDS OF THE  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY PREVIOUSLY  
ISSUED ON BEHALF OF THE NEW JERSEY INSTITUTE OF  
TECHNOLOGY**

Adopted: March 24, 2020

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**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND OTHER ACTIONS IN CONNECTION WITH THE REFUNDING OF CERTAIN BONDS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY PREVIOUSLY ISSUED ON BEHALF OF THE NEW JERSEY INSTITUTE OF TECHNOLOGY**

**WHEREAS**, the New Jersey Educational Facilities Authority (the “Authority”) was created as a public body corporate and politic of the State of New Jersey (the “State”) pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A. 18A:72A-1 et seq.* (the “Act”); and

**WHEREAS**, the Authority has heretofore issued, *inter alia*, its \$50,965,000 Revenue Bonds, New Jersey Institute of Technology Issue, Series 2010 H (Tax-Exempt) (the “Series 2010 H Bonds”) on behalf of the New Jersey Institute of Technology (the “Public College”); and

**WHEREAS**, the Series 2010 H Bonds were issued, *inter alia*, to finance the advance refunding of the Authority’s Revenue Bonds, New Jersey Institute of Technology Issue, Series 2001 G (Tax-Exempt); and

**WHEREAS**, the Series 2010 H Bonds were issued under the terms and provisions of a bond resolution of the Authority adopted on September 28, 2010 and a Trust Indenture dated as of November 1, 2010 (the “2010 Indenture”) between the Authority and The Bank of New York Mellon, as trustee (the “2010 Trustee”); and

**WHEREAS**, the Public College has determined to issue one or more series of taxable or tax-exempt bonds (the “NJIT Bonds”) for the purpose of providing funds to pay, *inter alia*, the cost of refunding all or a portion of the outstanding Series 2010 H Bonds (collectively, the “Bonds To Be Refunded”); and

**WHEREAS**, the Public College has represented that the documents governing the NJIT Bonds will not impair the obligations of the Public College under any indentures of trust, loan agreements or similar documents heretofore in effect with respect to any bonds of the Authority previously issued on behalf of the Public College; and

**WHEREAS**, the Public College has requested that the Authority authorize the execution and delivery of such documents and the taking of such actions as may be necessary or convenient in connection with the proposed refunding of the Bonds To Be Refunded by the Public College (the “Refunding”), including, *inter alia*, the approval of the hereinafter-defined Escrow Deposit Agreement, the identification of the Bonds To Be Refunded and the delivery of legal opinions by the hereinafter-defined Bond Counsel as to the defeasance of the Bonds To Be Refunded and related matters; and

**WHEREAS**, the Public College has agreed to pay all fees and expenses of the Authority, the Authority’s financial advisor (if necessary), the hereinafter-defined Escrow Agent, Verification Agent, and Bond Counsel in connection with the Refunding; and

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to assist the Public College in the consummation of the Refunding, and to authorize certain actions and the execution and delivery of certain documents in connection therewith;

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUTHORITY, AS FOLLOWS:**

**ARTICLE I  
AUTHORIZATION OF REFUNDING; APPROVAL OF DOCUMENTS;  
APPOINTMENT OF ESCROW AGENT**

**1.1 Authorization of Refunding.**

The Authority hereby declares that assisting the Public College in connection with the Refunding is an authorized undertaking of the Authority and authorizes and directs the Chair, Vice Chair, Executive Director, Deputy Executive Director, Treasurer, Director of Project Management, Director of Compliance Management, Secretary, Assistant Treasurer or any Assistant Secretary of the Authority, and any other person authorized by resolution of the Authority, and any such officers designated as “acting” or “interim” (each an “Authorized Officer”), to execute and deliver all documents necessary to enable the Authority, as permitted by the Act, to assist the Public College in the consummation of the Refunding and the transactions related thereto; provided, that in connection with the defeasance of the Bonds To Be Refunded, (i) the Public College shall pay all fees and expenses of the Authority, the Authority’s financial advisor (if necessary) and the hereinafter-defined Escrow Agent, Verification Agent, and Bond Counsel in connection with the Refunding and (ii) there shall be delivered to the Authority the following documents:

(a) a certificate or certificates of an authorized officer of the Public College and an opinion or opinions of counsel to the Public College, each addressed to the Authority, to the effect that the Escrow Deposit Agreement has been duly authorized, executed and delivered by the Public College, and constitutes the legal, valid and binding obligation of the Public College, enforceable against the Public College in accordance with its terms (subject to customary exceptions as to bankruptcy, equitable principles and the like);

(b) An opinion or opinions of McManimon, Scotland & Baumann, LLC, the firm heretofore appointed to serve as Bond Counsel to the Authority in connection with the Refunding (“Bond Counsel”), to the effect that the Bonds To Be Refunded are no longer deemed to be “Outstanding” within the meaning of the 2010 Indenture;

(c) a verification report as to the sufficiency of the funds deposited with the Escrow Agent (together with investment income thereon, if any), in form and substance acceptable to the Authority, Bond Counsel and the Attorney General of the State, to be provided by the entity retained by the Public College for such purpose (the “Verification Agent”); and

(d) such other agreements, certificates, opinions or other items as may reasonably be required by the Authority, Bond Counsel or the Attorney General of the State.

## **1.2 Approval of Escrow Deposit Agreement.**

The form of the Escrow Deposit Agreement for the Bonds to be Refunded (the “Escrow Deposit Agreement”), presented at the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority), is hereby approved. Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver, and any other Authorized Officer is hereby authorized and directed to attest to the execution, acknowledgement and delivery of the Escrow Deposit Agreement in substantially such form, with such insertions and changes therein as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced by such Authorized Officer’s execution thereof.

## **1.3 Appointment of Escrow Agent.**

The Bank of New York Mellon, the entity serving as the 2010 Trustee under the 2010 Indenture, is hereby appointed as the Escrow Agent under the Escrow Deposit Agreement (the “Escrow Agent”). The Escrow Agent shall signify acceptance of the duties and obligations imposed upon it by the Escrow Deposit Agreement by its execution thereof.

## **ARTICLE II MISCELLANEOUS**

### **2.1 Authorization to Invest Bond Proceeds.**

Any Authorized Officer is hereby authorized to utilize the proceeds of the NJIT Bonds or other available moneys held pursuant to the 2010 Indenture either (a) to purchase United States Treasury Obligations, State and Local Government Series (“SLGS”) or (b) to select a firm to act as the Authority’s broker or to select a bidding agent to solicit bids to purchase open market U.S. Treasury Obligations (which qualify as permissible defeasance obligations pursuant to the 2010 Indenture), in the event that such Authorized Officer of the Authority determines that it is necessary or advantageous to the Authority to purchase such open market U.S. Treasury Obligations. In connection with the purchase of open market U.S. Treasury Obligations, any Authorized Officer of the Authority is further authorized to solicit bids for one or more float forward or escrow reinvestment agreements (a “Float Forward Agreement”) and to direct the Escrow Agent pursuant to the Escrow Deposit Agreement to enter into any such Float Forward Agreement with the successful bidder or bidders thereof. Pursuant to the terms of any Float Forward Agreement, the provider, in consideration of an upfront payment to the Escrow Agent, shall have the right to sell U.S. Treasury Obligations to the Escrow Agent, at the times and in the amounts set forth in the Float Forward Agreement at an aggregate purchase price not exceeding the maturity value thereof. Such U.S. Treasury Obligations shall mature on or before the dates when the proceeds thereof are needed to make payments in accordance with the Escrow Deposit Agreement. Each Float Forward Agreement shall be awarded to the bidder offering to pay the highest upfront payment therefor. The form of any Float Forward Agreement shall be approved by an Authorized Officer of the Authority, in consultation with Bond Counsel and the Attorney General of the State. An Authorized Officer of the Authority is further authorized to execute and deliver any such Float Forward Agreement and/or any certificates or other documents required in connection therewith. Notwithstanding the foregoing, nothing contained herein shall prohibit an

Authorized Officer of the Authority from purchasing both SLGS and open market U.S. Treasury Obligations, to the extent permitted by law. Bond Counsel, the Escrow Agent, the Authority's financial advisor and Janney Montgomery Scott LLC (the "Public College's Financial Advisor") are each hereby authorized to act as agent(s), if so directed by an Authorized Officer of the Authority, on behalf of the Authority for the subscription of SLGS via SLGSafe pursuant to the regulations promulgated therefor set forth in 31 C.F.R. Part 344.

**2.2 Incidental Action.**

(a) The Authorized Officers are hereby authorized to refund the Bonds To Be Refunded selected by the Public College, in consultation with the Authority and the Public College's Financial Advisor. The Authorized Officers are hereby further authorized to call for optional redemption, all or part of the Bonds To Be Refunded, in such amounts and on such dates as selected by the Public College, in consultation with the Authority and the Public College's Financial Advisor.

(b) The Authorized Officers are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate in order to: (i) effectuate the Refunding and the defeasance and redemption of the Bonds To Be Refunded; (ii) effectuate the execution and delivery of the Escrow Deposit Agreement; and (iii) effectuate the execution of any Float Forward Agreement.

**2.3 Effective Date.**

This Resolution shall take effect as provided for under the Act.

\_\_\_\_ Secretary Smith Ellis \_\_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_\_ Mr. Hutchinson \_\_\_\_ and upon roll call the following members voted:

**AYE:** Joshua Hodes  
Ridgeley Hutchinson  
Louis Rodriguez  
Elizabeth Maher Muoio (represented by Ryan Feeney)  
Zakiya Smith Ellis

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

NJIT Escrow Deposit - 3/24/20

**ESCROW DEPOSIT AGREEMENT**

**by and among**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**and**

**NEW JERSEY INSTITUTE OF TECHNOLOGY**

**and**

**THE BANK OF NEW YORK MELLON, as ESCROW AGENT**

Dated [CLOSING DATE]

With Respect to the  
New Jersey Educational Facilities Authority  
Revenue Bonds, New Jersey Institute of Technology Issue, Series 2010 H  
(Tax-Exempt)

## ESCROW DEPOSIT AGREEMENT

**THIS ESCROW DEPOSIT AGREEMENT** (this “Agreement”) dated [CLOSING DATE] is by and among the **NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY** (the “Authority”), **NEW JERSEY INSTITUTE OF TECHNOLOGY** (the “Public College”) and **THE BANK OF NEW YORK MELLON**, as Escrow Agent (the “Escrow Agent”), a state banking corporation organized and existing under the laws of the State of New York with trust powers in the State of New Jersey and having a corporate trust office located in Woodland Park, New Jersey.

### WITNESSETH:

**WHEREAS**, the Authority has previously issued and sold its Revenue Bonds, New Jersey Institute of Technology Issue, Series 2010 H (Tax-Exempt) (the “Series 2010 H Bonds”) on behalf of the Public College pursuant to a bond resolution adopted by the Authority on September 28, 2010 and a Trust Indenture dated as of November 1, 2010 (the “2010 Indenture”), by and between the Authority and The Bank of New York Mellon, as trustee (in such capacity, the “2010 Trustee”); and

**WHEREAS**, the Authority loaned the proceeds of the Series 2010 H Bonds to the Public College pursuant to a Loan Agreement dated as of November 1, 2010 by and between the Authority and the Public College (the “2010 Loan Agreement”); and

**WHEREAS**, the 2010 Indenture provides, in substance, that if the Authority shall pay or cause to be paid to the holders of any of the Series 2010 H Bonds the principal of and interest thereon, at the times and in the manner stipulated therein, then the pledge of the “Revenues” or other moneys and securities pledged by the 2010 Indenture for such Series 2010 H Bonds, and all other rights granted by the 2010 Indenture to such Series 2010 H Bonds, shall be discharged and satisfied; and

**WHEREAS**, the Public College is now issuing \$[ ] principal amount of its General Obligation Refunding Bonds Series 2020 (the “NJIT Bonds”) to provide for, among other things, the refunding of all of the outstanding Series 2010 H Bonds, as more fully described in Exhibit A attached hereto (the “Refunded Bonds”); and

**WHEREAS**, the Public College has authorized the deposit with the Escrow Agent of an amount from the proceeds of the NJIT Bonds which, together with certain moneys transferred from certain amounts on deposit in the various funds and accounts established under the 2010 Indenture, and the investment income to be earned on such proceeds and transferred moneys, will be sufficient to pay the interest on Refunded Bonds when due on each interest payment date through and including the redemption date of July 1, 2020 (the “Redemption Date”) and the redemption price of the Refunded Bonds on the Redemption Date; and

**WHEREAS**, upon the deposit with the Escrow Agent of moneys which, together with other available funds and the investment income to be earned thereon, will be sufficient to pay the interest on and redemption price of the Refunded Bonds when due through and including the Redemption Date, and the giving of certain irrevocable instructions by the Authority to the Escrow Agent as herein provided, the Refunded Bonds shall cease to be entitled to any lien, benefit or security under the 2010 Indenture, and all obligations of the Authority to the holders of the Refunded Bonds shall thereupon be released, discharged and satisfied; and

**WHEREAS**, any capitalized terms used herein but not defined herein shall have the respective meanings ascribed thereto in the 2010 Indenture.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

**SECTION 1.** There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund (the "Escrow Fund") to be held by the Escrow Agent as a trust fund for the sole and exclusive benefit of the holders of the Refunded Bonds. The Escrow Fund shall be held by the Escrow Agent separate and apart from all other funds of the Authority and the Escrow Agent.

**SECTION 2.** (a) The Escrow Agent hereby acknowledges receipt of immediately available funds in the aggregate amount of \$[\_\_\_\_\_], consisting of proceeds of the NJIT Bonds.

(b) The Escrow Agent, in its capacity as 2010 Trustee, has been directed by the Authority and the Public College to transfer \$[\_\_\_\_\_], consisting of \$[\_\_\_\_\_] on deposit in the 2010H Loan Account established under the 2010 Loan Agreement, \$[\_\_\_\_\_] on deposit in the 2010H Revenue Fund established under the 2010 Indenture and \$[\_\_\_\_\_] on deposit in the 2010H Interest Account in the Debt Service Fund established under the 2010 Indenture, to the Escrow Fund.

**SECTION 3.** The Escrow Agent shall immediately deposit the amounts set forth in Section 2 hereof in the Escrow Fund, aggregating \$[\_\_\_\_\_]. The Escrow Agent shall apply \$[\_\_\_\_\_] of the amount deposited in the Escrow Fund to the purchase, on the date hereof, of the securities listed on Exhibit B attached hereto, and shall retain \$[\_\_\_\_\_] uninvested in cash in the Escrow Fund.

The securities listed on Exhibit B consist entirely of obligations which are direct obligations of the United States of America which are not subject to redemption prior to their maturity ("Defeasance Securities"). No investment whatsoever shall be made by the Escrow Agent with such cash amount. In sole reliance on the computations prepared by Janney Montgomery Scott LLC ("Janney"), the Public College's financial advisor, and verified by [Causey Demgen & Moore P.C.] (the "Verification Agent"), as described in the verification report attached hereto as Exhibit C, the Public College represents that the amounts so deposited in the Escrow Fund, together with income from the investment thereof to be retained therein pursuant to this Agreement, will provide sufficient funds to pay the interest on and redemption

price of the Refunded Bonds when due through and including the Redemption Date, as set forth on Exhibit C.

**SECTION 4.** (a) The Escrow Agent agrees that the amounts deposited in the Escrow Fund pursuant to Section 3 hereof and the interest income to be earned thereon and any other moneys and investments deposited in the Escrow Fund will be held in trust for the benefit of the holders of the Refunded Bonds. The Escrow Agent shall have no liability for the payment of the principal of and interest on the Refunded Bonds pursuant to this Section and the 2010 Indenture, except for the application of moneys and obligations available for such purposes in the Escrow Fund. The Escrow Agent shall not be liable for any loss resulting from any investment made in accordance with the provisions of this Agreement, nor shall it be required to risk or expend its own funds hereunder.

(b) The entire balance in the Escrow Fund upon purchase of the Defeasance Securities listed on Exhibit B shall remain uninvested in cash. For the purposes of the immediately preceding sentence “uninvested” shall mean held as a cash balance in the Escrow Fund and not invested for any purpose.

**SECTION 5.** (a) Except as otherwise expressly provided herein, the Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Defeasance Securities held hereunder or to sell, transfer or otherwise dispose of the Defeasance Securities acquired hereunder, or to pay interest on any such moneys not required to be invested hereunder; provided however, that at the written direction of the Authority and the Public College and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, otherwise dispose of, or request the redemption of, the Defeasance Securities acquired hereunder, and to substitute therefor other Defeasance Securities which are non-callable. Any substituted Defeasance Securities or cash shall be a part of and credited to the Escrow Fund. The Authority and the Public College each hereby covenants and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentences in any manner which would cause the NJIT Bonds or the Series 2010 H Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder in effect on the date of such request and applicable to the Series 2010 H Bonds. The Escrow Agent shall purchase such substitute Defeasance Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance Securities and with any other funds available for such purpose. From time to time, Defeasance Securities may be sold, transferred, redeemed or otherwise disposed of and replaced by other Defeasance Securities subject to the same conditions. Any amounts received from the sale or redemption of Defeasance Securities and not needed or used to purchase substitute Defeasance Securities shall be transferred by the Escrow Agent as directed in writing by the Authority and the Public College. The foregoing transactions may be effected only if: (i) a recognized firm of certified public accountants shall certify that after such transaction the principal amount of, and interest income on, the substituted Defeasance Securities or cash will, together with any moneys or securities in the respective account in the Escrow Fund reserved for such purpose, be sufficient to pay when due the interest on and redemption price of the Refunded Bonds when due through and including the Redemption Date; (ii) the amounts and dates of the anticipated payments from the Escrow Fund to the holders of the Refunded Bonds in

accordance with their terms will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive an opinion of nationally recognized bond counsel to the effect that such disposition and substitution or purchase is permitted under the 2010 Indenture and this Agreement, and it would have no adverse effect on the exclusion from gross income for federal income tax purposes of the interest on the NJIT Bonds; (iv) in the event cash is provided, such cash shall, to the extent not insured by the Federal Deposit Insurance Corporation or other federal agency, be continuously secured by the pledge of direct obligations of the United States of America; and (v) the Public College pays all costs incident to the transactions. If United States Treasury Securities, State and Local Government Series are to be purchased as substitute Defeasance Securities, the Escrow Agent, the 2010 Trustee, the Authority's financial advisor or Janney, at the request of the Authority and the Public College, shall prepare and file the appropriate application therefor. The Escrow Agent shall incur no liability for complying with the provisions of this Section except for its own negligence or willful misconduct.

(b) The Authority and the Public College each hereby covenants that it will not authorize or permit the Escrow Agent to use directly or indirectly any part of the moneys or funds at any time in the Escrow Fund to acquire any investment property, the acquisition of which would cause any of the Series 2010 H Bonds to be "arbitrage bonds" as defined in Section 148(a) of the Code as then in effect.

**SECTION 6.** The Authority hereby irrevocably instructs the Escrow Agent and the Escrow Agent hereby agrees:

(a) to optionally redeem the Refunded Bonds on the Redemption Date in accordance with Section 3.02(a)(1) of the 2010 Indenture, in the amounts and at the redemption price of 100% of the principal amount to be redeemed, together with accrued interest to the Redemption Date, as set forth on Exhibit A, and to apply the amounts deposited into the Escrow Fund to the payment of the redemption price of such Refunded Bonds on the Redemption Date, as set forth on Exhibit A;

(b) to mail to (i) all registered owners of the Refunded Bonds, (ii) The Depository Trust Company, New York, New York ("DTC"), as the securities depository for the Series 2010 H Bonds, and (iii) each Rating Agency (as defined in the 2010 Indenture), as soon as practicable after the date hereof, a notice of the defeasance of the Refunded Bonds in substantially the form attached hereto as Exhibit E (such notice to be given in the manner described in Sections 3.04 and 12.03 of the 2010 Indenture);

(c) to mail to (i) all registered owners of the Refunded Bonds, (ii) DTC, as the securities depository for the Series 2010 H Bonds, and (iii) each Rating Agency, by no earlier than May 17, 2020 and by no later than June 1, 2020, a notice of the redemption on July 1, 2020 of all of the Refunded Bonds, in substantially the form attached hereto as Exhibit F (such notice to be given in the manner described in Section 3.04 of the 2010 Indenture); and

(d) in your capacity as Dissemination Agent for the Series 2010 H Bonds (the "Dissemination Agent"), and on behalf of the Public College, to file with the Authority and the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Marketplace

Access ("EMMA") system, in a timely manner, copies of the notices described in paragraphs (b) and (c) above, in the manner provided in the Continuing Disclosure Agreement, dated as of November 1, 2010, between the Public College and the Dissemination Agent (or as otherwise required in order to satisfy the requirements of Rule 15c2-12 of the U.S. Securities and Exchange Commission). The Dissemination Agent shall not have any liability to any party in connection with any failure to timely file such notices of defeasance and optional redemption with the MSRB via its EMMA system and the sole remedy available shall be an action by the holders of the Series 2010 H Bonds in mandamus for specific performance or similar remedy to compel performance.

**SECTION 7.** On the Redemption Date, after payment of the redemption price of and interest on the Refunded Bonds, all remaining moneys and securities in the Escrow Fund shall be transferred by the Escrow Agent to [the Public College].

**SECTION 8.** The Escrow Fund created hereby shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on and security interest in all amounts deposited in the Escrow Fund, including all amounts representing principal of and interest on the Defeasance Securities on deposit in the Escrow Fund until used and applied in accordance herewith.

**SECTION 9.** (a) Unless otherwise provided by contract, the Escrow Agent shall be compensated for its reasonable fees, expenses and disbursements, including reasonable legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Public College for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim against or lien on the moneys or securities on deposit in the Escrow Fund for any such payment. The compensation of the Escrow Agent provided in this Section 9(a) shall survive termination of this Agreement pursuant to Section 10 hereof.

(b) The recitals of fact in this Agreement shall be taken as the statements of the Authority and the Public College, and the Escrow Agent does not assume any responsibility for the correctness of the same. The Escrow Agent shall not be under any obligation or duty to perform any act which would involve it in any expense or liability or to institute or defend any suit in respect of this Agreement or to advance any of its own moneys unless properly indemnified to its satisfaction. The Escrow Agent shall not be liable in connection with the performance of its respective duties hereunder except for its own negligence or willful misconduct.

(c) The Escrow Agent shall be entitled to rely and act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine, and to have been signed and presented by the proper party or parties, and may consult with counsel, who may or may not be counsel to the Public College or the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Agreement, such matter

(unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Officer of the Authority and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Agreement, but in its discretion the Escrow Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Authority to the Escrow Agent shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer thereof. The Escrow Agent may perform any duties hereunder either directly or, to the extent that it may reasonably determine is necessary or appropriate to the conduct of its duties hereunder, by or through agents or attorneys, and the Escrow Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it with due care hereunder, taking into account the duties with respect to which such agent or attorney is appointed. The foregoing sentence shall not be interpreted as absolving the Escrow Agent of responsibility with respect to duties customarily performed by escrow agents in the ordinary course of business without the employment of agents or attorneys.

(d) The Escrow Agent may resign at any time and be discharged of its duties hereunder, provided that: (i) it has given not less than sixty (60) days written notice to the Authority and the Public College of such resignation; (ii) it has given notice of resignation to the Holders of the Refunded Bonds in the manner prescribed in the 2010 Indenture; (iii) the Authority has appointed a successor to the Escrow Agent hereunder; (iv) the Escrow Agent has received an instrument of acceptance executed by the successor to the Escrow Agent hereunder; and (v) the Escrow Agent has delivered to its successor hereunder all of the escrowed documents, the Defeasance Securities and moneys held by the Escrow Agent in the Escrow Fund. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (v) of this subsection (d) and only if the Escrow Agent has complied with and is not in default of any of its obligations hereunder, unless the Authority and the Public College consent to such resignation. Upon receipt by the Authority of the written notice described in clause (i) above, the Authority shall use its best efforts to obtain a successor to the Escrow Agent hereunder as soon as possible. If no appointment of a successor is made within sixty (60) days after the giving by the Escrow Agent of written notice of resignation in accordance with this Section 9(d), the Escrow Agent may apply to any State court of competent jurisdiction for the appointment of such a successor, and the State court may thereupon, after such notice, if any, as the State court may deem proper, appoint a successor.

(e) The Escrow Agent may be removed at any time by the Authority by an instrument in writing signed and acknowledged by the Authority. A copy of such instrument shall be delivered by the Authority to the Escrow Agent and the Public College at least thirty (30) days prior to the effective date of the removal of such Escrow Agent. Upon such effective date, the Escrow Agent shall deliver to the Escrow Agent's successor (at the written direction of the Authority) all documents, instruments and moneys listed in clause (v) of subsection (d) of Section 9 above.

(f) Upon any removal or resignation of the Escrow Agent, the successor Escrow Agent shall provide written notice of such resignation or removal, and of the appointment of a successor Escrow Agent, in the same manner as is prescribed in the 2010 Indenture for the removal, resignation and appointment of a successor Trustee thereunder. Any bank that merges with or merges into the Escrow Agent or any corporation or association succeeding to the corporate trust business of the Escrow Agent shall be deemed the successor Escrow Agent without any further action hereunder.

**SECTION 10.** (a) The Public College agrees to pay the fees and expenses of the Authority, the Escrow Agent and the Verification Agent in connection with the performance of their respective obligations under and during the term of this Agreement, and in connection with the defeasance and redemption of the Refunded Bonds, together with the fees and expenses of McManimon, Scotland & Baumann, LLC, bond counsel to the Authority in connection therewith. The obligation of the Public College to pay or cause to be paid the amounts payable under this Agreement shall be absolute and unconditional.

(b) To the extent permitted by law, the Public College shall indemnify and hold harmless the Authority and the Escrow Agent and their respective officers, directors, agents and employees for and against any loss, liability or expense incurred, without negligence or willful misconduct on the Escrow Agent's part, arising out of or in connection with their respective performance under this Agreement or in connection with the refunding of the Refunded Bonds or the issuance of the NJIT Bonds, including, without limitation, the reasonable costs and expenses (including the reasonable fees and expenses of its counsel) of defending their directors, officers, agents and employees against any such claim or liability in connection with their exercise or performance of any of their duties hereunder and of enforcing this indemnification provision. The indemnification of the Escrow Agent provided for in this Section 10 shall survive termination of this Agreement. The Authority and the Public College hereby agree that the Escrow Agent shall have all of the rights and protections under this Agreement as are provided to it as the 2010 Trustee under the 2010 Indenture.

**SECTION 11.** Except as provided in Sections 9(a) and 10(b) hereof, this Agreement shall terminate when the principal or redemption price of and interest on all of the Refunded Bonds have been fully paid; provided that moneys held by the Escrow Agent in the Escrow Fund for the payment and discharge of any of the Refunded Bonds which remain unclaimed shall be held in compliance with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* and in accordance with the Escrow Agent's escheat policies and procedures, which must not be in conflict with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.*

**SECTION 12.** This Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without the written consent of the holders of one hundred percent (100%) in principal amount of the unpaid Refunded Bonds at the time such election is made; provided, however, that the Authority, the Public College and the Escrow Agent may, without the consent of or notice to the holders of the unpaid Refunded Bonds, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement; or
- (b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.

The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of a recognized bond counsel with respect to the matters provided for in this Section 12, including the extent, if any, to which any change, modification, addition or elimination affects the rights of holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions or provisions of this Section 12. Notwithstanding anything in this paragraph to the contrary, no change shall be made to any provision of this Agreement regarding the investment or other use of the proceeds of the NJIT Bonds without an unqualified opinion of a recognized bond counsel to the effect that such change and the investment or other use of the proceeds of the NJIT Bonds in accordance with such change will not (i) adversely affect the exclusion of interest on the NJIT Bonds from gross income provided under Section 103 of the Code or (ii) cause any of the Refunded Bonds to be deemed “outstanding” within the meaning of the 2010 Indenture.

**SECTION 13.** In accordance with P.L. 2005, c. 92, the Escrow Agent covenants and agrees that all services performed under this Agreement by the Escrow Agent shall be performed within the United States of America. The Escrow Agent represents that it has complied with the requirements of N.J.S.A. 52:32-58 and has filed a certification with the Authority that it is not identified on the list of persons engaging in investment activities in Iran.

**SECTION 14.** The Escrow Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the Escrow Agent enters into agreements or contracts such as this Agreement, with a public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from public entities, such as the Authority, in a calendar year. It is the Escrow Agent’s responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

**SECTION 15.** The Escrow Agent represents and warrants that all information, certifications and disclosure statements previously provided in connection with P.L. 2005, c. 51, which codified Executive Order No. 134 (McGreevey 2004), as amended by Executive Order No. 117 (Corzine 2008), are true and correct as of the date hereof and all such statements have been made with full knowledge that the Authority will rely upon the truth of the statements contained herein in engaging the Escrow Agent, as escrow agent in connection with the Refunded Bonds. The Escrow Agent agrees that it shall maintain continued compliance with P.L. 2005, c. 51 and regulations promulgated thereunder during the term of this Agreement. The Escrow Agent acknowledges that upon its failure to make required filings thereunder or the making of a contribution prohibited thereunder, the Escrow Agent may be removed as Escrow Agent under this Agreement and any remedies available may be exercised against the Escrow Agent at law or in equity.

**SECTION 16.** This Agreement shall be governed by the laws of the State of New Jersey.

**SECTION 17.** The Escrow Agent agrees to accept and act upon instructions or directions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means (as defined below), provided, however, that the Authority and/or the Public College shall provide to the 2010 Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority and/or the Public College, as applicable, whenever a person is to be added or deleted from the listing. If the Authority and/or the Public College, as applicable, elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The Authority and the Public College understand and agree that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Authority and the Public College shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Authority, the Public College and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority and/or the Public College, as applicable. “Electronic Means” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

**SECTION 18.** This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**{THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK}**

**IN WITNESS WHEREOF**, the parties hereto have each caused this Agreement to be executed by their duly authorized officers as of the date first above written.

**NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY**

By: \_\_\_\_\_  
Eric D. Brophy, Esq.  
Executive Director

**NEW JERSEY INSTITUTE OF  
TECHNOLOGY**

By: \_\_\_\_\_

**THE BANK OF NEW YORK MELLON,**  
as Escrow Agent

By: \_\_\_\_\_

*{Signature page to Escrow Deposit Agreement}*

**EXHIBIT "A"**

**Summary of Refunded Bonds  
Redemption Date: July 1, 2020\***

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2020	\$2,930,000	5.000%	646065K76
2021	\$320,000	3.500%	646065K84
2021	\$2,755,000	5.000%	646065L67
2022	\$3,225,000	3.625%	646065K92
2023	\$3,340,000	3.750%	646065L75
2024	\$3,470,000	3.750%	646065L26
2025	\$3,595,000	4.000%	646065L34
2031	\$21,205,000	5.000%	646065L42

\*The Series 2010 H Bonds maturing on July 1, 2020 will be paid on their maturity date.

**EXHIBIT "B"**

**Description of Securities for Deposit in the Escrow Fund**

**EXHIBIT "C"**

**Escrow Requirements**

**EXHIBIT "D"**  
**Verification Report**

**EXHIBIT "E"**

**NOTICE OF DEFEASANCE**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Bonds, New Jersey Institute of Technology Issue, Series 2010 H  
(Tax-Exempt), dated November 12, 2010  
(the "Refunded Bonds")**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of the Trust Indenture, dated as of November 1, 2010 (the "2010 Indenture"), between the New Jersey Educational Facilities Authority (the "Authority") and The Bank of New York Mellon, as trustee, there has been deposited with The Bank of New York Mellon, as Escrow Agent, moneys and/or direct obligations of the United States of America which are not subject to redemption prior to maturity, the principal of and interest on which, when due, will provide moneys which (together with the moneys, if any, deposited with the Escrow Agent at the same time) shall be sufficient to pay when due the interest on and redemption price of the bonds referenced below (the "Refunded Bonds") to become due through and including the Redemption Date listed below, and that the Authority has given the Escrow Agent irrevocable instructions to call the Refunded Bonds for optional redemption on **July 1, 2020** (the "Redemption Date"), at a redemption price of 100% of the principal amount thereof, plus interest accrued to the Redemption Date:

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2021	\$320,000	3.500%	646065K84
2021	\$2,755,000	5.000%	646065L67
2022	\$3,225,000	3.625%	646065K92
2023	\$3,340,000	3.750%	646065L75
2024	\$3,470,000	3.750%	646065L26
2025	\$3,595,000	4.000%	646065L34
2031	\$21,205,000	5.000%	646065L42

On the Redemption Date, moneys will be available for the payment of the principal of and interest on said Refunded Bonds. Accordingly, said Refunded Bonds are deemed to have been paid in accordance with the 2010 Indenture.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Refunded Bonds or as contained in this Notice of Refunding. Reliance may only be placed on the identification numbers printed herein or on the Refunded Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**By: The Bank of New York Mellon, as Escrow Agent**

**EXHIBIT "F"**

**NOTICE OF OPTIONAL REDEMPTION**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Bonds, New Jersey Institute of Technology Issue, Series 2010 H  
(Tax-Exempt), dated November 12, 2010**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of the Trust Indenture, dated as of November 1, 2010 (the "2010 Indenture"), between the New Jersey Educational Facilities Authority (the "Authority") and The Bank of New York Mellon, as trustee, there has been deposited with The Bank of New York Mellon, as Escrow Agent, moneys and/or direct obligations of the United States of America which are not subject to redemption prior to maturity, the principal of and interest on which, when due, will provide moneys which (together with the moneys, if any, deposited with the Escrow Agent at the same time) shall be sufficient to pay when due the interest on and redemption price of the bonds referenced below (the "Refunded Bonds") to become due through and including the Redemption Date listed below, and that the Authority has given the Escrow Agent irrevocable instructions to call the Refunded Bonds for optional redemption on **July 1, 2020** (the "Redemption Date"), at a redemption price of 100% of the principal amount thereof, plus interest accrued to the Redemption Date:

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2021	\$320,000	3.500%	646065K84
2021	\$2,755,000	5.000%	646065L67
2022	\$3,225,000	3.625%	646065K92
2023	\$3,340,000	3.750%	646065L75
2024	\$3,470,000	3.750%	646065L26
2025	\$3,595,000	4.000%	646065L34
2031	\$21,205,000	5.000%	646065L42

On the Redemption Date, moneys will be available for the payment of the redemption price on said Refunded Bonds. Accordingly, said Refunded Bonds are deemed to have been paid in accordance with the 2010 Indenture. You are hereby notified that the Refunded Bonds should be presented for payment at the corporate trust office of the Escrow Agent, The Bank of New York Mellon, as follows:

First Class/Registered Certified

The Bank of New York Mellon  
Global Corporate Trust  
P.O. Box 396  
East Syracuse, New York 13057

Express Delivery Only

The Bank of New York Mellon  
Global Corporate Trust  
111 Sanders Creek Parkway  
East Syracuse, New York 13057

By Hand Only

The Bank of New York Mellon  
Global Corporate Trust  
Corporate Trust Window  
101 Barclay Street – 1<sup>st</sup> Floor East  
New York, New York 10286

on or immediately prior to the Redemption Date. On the Redemption Date, the Refunded Bonds will become due and payable at the redemption price stated above, plus interest accrued to the Redemption Date, and interest on the Refunded Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Refunded Bonds or as contained in this Notice of Redemption. Reliance may only be placed on the identification numbers printed herein or on the Refunded Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**By: The Bank of New York Mellon, as Escrow Agent**

**IMPORTANT NOTICE**

Under provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), the Paying Agent may be obligated to withhold 28% from payments of the redemption price of and interest on the Refunded Bonds to individuals who have failed to furnish the Paying Agent with a valid Taxpayer Identification Number. Holders of the Refunded Bonds who wish to avoid the application of these provisions should submit certified Taxpayer Identification Numbers on form W-9 when presenting their Redeemed Bonds.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING THE RELEASE AND CONVEYANCE OF CERTAIN REAL  
PROPERTY RELATED TO A FINANCED PROJECT ON BEHALF OF ROWAN  
UNIVERSITY**

**Adopted: March 24, 2020**

**WHEREAS**, the New Jersey Educational Facilities Authority (the "Authority"), was created as a public body corporate and politic of the State of New Jersey pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), *N.J.S.A. 18A:72A-1 et seq.* (the "Act"); and

**WHEREAS**, as authorized by the Act and pursuant to the terms of a resolution adopted by the Authority on October 6, 1982, the Authority has assisted Glassboro State College, now known as Rowan University (the "University"), in the financing and refinancing of a student housing project (the "Financed Project") through the issuance of the Authority's Revenue Bonds: (i) Glassboro State College Issue, Series 1983 C and Series 1983 D (collectively, the "1983 Bonds"); (ii) Glassboro State College Issue, Series 1986 C (the "1986 C Bonds"); (iii) Rowan College of New Jersey Issue, Series 1993 C (the "1993 C Bonds"); and (iv) Rowan University Issue, Series 2003 J (the "2003 J Bonds" and together with the 1983 Bonds, the 1986 C Bonds, and the 1993 C Bonds, the "Authority Bonds"); and

**WHEREAS**, the 2003 J Bonds refunded the 1993 C Bonds, and the 1993 C Bonds refunded the 1986 C Bonds, and the 1986 C Bonds refunded the 1983 Bonds; and

**WHEREAS**, the 2003 J Bonds were redeemed on July 1, 2008 and none of the Authority Bonds remain outstanding; and

**WHEREAS**, as part of the transactions for the issuance of the Authority Bonds, the Authority became the owner of record of certain parcels of real property on which the Financed Project is located, specifically, Block 1, Lots 19, 20, 20A, 21, and 22, in the Borough of Glassboro, in the County of Gloucester, in the State of New Jersey (the "Project Site"); and

**WHEREAS**, the Financed Project and the Project Site were leased to the University pursuant to the provisions of the Lease and Agreement by and among the Authority, the then New Jersey Board of Higher Education (the "Board") and the Board of Trustees of Glassboro State College, dated as of June 1, 1983 (the "1983 Agreement"), as amended as of November 1, 1986, and as of May 1, 1993, and pursuant to the provisions of the Lease and Agreement by and among the Authority and the Board of Trustees of Rowan University, dated as of November 1, 2003, (the "2003 Agreement") which terminated upon payment in full of the 2003 J Bonds on July 1, 2008; and

**WHEREAS**, Section 15.02 of the 1983 Agreement, as amended May 1, 1993, provides that when the term of the 1983 Agreement, as amended, has expired and the trustee has certified to the Authority that all of the obligations in connection with the 1983 Bonds have been satisfied, the Authority may transfer all of its rights, title and interest in and to the Financed Project to the Board and the University by deed or deeds in form satisfactory to the Authority; and

**WHEREAS**, Section 9.02 of the 2003 Agreement provides that when the term of the 2003 Agreement has expired and the Authority has certified that all of the obligations of the 2003 J Bonds have been satisfied and the Trustee for the 2003 J Bonds has certified to the Authority that all of the obligations of the 2003 J Bonds have been satisfied, the Authority may transfer all of its rights, title and interest in and to the Financed Project to the appropriate State entity by deed or deeds in form satisfactory to the Authority; and

**WHEREAS**, the University is developing a student housing project that will encroach upon certain parcels of the Project Site and has requested that the Authority release the Financed Project and convey the Project Site to the University; and

**WHEREAS**, the Authority, based on the transaction information for the Financed Project and information provided by the University, has determined that the University is the appropriate State entity to which the Financed Project and the Project Site may be conveyed to in accordance with the provisions of the 1983 Agreement, as amended, and the 2003 Agreement; and

**WHEREAS**, the members of the Authority have determined that it is necessary, appropriate and advisable to release the Financed Project and the Project Site from the 1983 Agreement, as amended, and the 2003 Agreement and to convey the Financed Project and related Project Site to the University.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:**

**Section 1. Incorporation of recitals.** The above recitals are incorporated into and are made a part of this Resolution.

**Section 2. Authorization and Approval of Release and Conveyance of Financed Project and Related Project Site.** The Authority, in accordance with the provisions of the 1983 Agreement, as amended, and the 2003 Agreement (collectively, the "Agreements"), and in reliance on the information in the transaction documents and provided by the University, and subject to the satisfactions of the requirements set forth in Section 9.02 of the 2003 Agreement, hereby (i) authorizes the release and conveyance of the Financed Project and the related Project Site to the University; (ii) approves and authorizes the execution and delivery of a deed or deeds to the University in a form satisfactory to the Attorney General's Office and the recording thereof by the University; and (iii) authorizes the execution and delivery of any deed or deeds and any and all other agreements, documents, certificates, discharges, including any discharges of abstracts of lease, and notices (the "Conveyance Documents") that are necessary to effect the release and conveyance of the Financed Project and the related Project Site to the University and to evidence the termination of the Agreements.

**Section 3. Authorization of Action by Authorized Officers.** The Authority hereby authorizes and directs the Chair, Vice Chair, Secretary, any Assistant Secretary, Executive Director, Deputy Executive Director or Director of Compliance Management of the Authority and any such officers designated as “acting” or “interim” (each an “Authorized Officer”) to execute and deliver the deed or deeds to the related Project Site for the Financed Project to the University in the form approved by the Authorized Officer executing the same and to take any and all such other actions as may be necessary or appropriate to effect the release and conveyance of the Financed Project and related Project Site to the University and the termination of the Agreements, including without limitation the Conveyance Documents and determining that the requirements of Section 9.02 of the 2003 Agreement have been satisfied, in consultation with the Attorney General’s Office. The Secretary and any Assistant Secretary are authorized to execute, attest and affix the official common seal of the Authority, as applicable, to the deed or deeds and any and all other necessary Conveyance Documents. Approval of the form of all documents executed pursuant to this Resolution shall be conclusively evidenced by the execution thereof.

**Section 4. Effective Date.** This Resolution shall take effect in accordance with the provisions of the Act.

\_\_\_ Mr. Rodriguez \_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_ Secretary Smith Ellis \_\_\_ and upon roll call the following members voted:

**AYE:** Joshua Hodes  
Ridgeley Hutchinson  
Louis Rodriguez  
Elizabeth Maher Muoio (represented by Ryan Feeney)  
Zakiya Smith Ellis

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES  
AUTHORITY AUTHORIZING AMENDMENTS TO THE EMPLOYEE POLICY  
MANUAL**

**Adopted: March 24, 2020**

**WHEREAS:** The New Jersey Educational Facilities Authority (the “Authority”) was created pursuant to the New Jersey Educational Facilities Authority Law, P.L. 1967, c. 271, N.J.S.A. 18A:72A-1 et seq., as amended and supplemented (the “Act”) and authorized to issue its obligations to provide a means for New Jersey public and private colleges and universities to obtain financing to construct educational facilities as defined in the Act; and

**WHEREAS:** The Authority’s Employee Policy Manual (the “Manual”) was adopted on January 24, 2001, and certain sections of the Manual were amended and revised from time to time; and

**WHEREAS:** On February 19, 2019, the Governor of the State of New Jersey signed into law an act amending existing laws concerning family leave, family temporary disability leave, and domestic violence safety leave, under the New Jersey Family Leave Act, the New Jersey Family Leave Benefits Law, and the New Jersey Security and Financial Empowerment Act, (the “Amended Family Leave Laws”) with certain amendments effective June 30, 2019 and certain amendments effective July 1, 2020; and

**WHEREAS:** The Authority has determined that it is necessary to revise Section 600 of the Manual regarding the Authority’s policy on medical leave, Section 605 regarding the Authority’s policy on family leave, and the Authority’s Self-Insured Family Leave Private Plan, included in the appendix of the Manual as Exhibit F, to conform to and comply with the requirements of the Amended Family Leave Laws.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:**

**SECTION 1.** Sections 600 and 605, and Exhibit F, of the Authority’s Employee Policy Manual pertaining to medical leave, family leave, and the Authority’s Self-Insured Family Leave Private Plan, are hereby revised as set forth in **EXHIBIT 1**, attached hereto and made a part hereof.

**SECTION 2.** The Executive Director, the Deputy Executive Director, and the director in charge of Human Resources, including any serving in an interim or acting capacity, are hereby authorized and directed to take all necessary and

appropriate steps to implement these amendments and to reflect such amendments in the Manual.

**SECTION 3.** This Resolution shall take effect in accordance with the Act.

\_\_\_\_\_ Mr. Hutchinson \_\_\_\_\_ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by \_\_\_ Mr. Feeney \_\_\_ and upon roll call the following members voted:

**AYE:** Joshua Hodes  
Ridgeley Hutchinson  
Louis Rodriguez  
Elizabeth Maher Muoio (represented by Ryan Feeney)  
Zakiya Smith Ellis

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

The Chair thereupon declared said motion carried and said resolution adopted.

## **600 Medical Leave Under FMLA for Employee's Own Serious Medical Condition**

Effective Date: 1/29/2001

Revision Date: 5/23/2007; 3/24/2020

### **I. GENERAL**

Pursuant to the Federal Family and Medical Leave Act (FMLA), NJEFA provides medical leaves of absence without pay to eligible employees who are temporarily unable to work due to a serious health condition or disability. For purposes of this policy, serious health conditions or disabilities include inpatient care in a hospital, hospice, or residential medical care facility; continuing treatment by a health care provider; and temporary disabilities associated with pregnancy, childbirth, and related medical conditions, consistent with applicable law.

To be eligible for FMLA leave, NJEFA employees must have worked at least 1250 hours in the 12-month period preceding the commencement of FMLA leave.

### **II. PROCEDURES FOR REQUESTING MEDICAL LEAVE**

**Eligible employees should request medical leave in writing, directed to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.**

Any period of medical leave must be supported by a certification issued by a licensed health care provider, verifying the need for medical leave and its beginning and expected ending dates. Any changes in this information must be promptly reported to NJEFA. If the medical leave exceeds seven (7) days, the returning NJEFA employee must submit a health care provider's certification of their fitness to return to work.

NJEFA may require an employee to be examined by a physician designated and compensated by NJEFA as a condition of the employee's continuation of sick leave or return to work. Such examination shall establish whether the employee is capable of performing his or her work duties and whether the employee's return to work would jeopardize the health of the employee or that of other NJEFA employees. The NJEFA shall set the date of the examination to assure that it does not cause undue delay in the employee's return to work.

### **III. PERIOD OF LEAVE; OPTION TO USE ACCRUED PAID LEAVE**

An eligible employee may take up to 12 weeks of medical leave within any 12-month period. If the employee's need for medical leave continues beyond the initial period of approved leave, NJEFA will consider requests for an extension of leave. NJEFA cannot extend the 12-week

entitlement. Under some circumstances, an employee may have additional rights to extend medical leave under the Americans with Disabilities Act (ADA).

Although medical leave generally involves unpaid leave time, employees may elect to use any accrued paid leave time (Vacation, Administrative, or Sick Leave) before taking unpaid medical leave. An employee who chooses to use accrued paid leave must meet requirements for the type of leave requested set forth in this Manual.

In the event that an NJEFA employee sustains a work-related injury, the employee may be eligible for medical leave of absence for the period of disability in accordance with all applicable laws covering occupational disabilities.

#### **IV. TREATMENT OF HEALTH INSURANCE AND OTHER BENEFITS DURING MEDICAL LEAVE**

Medical leave may affect other employee benefits such as the employee's pension service credit, group life insurance, and health benefits coverage under the New Jersey State-administered retirement programs. The extent to which such benefits are affected is subject to the terms, conditions, and limitations of the applicable benefit plan. In addition, unless the employee is using paid leave, benefit accruals, such as pension plan participation, vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on medical leave is requested to provide NJEFA with at least two weeks advance notice of the date the employee intends to return to work. When a medical leave ends, the employee will be restored to the position held by the employee when the leave began or to an equivalent position of like seniority, status, employment benefits, pay and other conditions of employment.

Failure to return from medical leave when scheduled may result in the employee's being deemed to have resigned from the employee's position. Additional information regarding medical leave and its impact on other employee benefits may be obtained from the Director in charge of Human Resources.

## **605 Family Leave Under FMLA and NJFLA**

Effective Date: 1/29/2001

Revision Date: 5/23/2007; 9/15/2009; 3/24/2020

### **I. GENERAL**

Pursuant to the Federal Family and Medical Leave Act (FMLA) and the New Jersey Family Leave Act (NJFLA), NJEFA employees are entitled to time off from work for certain qualifying family circumstances.

### **II. FEDERAL FAMILY AND MEDICAL LEAVE ACT (FMLA)**

The FMLA entitles eligible NJEFA employees to take unpaid, job-protected leave for up to 12 weeks within a 12-month period for the following reasons:

- The birth of a child and to care for the newborn child within one year of birth;
- The placement of a child with the employee in connection with the adoption or foster care and to care for the newly placed child within one year of placement;
- To care for the employee's spouse, child, or parent who has a serious health condition;
- A serious health condition that makes the employee unable to perform the essential functions of his or her job (Please refer to Policy #600 for medical leave related to an employee's own serious medical condition);
- Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" or
- To care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, child, parent, or next of kin ("Military Caregiver Leave") (this reason provides up to 26 weeks of leave in a 12-month period).

#### **A. DEFINITIONS**

In place of the term "child," the FMLA uses the term "son or daughter" which is defined as a biological, adopted, or foster child, stepchild, legal ward, or child of a person standing in loco parentis, who is under 18 years of age or 18 years of age or older but incapable of self-care because of a mental or physical disability.

"Parent" is defined as a person who is the biological parent of the employee or an individual who stood in loco parentis to an employee when the employee was a son or daughter.

"Spouse" means a husband or wife, as the case may be.

A "serious health condition" means an illness, injury, impairment, or physical or mental condition

that involves inpatient care in a hospital, hospice, or residential medical care facility, or continuing medical treatment by a health care provider.

To be eligible for FMLA leave, NJEFA employees must have worked at least 1250 hours in the 12-month period preceding the commencement of FMLA leave.

## **B. PROCEDURES FOR REQUESTING FAMILY LEAVE UNDER FMLA**

Family leave may be taken consecutively, intermittently, or on a reduced work schedule. Up to 12 consecutive weeks of leave, may be taken for any FMLA qualifying reason. Intermittent leave or reduced schedule leave may be taken only where medically necessary for a serious health condition of the employee or a sick family member. Leave taken upon the birth or adoption of a healthy child may be on a reduced leave schedule only with the agreement of NJEFA.

Eligible employees must give NJEFA advance notice of any request for leave. Where the leave is taken in order to care for the employee's newly born child or child placed for adoption with the employee, the employee must provide NJEFA with prior written notice at least thirty (30) days before the commencement of the leave, except where emergency circumstances warrant shorter notice. An employee who takes a leave in connection with the serious health condition of a family member must provide the NJEFA with prior written notice at least 15 days prior to the commencement of the leave, except where emergency circumstances warrant shorter notice. Where written notice is impracticable, oral notice may be given, followed by written notice. Leave taken due to a serious health condition of the employee's spouse, child, or parent or the employee's own serious health condition, where such leave is foreseeable based on planned medical treatment, the employee shall make a reasonable effort to schedule the treatment so as to not disrupt unduly the operations of the NJEFA, subject to the approval of the health care provider of the employee or the health care provider of the child, spouse, parent of the employee, as appropriate.

Employees requesting family leave will be required to sign a form of certification attesting that they are taking family leave for the birth or adoption of a child or to care for a family member because of that family member's serious health condition, whichever is applicable.

In addition to the certification described in the preceding paragraph, employees requesting family leave under this Policy will be required to submit a certification issued by a duly licensed health care provider or one who is otherwise qualified under the FMLA. If the certification is for a serious health condition of a family member of the employee, the certification will be sufficient if it states: (a) the date on which the serious health condition commenced; (b) the probable duration of the condition, and (c) the medical facts associated with the condition. If the certification is for the birth or adoption of a child, a birth certificate or certification of adoption will be sufficient. NJEFA has the right to request a second opinion of a health care provider, at NJEFA's expense, if it has reason to doubt the validity of the certification provided by the employee. If this second opinion differs from the opinion in the original certification provided by the employee, the NJEFA may, at its own expense, require the employee to obtain an opinion of a third health care provider designated or approved jointly by NJEFA and the employee. The opinion of the third health care provider shall be binding on the employer and employee.

Eligible employees may request up to a maximum of 12 weeks of family leave within any 12-month period. If this initial period of absence proves insufficient, consideration will be given to a written request for an extension.

### **C. TREATMENT OF HEALTH INSURANCE AND OTHER BENEFITS DURING MEDICAL LEAVE**

Family leave may affect other employee benefits such as the employee's pension service credit, group life insurance, and health benefits coverage under the New Jersey State-administered retirement programs. The extent to which such benefits are affected is subject to the terms, conditions, and limitations of the applicable benefit plan.

Although family leave under FMLA generally provides for unpaid leave, employees may elect to use accrued paid leave time (Vacation, Administrative, or Sick Leave). An employee who chooses to use accrued paid leave time must meet the requirements for the type of leave requested as set forth in this Manual. Unless the employee is using accrued paid leave time, benefit accruals, such as vacation, sick leave or holiday benefits, will be suspended during leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on family leave is requested to provide NJEFA with at least two weeks' advance notice of the date the employee intends to return to work. When a family leave expires, the employee will be restored to the position held by the employee when the leave began or to an equivalent position of like seniority, status, employment benefits, pay and other conditions of employment.

Failure to return from family leave when scheduled may result in the employee's being deemed to have resigned from the employee's position.

### **III. NEW JERSEY FAMILY LEAVE ACT (NJFLA)**

The NJFLA also entitles eligible NJEFA employees time off from work for certain qualifying family circumstances.

To be eligible for leave under NJFLA, NJEFA employees must have been employed by NJEFA for at least 12 months and must have worked at least 1000 hours (excluding overtime) in the 12-month period immediately preceding the commencement of leave under NJFLA. If approved, an eligible employee shall be entitled to family leave under the NJFLA for up to 12 weeks in any 24-month period upon advance notice to the Authority.

Family leave under the NJFLA may be paid, unpaid, or a combination of paid and unpaid leave. If the Authority provides paid family leave for fewer than 12 workweeks, the additional weeks of leave added to attain the 12-workweek total required by NJFLA may be unpaid.

Under the NJFLA, eligible employees are entitled to take leave for any of the following qualifying reasons:

1) participate in the providing of care, as defined in the “Family Leave Act,” P.L. 1989, c.261 (C.34:11B-1 et seq.) and regulations adopted pursuant to that act, for a family member of the individual made necessary by a serious health condition of the family member; or

2) be with a child during the first 12 months after the child’s birth, if the individual, or the domestic partner or civil union partner of the individual, is a biological parent of the child, or is a parent of the child pursuant to a valid gestational carrier agreement, or the first 12 months after the placement of the child for adoption or as a foster child with the individual; or

3) engage in activities for which **unpaid** leave may be taken pursuant to section 3 of the “New Jersey Security and Financial Empowerment Act,” P.L. 2013, c.82 (C.34:11C-3) (“NJ SAFE Act”), to assist a family member who has been a victim of an incident of domestic violence, or a sexually violent offense. See **EXHIBIT I** in the Appendix for a copy of the NJ SAFE Act.

#### **A. DEFINITIONS**

A “child” means a biological, adopted, foster child, or resource family child, stepchild, legal ward, or child of a parent, including a child who becomes the child of a parent pursuant to a valid written agreement between the parent and a gestational carrier.

A “family member” means a child, parent, parent-in-law, sibling, grandparent, grandchild, spouse, domestic partner, or one partner in a civil union couple, or any other individual related by blood to the employee, and any other individual that the employee shows to have a close association with the employee which is the equivalent of a family relationship.

A “serious health condition” means an illness, injury, impairment, or physical or mental condition which requires: (1) inpatient care in a hospital, hospice, or residential medical care facility; or (2) continuing medical treatment or continuing supervision by a health care provider.

“Health care provider” means a health care provider as defined in the Family Leave Act,” P.L. 1989, c.261 (C.34:11B-1 et seq.), and any regulations adopted pursuant to that act.

#### **B. INTERMITTENT OR REDUCED LEAVE SCHEDULE**

Eligible employees may take family leave consecutively, intermittently, or on a reduced work schedule. Consecutive leave may be taken for any NJFLA qualifying reason.

In the case of a family member who has a serious health condition, the family leave may be taken intermittently when medically necessary, in the manner specified by the provisions of section 11 of P.L. 2008, c. 17 (C.43:21-39.2).

In the case of the foster care placement, birth or adoption of a healthy child, the family leave may be taken intermittently in the manner specified by the provisions of paragraph (2) of subsection a. of section 12 of P.L. 2008, c.17 (C.43:21-39.3). Family leave taken because of the birth or placement for adoption of a child may commence at any time within a year after the date of the foster care placement, birth or placement for adoption.

An employee shall be entitled, at the option of the employee, to take this leave on a reduced leave schedule, except that the employee shall not be entitled to a reduced leave schedule for a period exceeding 12 months and shall be entitled to only one leave on a reduced leave schedule during any consecutive 24 month period. Any remaining family leave to which the employee is entitled subsequent to the expiration of a leave taken on a reduced leave schedule may be taken on a consecutive or intermittent basis. An employee seeking a reduced leave schedule shall make a reasonable effort to schedule reduced leave so as not to disrupt unduly the operations of the NJEFA.

“Reduced leave schedule” means leave scheduled for fewer than an employee’s usual number of hours worked per workweek but not for fewer than an employee’s usual number of hours worked per workday, unless agreed to by the employee and the employer.

### **C. ANTI-RETALIATION PROVISION**

An employee shall not be retaliated against with respect to the compensation, terms, conditions or privileges of employment on the basis that the employee requested or took any family leave, including retaliation by refusing to restore the employee following a period of leave.

### **D. NEW JERSEY SECURITY AND FINANCIAL EMPOWERMENT ACT (“NJ SAFE ACT”)**

The NJ SAFE Act entitles up to 20 days of protected leave for an employee who was the victim of domestic violence or sexual assault as those terms are defined in N.J.S.A. 2C:25-19 and N.J.S.A. 30:4-27.6; or whose family member was the victim in one 12-month period following the incident of domestic violence or sexual assault. The NJ SAFE Act leave is unpaid, and can be taken intermittently in intervals no less than one day.

Each incident of domestic violence or a sexually violent offense is treated as a separate offense for which leave may be required.

In order to be eligible under the NJ SAFE Act, the NJEFA employee must be employed for at least 12 months and cannot have worked less than 1,000 hours in those preceding 12 months. The Authority may require that a period of leave pursuant to this section be supported by the eligible employee with documentation of the domestic violence or sexually violent offense which is the basis for the leave.

## **E. NJEFA'S SELF-INSURED FAMILY LEAVE PRIVATE PLAN**

For paid family leave under the NJFLA, the NJEFA has adopted the New Jersey Educational Facilities Authority Self-Insured Family Leave Private Plan (the "Private Plan"), attached as **EXHIBIT F**. The Private Plan supplements the Authority's Temporary Disability Insurance ("TDI") which provides paid leave for an eligible employee's own serious health problems.

NJEFA employees should consult the terms of the Private Plan (see **EXHIBIT F**) for information about the amount of paid family leave, when and how long paid family leave may be taken, conditions for receiving paid family leave, and requesting paid family leave. Any questions about the Private Plan should be addressed to the Director in charge of Human Resources.

## **F. PROCEDURES FOR REQUESTING FAMILY LEAVE UNDER NJFLA**

An NJEFA employee wishing to take family leave under NJFLA must submit an application form to the Director in charge of Human Resources.

NJEFA may require that any period of family leave under NJFLA be supported by certification issued by a duly licensed health care provider or any other health care provider determined by the Executive Director to be capable of providing adequate certification.

NJEFA employees seeking to take family leave for the "serious health condition" of a family member must complete a form for benefits, which includes a certification from a healthcare provider. This certification must include:

- 1) the date, if known, on which the "serious health condition" commenced;
- 2) the probable duration of the condition;
- 3) the medical facts within the knowledge of the provider of the certification regarding the condition.

Where the certification is for the birth or placement of a child, the certification need only state the date of birth or date of placement, whichever is appropriate.

In the case in which NJEFA has reason to doubt the validity of the certification provided for the serious health condition of a family member of the employee, NJEFA may require, at its own expense, that an employee obtain an opinion regarding the serious health condition from a second health care provider designated or approved, but not employed on a regular basis, by NJEFA. If the second opinion differs from the first certification, NJEFA may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by NJEFA and the employee concerning the serious health condition. The opinion of the third health care provider shall be considered to be final and shall be binding on NJEFA and the employee.

Leave requests may be denied if the employee is ineligible and for other reasons as provided under the NJFLA.

## **G. RELATION WITH OTHER LAWS**

Where an employee requests leave for a reason covered by both the NJFLA and another law, the leave simultaneously counts against the employee's entitlement under both laws. For example, the FMLA provides leave to care for a seriously ill spouse and the NJFLA also provides leave for that reason. Under this example, since the leave is taken for a purpose covered by both the FMLA and NJFLA, the leave simultaneously counts against the employee's entitlement under both laws.

Medical or disability leave granted under other laws, but not granted under the NJFLA, shall not abridge an employee's right to leave or other protections granted under the NJFLA. For example, the FMLA provides leave for an employee's own disability, but disability leaves are not covered by the NJFLA. Some situations which may arise under this example include, but are not limited to:

1. If an employee first takes FMLA leave because of his or her own disability, including a disability related to pregnancy or childbirth, the employee would be entitled to an additional 12 weeks of leave within 24 months under the NJFLA to care for a seriously ill family member or newly born or adopted child, because the prior disability leave was taken for a purpose not covered by NJFLA. Under this example, if an eligible employee is on medical leave while pregnant for four weeks and is on medical leave following childbirth for an addition six weeks, those 10 weeks that the employee is on medical leave count against the employee's FMLA entitlement only, and the employee retains the full 12-week entitlement under the Act for the care of the newly-born child; and
2. If an employee takes medical leave under FMLA because of his or her own disability, including a disability related to pregnancy or childbirth, and a family member becomes seriously ill or a child is born or adopted while he or she is still on FMLA disability leave, the intervening birth, adoption or serious family illness does not convert the FMLA leave to a leave under the NJFLA. For as long as the employee continues to be eligible for FMLA leave based on his or her own disability, the leave does not simultaneously count against the employee's entitlement under the NJFLA.

Additionally, an employee retains all rights under the State's Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq., when taking leave under the NJFLA, and an employee's receipt of disability benefits or other compensation does not limit or impair the employee's right to take leave to care for a covered family member under the NJFLA while receiving such benefits. For example, if an employee is receiving temporary disability benefits based on a post-partum medical condition, but has exhausted her FMLA leave, she is entitled to begin her twelve weeks of leave under the NJFLA to care for her newly born child, even though she is still disabled as defined by the Temporary Disability Benefits Law and is receiving compensation under that law.

# **EXHIBIT F**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**SELF-INSURED FAMILY LEAVE PRIVATE PLAN**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
SELF-INSURED FAMILY LEAVE PRIVATE PLAN**

Adopted pursuant to the New Jersey Family Leave Act P.L. 2008, c. 17  
and the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq.

**I. PURPOSE OF THE AUTHORITY'S SELF-INSURED FAMILY LEAVE PRIVATE PLAN**

The New Jersey Educational Facilities Authority (the "Authority") is providing this Self-Insured Family Leave Private Plan (the "Private Plan") Pursuant to the New Jersey Family Leave Act, P.L. 2008, c. 17 (the "Act") and the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq. The Private Plan is a wage-replacement program similar to the Authority's existing Temporary Disability Insurance and provides paid leave to an eligible employee who is caring for the employee's family members under certain circumstances. This Private Plan supplements the Authority's existing Temporary Disability Insurance, which provides paid leave for an eligible employee's own serious health conditions. Unless stated otherwise, terms used in this Private Plan shall have the meaning set forth in the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq.

**II. EFFECTIVE DATE**

Eligible employees will be able to take paid family leave benefits on and after July 1, 2009.

**III. ELIGIBLE EMPLOYEES**

All full- and part-time employees who are employed for at least 12 months by the Authority for not less than 1,000 base hours during the immediately preceding 12-month period, as defined in the NJFLA, as amended, are eligible for this Private Plan.

The amount of paid leave under the Private Plan is determined by a formula set forth in the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq. The information set forth in this summary of the Private Plan is based on the assumption that the employee works only for the NJEFA. If an employee works for the NJEFA, and another employer, wages earned from each employer will be determined as set forth in the Act.

#### **IV. PAID FAMILY LEAVE BENEFITS**

##### **Prior to July 1, 2020:**

- For any one period of family leave commencing before July 1, 2020, an eligible NJEFA employee generally will be paid two-thirds (2/3) of the employee's weekly wages, up to a permitted maximum of 53% of the Statewide average weekly remuneration paid to workers by employers, for up to 6 weeks during any 12-month period of leave, or if taking leave intermittently, up to 42 days during any 12-month period.

##### **Effective July 1, 2020**

- For any one period of family leave commencing after July 1, 2020, an eligible NJEFA employee generally will be paid 85% of the eligible employee's average weekly wage, subject to a maximum of 70% of the Statewide average weekly remuneration paid to workers by employers, for up to 12 weeks during any 12-month period of leave, or if taking leave intermittently, for up to 56 days for any 12-month period.

The benefits shall not be payable for more than 12 weeks with respect to any one period of family temporary disability leave commencing on or after July 1, 2020.

If an employee works for the Authority and another employer, the Act provides for calculation of wages paid by each employer in order to determine the amount of benefits available under the Private Plan. The determination of amounts payable and periods of payment and eligibility will be determined under the Private Plan in accordance with the Act.

An eligible employee may be required to use up to two (2) weeks of accrued sick leave before taking paid family leave, except that an eligible employee shall not be required to use his or her last week's worth of accumulated sick time before receiving such benefits.

No employee may receive paid family leave benefits and simultaneously receive long-term disability or unemployment compensation benefits.

Eligible employees will not be required to make any contribution to the Private Plan.

#### **V. USE OF PAID TIME OFF IN CONNECTION WITH PAID FAMILY LEAVE**

##### **A. Paid Family Leave in Connection with the Birth or Adoption of a Child or Placement of a Child into Foster Care**

Eligible employees may take-paid family leave at any time within one year of the birth, placement for adoption, or foster care placement of a child.

Leave may be taken consecutively or intermittently in connection with the foster care placement, birth or adoption of a healthy child in the manner as specified in the Act.

### **1. Consecutive Leave**

For paid leave taken on a consecutive basis, the eligible employees must provide 30 days' notice to the NJEFA prior to taking paid family leave. If the eligible employee does not provide the 30 days advance notice, the eligible employees are required to forfeit two weeks of the paid family leave, unless the failure to provide notice was for unforeseeable reasons.

### **2. Intermittent Leave**

For paid leave taken on an intermittent basis for this purpose, the eligible employee shall provide the NJEFA with prior notice of the leave not less than 15 days before the first day on which benefits are paid, unless (1) an emergency or other unforeseen circumstance precludes prior notice; and (2) the eligible employee makes a reasonable effort to schedule the leave so as not to unduly disrupt the operations of the NJEFA. If possible, the employee must provide the NJEFA, prior to the commencement of intermittent leave, with a regular schedule of the days or days of the week on which the intermittent leave will be taken.

## **B. Paid Family Leave in Connection with a "Serious Health Condition"**

For paid leave taken on a consecutive basis for the serious health condition of a family member, eligible employees are required to provide the NJEFA with prior notice in a "reasonable and practicable manner," unless an emergency or other unforeseen circumstance precludes prior notice. The eligible employee must also provide the NJEFA with a certification of the necessity for the paid family leave and make a reasonable effort to schedule the leave so as not to unduly disrupt the operations of the NJEFA.

Paid family leave in connection with a serious health condition of a family member may be taken intermittently, when medically necessary if:

- i. the total time within which the leave is taken does not exceed 12 months;
- ii. the eligible employee provides the NJEFA with a medical certification;
- iii. prior notice of the leave is provided not less than 15 days before the first day on which benefits are paid for the intermittent leave, unless an emergency or other unforeseen circumstance precludes prior notice;
- iv. the eligible employee makes a reasonable effort to schedule the leave so as not to unduly disrupt the operations of the NJEFA; and
- v. and, if possible, provides the NJEFA with a regular schedule of the day or days of the week on which the intermittent leave will be taken.

### **C. NJEFA Requirements**

The NJEFA requires an eligible employee to submit an application form. If you wish to request paid family leave, you must submit an application form. The form may be obtained from, and should be submitted to, the Director in charge of Human Resources. The form must be completed by the eligible employee within 30 days of the commencement of the paid family leave period.

A notice with information about the NJEFA's Private Plan is posted in the Authority's break room. In addition, the NJEFA will provide a copy of the notice to any employee upon request-at the time an employee is hired and within three business days of when the NJEFA knows or should know that that the employee may have a need for family temporary disability benefits.

Notwithstanding anything to the contrary in this summary of the Private Plan, the NJEFA will provide benefits no less than the minimum amount required by the Act and the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq. Notwithstanding anything to the contrary in this summary of the Private Plan, if any inconsistencies exist between the provisions of the NJEFA's Private Plan and the provisions of the Act or the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq., the provisions of the Act and the Temporary Disability Benefits Law, N.J.S.A. 43:21-25 et seq. shall control.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
2020 BUDGET VARIANCE ANALYSIS  
FOR THE TWO MONTHS ENDED FEBRUARY 29, 2020**

**EXECUTIVE SUMMARY**

**Net Operating Income**

The NJEFA concluded February with year-to-date net operating income in the amount of \$98,464 based on year to date revenues of \$508,605 and expenses of \$410,141.

**Revenues**

Year-to-date revenues were \$97,907 more than projected due to higher investment income than was budgeted and timing of initial fees.

**Expenses**

Operating expenditures for the first two months of the year were under budget by \$125,102 primarily due to timing of expenditures.

**Exhibits**

<b><u>Report</u></b>	<b><u>Page</u></b>
Actual vs. Budget Report	1
Operating Account – Vendor Payments	2
Summary of Construction Funds	3

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**ACTUAL vs. BUDGET REPORT**  
**FEBRUARY 2020**

	Month Ended February 29, 2020			Year-to-Date February 29, 2020		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b><u>Operating Revenues</u></b>						
Annual Administrative Fees	\$197,850	\$197,851	\$ (1)	\$ 395,701	\$ 395,698	\$ 3
Initial Fees	64,840	-	64,840	64,840	-	64,840
Investment Income	18,494	12,500	5,994	48,064	25,000	23,064
	<u>\$ 281,184</u>	<u>\$ 210,351</u>	<u>\$ 70,833</u>	<u>\$ 508,605</u>	<u>\$ 420,698</u>	<u>\$ 87,907</u>
<b><u>Operating Expenses</u></b>						
Salaries	\$106,008	\$120,020	\$ 14,012	\$ 212,016	\$ 240,050	\$ 28,034
Employee Benefits	39,463	65,011	25,548	80,546	130,025	49,479
Provision for Post Ret. Health Benefits	10,416	10,417	1	20,833	20,830	(3)
Office of The Governor	2,084	2,083	(1)	4,167	4,170	3
Office of The Attorney General	7,172	6,250	(922)	13,422	12,500	(922)
Sponsored Programs & Meetings	294	983	689	479	1,970	1,491
Telecom & Data	2,869	3,300	431	3,246	6,600	3,354
Rent	16,445	16,667	222	32,890	33,330	440
Utilities	2,132	2,333	201	4,263	4,670	407
Office Supplies & Postage Expense	1,073	2,250	1,177	1,692	4,500	2,808
Travel & Expense Reimbursement	210	1,167	957	210	2,330	2,120
Staff Training & Conferences	75	2,583	2,508	75	5,170	5,095
Insurance	4,272	5,500	1,228	8,544	11,000	2,456
Publications & Public Relations	-	1,750	1,750	-	3,500	3,500
Professional Services	9,345	17,168	7,823	17,136	34,318	17,182
Dues & Subscriptions	2,224	5,792	3,568	4,301	11,580	7,279
Maintenance Expense	1,365	1,433	68	2,427	2,870	443
Depreciation	1,947	2,917	970	3,894	5,830	1,936
Contingency	-	-	-	-	-	-
	<u>207,394</u>	<u>267,624</u>	<u>60,230</u>	<u>410,141</u>	<u>535,243</u>	<u>125,102</u>
<b>Net Operating Income</b>	<u>\$ 73,790</u>	<u>\$ (57,273)</u>	<u>\$ 131,063</u>	<u>\$ 98,464</u>	<u>\$ (114,545)</u>	<u>\$ 213,009</u>

**NJEFA**  
**Vendor Payments**  
**February 2020**

10:30 AM

Type	Date	Num	Name	Memo	Account	Accrual Basis Amount
Bill Pmt -Check	02/05/2020	EFT	BMO Financial Group	1/27/20 Crash Plan	Accounts Payable	9.99
Bill Pmt -Check	02/07/2020	1200	B&H Photo-Video	167384393	Accounts Payable	39.04
Bill Pmt -Check	02/07/2020	1201	Government News Network	86436-G	Accounts Payable	350.00
Bill Pmt -Check	02/07/2020	1202	NJBIA (Yrly Subscrip)	5145681550	Accounts Payable	325.00
Bill Pmt -Check	02/07/2020	1203	Panera Bread	607011334965	Accounts Payable	143.95
Bill Pmt -Check	02/07/2020	1204	Refinitive Global Markets Inc.	97406130	Accounts Payable	787.00
Bill Pmt -Check	02/07/2020	1205	Rodriguez, Louis	20200128 Expense Reimb	Accounts Payable	136.80
Bill Pmt -Check	02/07/2020	1206	UPS	2Y687X040	Accounts Payable	45.23
Bill Pmt -Check	02/07/2020	1207	W.B. Mason Company, Inc.	IS1074931	Accounts Payable	531.73
Bill Pmt -Check	02/07/2020	EFT	NJSHBP	02/20 Covg	Accounts Payable	20,902.32
Bill Pmt -Check	02/10/2020	EFT	NJSHBP	02/20 Covg	Accounts Payable	3,049.89
Bill Pmt -Check	02/10/2020	EFT	Compuchecks.com	C1206650B 600 Checks Debited Pmt	Accounts Payable	82.94
Bill Pmt -Check	02/11/2020	1208	100 & RW CRA, LLC	006975, 006905	Accounts Payable	22,674.17
Bill Pmt -Check	02/20/2020	1209	Clark, Rebecca	VC02192020RC	Accounts Payable	55.00
Bill Pmt -Check	02/20/2020	1210	Comcast	020720	Accounts Payable	88.40
Bill Pmt -Check	02/20/2020	1211	Commonwealth Land Title Company, LLC	M-6345-1	Accounts Payable	215.00
Bill Pmt -Check	02/20/2020	1212	NJ Alliance For Action, Inc.	35630 SN, Hudson Co Mitg	Accounts Payable	75.00
Bill Pmt -Check	02/20/2020	1213	NJ Legislative Manual	Order 101694152, Cust 543185	Accounts Payable	185.00
Bill Pmt -Check	02/20/2020	1214	Polar Inc.	082971	Accounts Payable	106.70
Bill Pmt -Check	02/20/2020	1215	Treasurer, State of New Jersey - Pinnacle	01312020	Accounts Payable	1,198.57
Bill Pmt -Check	02/20/2020	1216	UPS	2Y687X060	Accounts Payable	11.70
Bill Pmt -Check	02/20/2020	1217	Vencius, Gary D.	VC02192020GV, Self	Accounts Payable	300.00
Bill Pmt -Check	02/20/2020	1218	Verizon Wireless	9847505634	Accounts Payable	312.21
Bill Pmt -Check	02/20/2020	1219	Yang, Ellen	VC02102020	Accounts Payable	229.98
Bill Pmt -Check	02/20/2020	1220	Dell Marketing L.P.	10374198551, 10375852207 EY & Adobe	Accounts Payable	2,494.30
Bill Pmt -Check	02/27/2020	1221	MacDonald, Carl J.	VC02262020, 02262020 Travel	Accounts Payable	364.55
Bill Pmt -Check	02/27/2020	1222	Nelson, Steven	02202020	Accounts Payable	9.00
Bill Pmt -Check	02/27/2020	1223	NJ OIT Fiscal Services	2020January	Accounts Payable	1,270.05
Bill Pmt -Check	02/27/2020	1224	Panera Bread	607011338132 Auth Mitg	Accounts Payable	150.44
Bill Pmt -Check	02/27/2020	1225	PFM Asset Management LLC	SMA-M0120-15248D	Accounts Payable	752.84
Bill Pmt -Check	02/27/2020	1226	Treasurer, State of New Jersey - DAG	FY20202ndQtr	Accounts Payable	15,922.00
Bill Pmt -Check	02/27/2020	1227	UPS		Accounts Payable	42.89
						<b>72,861.69</b>

**New Jersey Educational Facilities Authority**  
**Summary of Construction Funds**  
**As of February 29, 2020**

<u>Private</u>	<u>Institution</u>	<u>Issue</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net Disbursed</u>	<u>Balance</u>	<u>% Complete</u>
	Stevens Institute of Technology	2017 Series A	Various Renov & Improvements, Refund 1998 I, 2007 A	\$ 76,911,558.14	\$ (68,683,805.96)	\$ 8,227,752.18	89%
	Rider University	2017 Series F	Academic & Residential Facilities, Science & Technology Bldg	44,228,160.45	(27,683,302.67)	16,544,857.78	63%
	Georgian Court University	2017 Series G&H	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(141,325.63)	7,733,057.53	2%
	Sub Total			\$ 129,014,101.75	\$ (96,508,434.26)	\$ 32,505,667.49	
<u>Public</u>							
	New Jersey City University	Series 2015 A	Various Renovations & Improv, Refund 02 A, 08 E	37,869,656.10	(35,178,321.37)	2,691,334.73	93%
	Ramapo College of New Jersey	Series 2017 A	Refund 06 I, Renov Library, Learning Center	11,278,830.75	(826,002.11)	10,452,828.64	7%
	Sub Total			\$ 49,148,486.85	\$ (36,004,323.48)	\$ 13,144,163.37	
<u>Other Programs</u>							
	Equipment Leasing Fund	Series 2014 A&B	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (97,017,008.21)	\$ 4,249,884.79	96%
	Technology Infrastructure Fund	Series 2014	Development of Technology Infrastructure	41,313,667.00	(38,933,920.66)	2,379,746.34	94%
	Capital Improvement Fund	Series 2014 A-D	Capital Improvements	191,905,596.00	(186,334,706.29)	5,570,889.71	97%
	Facilities Trust Fund	Series 2014	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(203,705,214.26)	16,271,949.74	93%
	Capital Improvement Fund	Series 2016 B	Capital Improvements	146,700,261.19	(134,029,761.89)	12,670,499.30	91%
	Sub Total			\$ 701,163,581.19	\$ (660,020,611.31)	\$ 41,142,969.88	
<b>Grand Total</b>				<b>\$ 879,326,169.79</b>	<b>\$ (792,533,369.05)</b>	<b>\$ 86,792,800.74</b>	

\* This issue has reached a completion rate of 95% or higher and will not appear on future reports.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**\$\_[ ] Revenue Refunding Bonds  
New Jersey City University Issue,  
Series 2020 B (Tax-Exempt)**

**and**

**\$\_[ ] Revenue Refunding Bonds  
New Jersey City University Issue,  
Series 2020 C (Federally Taxable)**

**CONTRACT OF PURCHASE**

\_\_\_\_\_, 2020

New Jersey Educational Facilities Authority  
103 College Road East  
Princeton, New Jersey 08540-6612

New Jersey City University  
2039 Kennedy Boulevard  
Jersey City, New Jersey 07305

Ladies and Gentlemen:

Morgan Stanley & Co. LLC (the “Representative”), on behalf of ourselves and the underwriters named on the list attached hereto and incorporated herein by this reference as Schedule I (the Representative and said underwriters being hereinafter collectively referred to as the “Underwriters”), hereby offers to enter into this Contract of Purchase (this “Purchase Contract”) with you, the New Jersey Educational Facilities Authority (the “Authority”), and New Jersey City University (the “Public University”), which, upon your acceptance of this offer and upon execution hereof by the Authority and the Public University, will be binding upon the Authority, the Public University and the Underwriters. This offer is made subject to the acceptance by the Authority and the Public University at or prior to 6:00 P.M., prevailing Eastern time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Representative upon written notice delivered to the Authority at any time prior to acceptance hereof by the Authority. Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Trust Indenture (as defined herein).

**1. Purchase and Sale of the Bonds and Payment of Underwriter’s Discount; Establishment of Issue Price.**

(a) On the basis of the representations, warranties, covenants and agreements herein contained or referred to, but subject to the terms and conditions herein set forth, the Underwriters hereby agree to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriter, all (but not less than all) of its (i) \$\_\_\_\_\_ New Jersey

Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt), which are fixed rate, tax-exempt bonds (the “Series 2020 B Bonds”), at an aggregate purchase price equal to \$\_\_\_\_\_ (such purchase price reflecting Underwriters’ discount of \$\_\_\_\_\_, and a [net] reoffering [premium/discount] of \$\_\_\_\_\_ in connection with the Series 2020 B Bonds), and (ii) \$\_\_\_\_\_ New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable), which are fixed rate, federally taxable bonds (the “Series 2020 C Bonds,” and collectively with the Series 2020 B Bonds, the “Bonds”), at an aggregate purchase price equal to \$\_\_\_\_\_ (such purchase price reflecting Underwriters’ discount of \$\_\_\_\_\_ in connection with the Series 2020 C Bonds). The Bonds shall be issued under and pursuant to a Resolution adopted by the Authority on March 24, 2020 (the “Resolution”), and a Trust Indenture, dated as of \_\_\_\_\_ 1, 2020 (the “Trust Indenture”), by and between the Authority and The Bank of New York Mellon, as trustee (the “Trustee”). The Bonds will be dated the date of issuance thereof and will be issued in the principal amounts, at interest rates and maturing on the dates specified on the Pricing Summary attached as Exhibit A hereto and having the redemption provisions as set forth in the Trust Indenture.

[Concurrently with the issuance and delivery of the Bonds, [BOND INSURER] (the “Insurer”) will issue its municipal bond insurance policy (the “Policy”) insuring the scheduled payment of the principal of and interest on the Bonds maturing July 1 of the years 20\_\_ through 20\_\_, inclusive (collectively, the “Insured Bonds”), when due.]

(b) The Representative, on behalf of the Underwriters, agrees to assist the Authority in establishing the issue price of the Series 2020 B Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate substantially in the form attached hereto as Exhibit C, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2020 B Bonds.

(c) [Except for the maturities set forth in Schedule [II] attached hereto,] the Authority will treat the first price at which 10% of each maturity of the Series 2020 B Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(d) [The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the final official statement. Schedule [II] sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2020 B Bonds for which the 10% test has not been satisfied and for which the Authority and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2020 B Bonds, the Underwriters will neither offer nor sell unsold Series 2020 B Bonds of that

maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2020 B Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise the Authority or the Authority's municipal advisor when the Underwriters have sold 10% of that maturity of the Series 2020 B Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

The Authority acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2020 B Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2020 B Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its agreement regarding the hold-the-offering-price rule as applicable to the Series 2020 B Bonds.]

- (e) The Representative confirms that:
  - (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2020 B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2020 B Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Series 2020 B Bonds of that maturity or all Series 2020 B Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and
  - (ii) any agreement among underwriters relating to the initial sale of the Series 2020 B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be

employed in connection with the initial sale of the Series 2020 B Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2020 Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Series 2020 B Bonds of that maturity or all Series 2020 B Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

(f) The Underwriters acknowledge that sales of any Series 2020 B Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020 B Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2020 B Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2020 B Bonds to the public),

(iii) a purchaser of any of the Series 2020B Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.

2. **Purpose of Bonds.** The proceeds of the Series 2020 B Bonds, together with other available funds, will be used for the purpose of providing funds to pay the costs of (i) the tax-exempt current refunding of all of the Outstanding [(A) Revenue Refunding Bonds, New Jersey City University, Series 2007 F, (B) Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F (Federally Taxable), (C) Revenue Bonds, New Jersey City University Issue, Series 2010 F (Tax-Exempt), and (D) Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment) maturing on July 1, 2045 and initially bearing interest at the rate of 2.75% per annum], and (ii) pay costs of issuance of such Series 2020 B Bonds (collectively, the “Series 2020 B Refunding Project”). The proceeds of the Series 2020 C Bonds,

together with other available funds, will be used for the purpose of providing funds to pay the costs of (i) the taxable refunding of all of the Outstanding [(A) Revenue Bonds, New Jersey City University Issue, Series 2015A maturing on July 1 in the years \_\_\_\_\_, and (B) Revenue Refunding Bonds, New Jersey City University Issue, Series 2016 D maturing on July 1 in the years \_\_\_\_\_] and (iii) pay costs of issuance of such Series 2020 C Bonds (collectively, the “Series 2020 C Refunding Project” and collectively with Series 2020 B Refunding Project, the “Project”). (The bonds to be refunded identified in the preceding two sentences are collectively referred to as the “Bonds To Be Refunded”)

The Bonds shall be issued pursuant to and in accordance with the provisions of the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes, as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the “Act”), the Resolution and the Trust Indenture. The Bonds will be issued in authorized denominations of \$5,000 or any integral multiple of \$1,000 in excess thereof, and shall be fully registered in the forms authorized by the Trust Indenture.

Pursuant to Executive Order No. 9 (Codey 2004) (“Executive Order No. 9”), dated and effective as of December 6, 2004, it is the policy of the State of New Jersey (the “State”) that in all cases where bond underwriting services are or may be required by the State or any of its departments, agencies or independent authorities, including the Authority, such department, agency or independent authority shall deal directly with the principals of the underwriting firms or their registered lobbyists. The department, agency or independent authority shall not discuss, negotiate or otherwise interact with any third-party consultant, other than principals of underwriting firms and their registered lobbyists, with respect to the possible engagement of the firm to provide bond underwriting services. Compliance with Executive Order No. 9 is a material term and condition of this Purchase Contract and binding upon the parties hereto, including the Underwriters.

Each of the Authority, the Public University and the Representative is acting for its own account and has made its own independent decision to enter into this Purchase Contract, and this Purchase Contract is appropriate and proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. None of the Authority, the Public University or the Representative is acting as a fiduciary for or as an advisor to the other in respect of this Purchase Contract.

3. **Delivery of the Bonds; Public Offering of the Bonds.** The Underwriters hereby agree to make a bona fide public offering of all the Bonds at prices no higher than, or yields no lower than, those shown on the inside cover page of the Official Statement (herein defined), but the Underwriters reserve the right to lower such initial prices as they shall deem necessary in connection with the marketing of the Bonds. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth on the inside cover page of the Official Statement. The Underwriters reserve the right: (i) to over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those which might otherwise prevail in the open market, and (ii) to discontinue such stabilizing, if commenced, at any time without prior notice.

Delivery of the Bonds in definitive registered form, duly executed and authenticated, bearing CUSIP numbers without coupons with one Bond for each maturity of each series, registered in the name of The Depository Trust Company (“DTC”), or its nominee, Cede & Co., shall be made to the Trustee as custodian for DTC at the Closing Time (as hereinafter defined), at such address as the Representative shall direct. Delivery of related documentation shall be made at the offices of GluckWalrath LLP, Freehold, New Jersey (“Bond Counsel”), at the Closing Time. Payment of the purchase price for the Bonds shall be made in Federal Reserve Funds or other immediately available funds at 10:00 a.m. prevailing Eastern time, on \_\_\_\_\_, 2020, or such other time or date as shall be mutually agreed upon by the Authority and the Representative. The delivery of and payment for the Bonds are herein called the “Closing”, the date of such delivery and payment is herein called the “Closing Date”, and the hour and date of such delivery and payment is herein called the “Closing Time”. The Bonds shall be available for examination by the Representative at least 24 hours prior to the Closing Time.

The Authority has previously authorized the distribution of the Preliminary Official Statement, dated \_\_\_\_\_, 2020 (the “Preliminary Official Statement”), relating to the Bonds, which, by execution of this Purchase Contract, it “deems final” within the meaning of Rule 15c2-12 promulgated under the provisions of the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”). The Official Statement dated the date hereof relating to the Bonds, as executed by an Authorized Officer of each of the Authority and the Public University (including the cover page, any and all appendices, exhibits, reports and summaries included therein or attached thereto), is herein called the “Official Statement”. The Authority shall deliver or cause to be delivered to the Representative within seven (7) business days after the date of this Purchase Contract (but in no event later than one (1) business day prior to the Closing), an electronic copy, subject to customary disclaimers regarding the transmission of electronic copies, of the Official Statement in the currently required designated format stated in the Municipal Securities Rulemaking Board (the “MSRB”) Rule G-32 and the EMMA Dataport Manual (as hereinafter defined). By acceptance of this Purchase Contract, the Authority authorizes the use by the Underwriters of the Official Statement in connection with the public offering and sale of the Bonds. Within one (1) business day after the receipt of the Official Statement from the Authority, but in no event later than the date of the Closing, the Representative shall, at its own expense, submit the Official Statement to EMMA (as hereinafter defined). The Representative will comply with the provisions of MSRB Rule G-32 as in effect on the date hereof, including without limitation the submission of Form G-32 and the Official Statement and notify the Authority of the date on which the Official Statement has been filed with EMMA.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system, or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and information.

“EMMA Dataport Manual” shall mean the document(s) designated as such published in the MSRB from time to time setting forth the processes and procedures with respect to submissions to be made to the primary market disclosure service of EMMA by underwriters under MSRB Rule G-32.

In addition, the Representative will provide to the Authority a copy of the notice sent to all purchasers of the Bonds from the Underwriters advising them as to the manner pursuant to which

such purchasers can obtain a copy of the Official Statement from EMMA and indicating to them that a printed copy of the Official Statement will be provided to them upon their request. Within seven (7) business days after the date of this Purchase Contract (but in no event later than the Closing), the Authority shall deliver or cause to be delivered to the Representative an amount of printed Official Statements in such quantities that the Representative may reasonably request, provided, that the number of copies the cost for which the Authority is responsible will not exceed 250 copies. Should the Representative require additional copies of the Official Statement, the Authority agrees to cooperate with the Representative in obtaining such copies; provided, that the cost of such additional copies will be borne by the Underwriters.

4. **Representations, Warranties and Agreements of the Authority.** By its acceptance hereof the Authority hereby represents and warrants to, and agrees with, the Underwriters:

(a) The Authority is a public body corporate and politic constituting a political subdivision of the State, established as an instrumentality, created by and organized pursuant to the Act.

(b) The Authority has complied with all provisions of the laws of the State pertaining to the authorization, sale and issuance of the Bonds, including the Act, and no further approvals are necessary to be obtained prior to the issuance of the Bonds and the Authority has full power and authority to: (i) finance the Project; (ii) execute and deliver the Official Statement; (iii) execute, issue, sell, deliver and perform its obligations under the Bonds; (iv) execute, deliver and perform its obligations under the Resolution, the Trust Indenture, a Lease and Agreement dated as of \_\_\_\_\_ 1, 2020 by and between the Authority and the Public University relating to the Project (the "Agreement"), an Escrow Deposit Agreement (the "2007/2008/2010 Escrow Deposit Agreement") dated as of \_\_\_\_\_ 1, 2020 by and between the Authority and The Bank of New York Mellon, as Escrow Agent (the "2007/2008/2010 Escrow Agent"), an Escrow Deposit Agreement (the "2015/16 Escrow Deposit Agreement" and together with the 2007/2008/2010 Escrow Deposit Agreement, the "Escrow Deposit Agreements") dated as of \_\_\_\_\_ 1, 2020 by and between the Authority and U.S. Bank National Association, as Escrow Agent (the "2015/2016 Escrow Agent," and together with the 2007/2008/2010 Escrow Agent, the "Escrow Agents") and this Purchase Contract; (v) the Authority has the legal authority to apply and will apply or cause to be applied the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Resolution and the Trust Indenture and (vi) carry out and consummate all transactions contemplated by the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements the Official Statement and this Purchase Contract and any and all other agreements relating thereto.

(c) The information and statements in the Preliminary Official Statement and the Official Statement relating to the Authority under the captions "INTRODUCTORY STATEMENT", "THE AUTHORITY" and "LITIGATION - The Authority" were, as of the date of the Preliminary Official Statement and are, as of the date hereof, true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make statements therein, in light of the circumstances under which they were made, not misleading.

(d) The Authority will advise the Representative and the Public University promptly of any proposal to amend or supplement the Official Statement pursuant to Section 8 hereof. The Authority will advise the Representative promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) The Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements and this Purchase Contract constitute, or upon execution will constitute, legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms except to the extent that (i) the enforcement thereof may be limited or affected by bankruptcy, insolvency, reorganization or other laws or equitable principles affecting creditors' rights generally; and (ii) equitable remedies, such as specific performance and injunctive relief, being discretionary, may be denied in a particular instance, and the Bonds, when delivered to and paid for by the Representative at the Closing will be in conformity with the description thereof in the Official Statement and will be in conformance with, and entitled to the benefits of the provisions of the Act, the Resolution, the Trust Indenture and the Agreement.

(f) Except as set forth in the Preliminary Official Statement and the Official Statement, to the knowledge of the Authority, as of the date hereof, there is not any action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board, governmental agency or body pending against the Authority, and, to the knowledge of the Authority, no such action is threatened against the Authority, in any way contesting or questioning the due organization and lawful existence of the Authority or the title of any of the officers or members of the Authority to their offices, or seeking to restrain or to enjoin the sale, issuance or delivery of the Bonds, or pledging of revenues and other funds of the Authority referred to in the Trust Indenture thereto, or in any way contesting or affecting the validity or enforceability of the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements or this Purchase Contract or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the Authority or its authority with respect to the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements or this Purchase Contract.

(g) The execution or adoption, as applicable, and delivery of, and performance of the Authority's obligations under the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements and this Purchase Contract and the other agreements contemplated thereby; the execution and delivery of the Official Statement, the sale, execution, issuance and delivery of the Bonds; and the consummation of all transactions to which the Authority is a party contemplated by the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements, this Purchase Contract, and the Official Statement have been duly authorized by all necessary action on the part of the Authority and do not and will not conflict with the Act or constitute on the Authority's part a breach of or a default under any existing law or administrative regulation, decree or order or any agreement, indenture, mortgage, loan or other instrument to which the Authority is subject or by which the Authority is or may be bound.

(h) Any certificate signed by any of the Authority's Authorized Officers and delivered to the Representative shall be deemed a representation and warranty by the Authority to the Underwriters as to the statements made therein with the same effect as if such representation or warranty was set forth herein.

(i) The Authority will pay or cause to be paid only from the proceeds of the Bonds, other available funds or other moneys provided by the Public University, all expenses incident to the performance of its obligations under this Purchase Contract and the fulfillment of the conditions imposed hereunder, including but not limited to, the cost of preparing, executing, printing, engraving, photocopying, mailing and delivery of the Bonds in the form required hereby, the Preliminary Official Statement, the Official Statement (not to exceed 250 copies) and the Trust Indenture; the fees and disbursements of the Escrow Agents; the fees and disbursements of the Trustee, and its counsel in connection with the issuance of the Bonds; the fees and expenses of Bond Counsel and the fees and expenses of obtaining credit ratings, municipal bond insurance, if any, or any attorneys, financial advisors, auditors, verification agents, consultants or other parties retained by the Authority or Public University in connection with the transactions contemplated herein; any expenses incurred on behalf of the Authority's or the Public University's employees which are incidental to the issuance of the Bonds, including but not limited to meals, transportation and lodging of those employees; and all other expenses relating to the sale and delivery of the Bonds, except those expressly provided for in the following sentence. The Authority shall be under no obligation to pay any expenses incident to the performance of the obligations of the Representative hereunder, including fees and disbursements of Underwriters' Counsel, "Blue Sky" filing fees or advertising expenses in connection with the public offering of the Bonds. If the Closing does not occur as a result of the failure of the Public University to meet its obligations under this Purchase Contract, the Public University shall pay all expenses incurred by the Authority and the Underwriters.

(j) None of the officers, members, agents or employees of the Authority shall be personally liable for the performance of any obligation under this Purchase Contract.

(k) The cost of any meals and/or travel of representatives of the Authority shall be paid by the Authority.

5. **Representations, Warranties and Agreements of the Public University.** By its acceptance hereof the Public University hereby represents and warrants to, and agrees with, the Authority and the Underwriters that:

(a) The Public University is a public institution of higher education validly existing and in good standing under the laws of the State.

(b) No authorization, consent, approval or review of any court or public or governmental body or regulatory authority is required for the authorization, execution and delivery by the Public University of the Agreement, the Continuing Disclosure Agreement dated the date of Closing by and between the Public University and the Trustee with respect to the Bonds (the "Continuing Disclosure Agreement"), the Escrow Deposit Agreements, this Purchase Contract and the Official Statement, or for any action by the Public University taken in connection with the transactions contemplated thereby, which has not been obtained or effected to the extent such may be presently obtained or effected.

(c) The Public University hereby ratifies and consents to the use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement in connection with the public offering of the Bonds and confirms that it deems the Preliminary Official Statement to be "final" as of its

date for purposes of Rule 15c2-12, except for the information not required to be included therein under Rule 15c2-12.

(d) (i) The Public University hereby authorizes the use and distribution of the Official Statement by the Underwriters in connection with the public offering and sale of the Bonds.

(ii) If, during the period from the date hereof, to and including the date which is twenty-five (25) days from the end of the underwriting period, there shall exist any event which, in the opinion of the Representative or in the opinion of the Authority or the Public University, requires a supplement or amendment to the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, or it is necessary to amend or supplement the Official Statement to comply with law, the Public University will cooperate with the Authority, at the Public University's expense, to supplement or amend the Official Statement, in a form and in a manner approved by the Representative and the Authority, so that the statements in the Official Statement as so amended and supplemented will not, in light of the circumstances when the Official Statement is delivered to a prospective purchaser of the Bonds, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law.

(e) The information and statements in the Preliminary Official Statement and the Official Statement relating to the Public University and the Project under the captions "INTRODUCTORY STATEMENT", "PLAN OF REFUNDING", "ESTIMATED SOURCES AND USES OF FUNDS", "DESCRIPTION OF THE BONDS" (excluding the subsection "Book-Entry-Only System"), "SECURITY FOR THE BONDS", "DISCLOSURES REGARDING COVID-19", "CONTINUING DISCLOSURE", "LITIGATION – The Public University", and in APPENDIX A and APPENDIX B, as of their respective dates, were accurate in all material respects and did not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and as of the date hereof and at all times subsequent thereto during the period up to and including the twenty-five (25) days subsequent to the end of the underwriting period, the information and statements in the Official Statement relating to the Public University and the Project under the captions "INTRODUCTORY STATEMENT", "PLAN OF REFUNDING", "ESTIMATED SOURCES AND USES OF FUNDS", "DESCRIPTION OF THE BONDS" (excluding the subsection "Book-Entry-Only System"), "SECURITY FOR THE BONDS", "CONTINUING DISCLOSURE", "LITIGATION - The Public University", and in APPENDIX A and APPENDIX B will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state any material fact which should be included therein which is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(f) The Public University will advise the Representative and the Authority promptly of the institution of any proceedings known to it by any governmental agency relating to the existence of legal powers of the Public University, affecting in any way the Agreement, the Escrow Deposit Agreements or the Continuing Disclosure Agreement or in which the result may materially adversely affect the financial condition or operation of the Public University.

(g) The Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement and this Purchase Contract constitute, or upon execution will constitute, legal, valid and binding obligations of the Public University enforceable in accordance with their respective terms except to the extent that (i) the enforcement thereof may be limited or affected by bankruptcy, insolvency, reorganization or other laws or equitable principles affecting creditors' rights generally, and (ii) equitable remedies, such as specific performance and injunctive relief, being discretionary, may be denied in a particular instance.

(h) Except as set forth in the Preliminary Official Statement and the Official Statement dated the date hereof, there is not any action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board, governmental agency or body pending against the Public University, and, to the knowledge of the Public University, no such action is threatened against the Public University, in any way contesting or questioning the due organization and lawful existence of the Public University or the title of any of the officers or members of the Public University to their offices, or seeking to restrain or to enjoin the sale, issuance or delivery of the Bonds, or pledging of revenues and other funds of the Public University referred to in the Trust Indenture, or in any way contesting or affecting the validity or enforceability of the Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement or this Purchase Contract or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the Public University or its authority with respect to the Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement or this Purchase Contract.

(i) The execution and delivery of, and performance of the Public University's obligations under the Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement or this Purchase Contract and the other agreements contemplated thereby, and the consummation of all transactions to which the Public University is a party as contemplated by the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements, this Purchase Contract, the Continuing Disclosure Agreement and as described in the Official Statement have been duly authorized by all necessary action on the part of the Public University, will not violate any provision of the Charter or By-Laws of the Public University, or constitute, on the Public University's part, a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, loan or other instrument to which the Public University is subject or by which the Public University is or may be bound.

(j) To the best knowledge of the officers of the Public University, there has been no material adverse change in the financial condition and affairs of the Public University since the end of the fiscal year of the Public University ended June 30, 2019 as shown in the Official Statement in APPENDIX B – "INDEPENDENT AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS OF NEW JERSEY CITY UNIVERSITY AS OF AND FOR THE YEARS ENDED JUNE 30, 2019 AND 2018".

(k) The financial statements of, and other financial information regarding the Public University in the Preliminary Official Statement and in the Official Statement fairly present the financial position and results of the Public University as of the dates and for the periods therein set forth. The financial statements of the Public University have been prepared in accordance with generally accepted accounting principles consistently applied, and except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial

information set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the Public University's audited financial statements included in the Preliminary Official Statement and in the Official Statement.

(l) Prior to the Closing Date, the Public University will not, without prior written notice to the Representative, offer or issue any obligations except as described in or contemplated by the Official Statement.

(m) Any certificate signed by any of the Public University's Authorized Officers and delivered to the Underwriters and the Authority shall be deemed a representation and warranty by the Public University to the Underwriters and the Authority as to the statements made therein with the same effect as if such representation or warranty was set forth herein.

(n) As of the date hereof and as of the Closing Date, (i) the Authority has and will have good and marketable fee simple title, and the Public University has and will have good and marketable leasehold title, to the properties constituting the Project Facilities, subject only to such liens and encumbrances as have been disclosed to the Authority and the Representative in writing, (ii) the Public University has and will have good and marketable fee simple title, leasehold title, or the right to use of lands titled in the State of New Jersey (as the case may be) to its other properties, subject only to such liens and encumbrances as do not and will not have a material adverse effect on the ability of the Public University to use such properties for their intended purposes and to collect revenues therefrom, and (iii) the Public University has and will have good and marketable title to its revenues.

(o) To the best knowledge of the officers of the Public University, the Public University has all necessary licenses and permits, if any, required to carry on its business and to operate the Project Facilities. To the best knowledge of the officers of the Public University, the Public University has not received any notice of an alleged violation and, to the best knowledge of the officers of the Public University, it is not in violation of any zoning, land use or other similar law or regulation applicable to the Project Facilities which could materially adversely effect the operations or financial condition of the Public University.

(p) If the Closing shall not occur as a result of the failure of the Public University to meet its obligations under this Purchase Contract, the Public University shall pay all of the expenses of the Authority as described in Section 4(i) above.

(q) None of the officers, members, agents or employees of the Public University shall personally be liable for the performance of any obligation under this Purchase Contract.

(r) The Public University has entered or will enter into, in accordance with Rule 15c2-12, the Continuing Disclosure Agreement for the benefit of bondholders to provide or cause to be provided to the MSRB: (a) certain annual financial information, including audited financial statements and operating data, generally consistent with the information contained in the Official Statement; (b) timely notice of any of the sixteen events identified in Rule 15c2-12 with respect to the Bonds, if material; and (c) timely notice of any failure of the Public University to provide the required annual information on or before the date specified in the Continuing Disclosure Agreement. Except as otherwise noted in the Preliminary Official Statement and in the Official

Statement, the Public University has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure agreement under Rule 15c2-12.

(s) The Public University has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Lease Agreement and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2020 B Bonds.

(t) Prior to the Closing, the Public University will not take any action within or under its control that will cause any adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Public University.

(u) The cost of any meals and/or travel of representatives of the Public University shall be paid by the Public University.

6. **Representations, Warranties and Agreements of the Representative.** By its acceptance hereof, the Representative hereby represents and warrants to, and agrees with, the Authority and the Public University that:

(a) The Representative is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, having all requisite corporate power and authority to carry on its business as now constituted and has been duly authorized to execute this Purchase Contract and to act hereunder by and on behalf of the Underwriters pursuant to the Agreement among Underwriters dated \_\_\_\_\_, 2020 (the “AAU”);

(b) The Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement and this Purchase Contract have been reviewed by the Representative and contain terms acceptable to, and agreed to by, the Representative;

(c) The Representative has the requisite authority to enter into this Purchase Contract on behalf of itself and other Underwriters, and this Purchase Contract has been duly authorized, executed and delivered by the Representative on behalf of itself and the other Underwriters and, assuming the due authorization, execution and delivery by the Authority, is the legal, binding and valid obligation of the Underwriters, enforceable against the Underwriters in accordance with its terms, except that the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws or equitable principles affecting creditors’ rights or remedies generally;

(d) The Representative has not entered into and, based upon the representations and warranties received by the Representative from the other Underwriters under the AAU, the Representative is not aware that the other Underwriters have entered into, any undisclosed financial or business relationships, arrangements or practices required to be disclosed in the Official Statement pursuant to Securities and Exchange Commission Release No. 33-7049; 3433741; FR-42; File No. S7-4-94 (March 9, 1994) or required to be disclosed in the Official Statement pursuant to MSRB rules;

(e) The Representative represents and warrants for itself, and in reliance upon the representations and warranties made by the other Underwriters to the Representative in the AAU, for the other Underwriters, that the Representative and each such Underwriter is in compliance with the provisions of Rules G-37 and G-38 of the MSRB;

(f) The Representative represents and warrants for itself, an in reliance upon the representations and warranties made by the other Underwriters to be Representative in the AAU, for the other Underwriters, that (x) all information, certifications and disclosure statements previously provided in connection with L. 2005, c. 51, and Executive Order No. 117 (Corzine 2008) (“Executive Order No. 117”), are true and correct as of the date hereof and (y) all such statements have been made with full knowledge that the Authority shall rely upon the truth of the statements contained therein in engaging the Underwriters in connection with this transaction. The Representative for itself, and in reliance upon the representations and warranties made by the other Underwriters to the Representative in the AAU, for the other Underwriters, agrees to execute and deliver at the Closing a “L. 2005, c. 51 and Executive Order No. 117 Certification of No Change” in the form attached hereto as Exhibit B;

(g) In accordance with Executive Order No. 9 (Codey 2004), the Representative for itself, and in reliance upon the representations and warranties made by the other Underwriters to the Representative in the AAU, for the other Underwriters, certifies that neither the Representative nor any of the other Underwriters has employed or retained, directly or indirectly, any consultant who will be paid on a contingency basis if the Authority engages such firm to provide such underwriting services in connection with the Bonds; and

(h) The Representative represents and warrants for itself, and in reliance upon the representations and warranties made by the other Underwriters to the Representative in the AAU, for the other Underwriters, that neither the Representative nor any of the other Underwriters has entered into any financial or business relationships, arrangements or practices with the Authority’s financial advisor or any other participant concerning or relating to the Bonds; and

(i) The Representative represents and warrants for itself, and in reliance upon the representations and warranties made by the other Underwriters to the Representative in the AAU, for the other Underwriters, that each Underwriter has complied with the requirements of N.J.S.A. 52:32-58 and has filed a certification with the Authority that it is not identified on the list of persons engaging in investment activities in Iran.

7. **Conditions to the Underwriters’ Obligations.** The Underwriters’ obligations hereunder shall be subject to the due performance by the Authority and the Public University of their obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the Authority’s and the Public University’s representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) On the Closing Date, (i) the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement, the Official Statement and this Purchase Contract shall have been duly authorized, executed, as appropriate, and delivered by the Authority and by the Public University, as appropriate, and each of the foregoing and all related

official action of the Authority and of the Public University necessary to issue the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Representative; (ii) the Authority and the Public University shall have duly adopted and there shall be in full force and effect such additional acts or agreements as shall, in the opinion of Bond Counsel, be necessary in connection with the transactions contemplated thereby; (iii) the Authority shall perform or have performed all of its obligations required under or specified in the Act to be performed at or prior to the Closing; (iv) the Official Statement shall not have been amended or supplemented, except in such manner as may have been agreed to by the Representative, the Authority and the Public University; (v) no Event of Default (as defined in the Trust Indenture or in the Agreement) or event which, with the lapse of time or the giving of notice or both would constitute such an Event of Default, shall have occurred and be continuing; and (vi) the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements and the Continuing Disclosure Agreement shall be fully enforceable in accordance with their terms.

(b) The Underwriters shall not have elected to cancel their obligation hereunder to purchase the Bonds, which election shall be made by written notice by the Representative to the Authority only if between the date hereof and the Closing: (i) any event shall have occurred that, in the reasonable judgment of the Representative, either (A) makes untrue or incorrect in any materially adverse respect any statement or information contained in the Official Statement or (B) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any materially adverse respect and such event, in the reasonable judgment of the Representative, is such as to materially and adversely affect (x) the marketability of the Bonds, or (y) the ability of the Underwriters to enforce confirmations of or contracts for the sale of the Bonds; or (ii) there shall have occurred any new outbreak of hostilities or other national or international calamity or crisis, the effect of which on the financial markets of the United States of America, in the reasonable judgment of the Representative, is such as to materially and adversely affect the ability of the Underwriters to enforce confirmations of or contracts for the sale of the Bonds; or (iii) there shall be in force a general suspension of trading on the New York Stock Exchange the effect of which on the financial markets is such as to materially and adversely affect the marketability of the Bonds; or (iv) a general banking moratorium shall have been declared by either federal or State authorities having jurisdiction and shall be in force; or (v) legislation shall have been enacted by the Congress of the United States or a final decision by a court of the United States of America shall be rendered, that has the effect of requiring the Bonds to be registered under the Securities Act of 1933, as amended, or requiring the Resolution or the Trust Indenture to be qualified under the Trust Indenture Act of 1939, as amended; or (vi) a stop order, ruling or regulation by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made (which is beyond the control of the Underwriters or the Authority to prevent or avoid) to the effect that the issuance, offering or sale of the Bonds, as contemplated hereby or as described in the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the Federal securities laws at Closing, including the Securities Act of 1933, as amended, or of the Trust Indenture Act of 1939, as amended; or (vii) legislation shall be enacted by the Congress of the United States or any legislation, ordinance, rule or regulation shall be enacted by any governmental body, department or agency of the State or a final decision by a federal court (including the Tax Court of the United States) or a court of the State shall be rendered, or a final ruling, regulation or release or official statement by or on behalf

of the President, the Treasury Department of the United States, the Internal Revenue Service or other federal or State agency shall be made, with respect to federal or State taxation upon revenues or other income of the general character of interest on the Bonds, or which would have the effect of changing directly or indirectly the federal or State income tax consequences of interest on bonds of the general character of the Bonds in the hands of the holders thereof and which, in the Representative's reasonable opinion, materially and adversely affects the marketability of the Bonds; or (viii) there shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial condition of the Public University, except for changes which the Official Statement discloses are expected to occur; or (ix) there shall have occurred any downgrading from a rating agency that, at the date of this Purchase Contract, has published a rating (or has been asked to furnish a rating on the Bonds) on any of the Public University's debt obligations, which action reflects a change in the ratings accorded any such obligations of the Public University (including any rating to be accorded the Bonds).

(c) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change, in the condition, financial or otherwise, of the Public University from that set forth in the Official Statement that in the reasonable judgment of the Representative, is material and adverse and that makes it, in the reasonable judgment of the Representative, impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement.

(d) The Authority shall have received the unqualified approving opinion of Bond Counsel, dated the Closing Date, substantially in the form set forth in APPENDIX E to the Official Statement, except as may be approved by the Representative and the Authority; and the Underwriters and the Trustee shall have received a letter from Bond Counsel, dated the Closing Date, authorizing them to rely on such unqualified approving opinion of Bond Counsel.

(e) Bond Counsel shall have delivered a supplementary opinion or opinions dated the Closing Date (addressed to the Authority, the Public University, the Underwriters and the Trustee as to items (i) to (v) below), in the form satisfactory to the Authority and the Representative, to the effect that:

(i) the statements contained in the Official Statement in the sections captioned "INTRODUCTORY STATEMENT", "PLAN OF REFUNDING", "DESCRIPTION OF THE BONDS" (excluding the subsection "Book-Entry-Only System"), "SECURITY FOR THE BONDS," "THE AUTHORITY," "STATE OF NEW JERSEY HIGHER EDUCATION," "CONTINUING DISCLOSURE" (excluding the last paragraph thereof), "LEGALITY FOR INVESTMENT", "PLEDGE OF STATE NOT TO AFFECT RIGHTS OF BOND HOLDERS", and in APPENDIX C – "FORMS OF CERTAIN LEGAL DOCUMENTS" and APPENDIX D – "FORM OF CONTINUING DISCLOSURE AGREEMENT" attached thereto, insofar as such statements purport to summarize certain provisions of the Act, the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements and the Continuing Disclosure Agreement are reasonable summaries of such provisions. The statements on the cover page of the Official Statement relating to tax matters and under the section in the Official Statement captioned "TAX MATTERS" and in APPENDIX E – "FORM OF OPINION OF BOND COUNSEL" insofar as such statements purport to summarize certain provisions of tax law, regulations and rulings, are reasonable summaries of the provisions so summarized;

(ii) based upon the participation of Bond Counsel in the preparation of the Official Statement and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement (except for the sections referred to specifically in clause (i) above), Bond Counsel has no reason to believe that, as of the date of the Official Statement and as of the date of Closing, the Official Statement (except for the financial, tabular and other statistical information included therein and except for the information under the headings “DESCRIPTION OF THE BONDS Book-Entry Only Bonds”, “LITIGATION”, [“BOND INSURANCE”] and in “APPENDIX A – NEW JERSEY CITY UNIVERSITY” and “APPENDIX B – INDEPENDENT AUDITOR’S REPORT AND AUDITED FINANCIAL STATEMENTS OF NEW JERSEY CITY UNIVERSITY AS OF AND FOR THE YEARS ENDED JUNE 30, 2019 AND 2018”, as to which no view need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(iii) the Bonds are not required to be registered under the Securities Act of 1933, as amended, and neither the Resolution nor the Trust Indenture is required to be qualified under the Trust Indenture Act of 1939, as amended;

(iv) this Purchase Contract has been duly authorized, executed and delivered by the Authority and the Public University, is a legal, valid and binding obligation of the Authority and the Public University, and is enforceable in accordance with its terms except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, moratorium or similar laws or equitable principles relating to the enforcement of creditors’ rights; and

(v) the Official Statement and the distribution thereof have been approved by the Authority and the Official Statement has been duly approved and executed by the Authority and the Public University.

(f) The Authority and the Public University shall have received an opinion of the Attorney General of the State.

(g) The Underwriters shall have received a certificate, dated the Closing Date, signed by an Authorized Officer of the Authority, to the effect that, except as disclosed in the Official Statement, no litigation is pending or, to the knowledge of the signer of such certificate, threatened (i) in any way attempting to restrain or enjoin the sale, issuance, execution or delivery of any of the Bonds, the application of the proceeds thereof, the payment, collection or application of payments under the Agreement or the pledge thereof, or of the other moneys, rights and interest pledged pursuant to the Resolution, the execution, delivery or performance of the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements or this Purchase Contract; (ii) in any way contesting or otherwise affecting the authority for or the validity of the Bonds, the Resolution, the Trust Indenture, the Agreement, the Escrow Deposit Agreements or this Purchase Contract, any of the matters referred to in clause (i) above or any other proceedings of the Authority taken with respect to the sale or issuance of the Bonds; (iii) in any way contesting the powers of the Authority; or (iv) in any way contesting the payment, collection or application of payments under the Agreement or the pledge thereof pursuant to the Trust Indenture.

(h) The Underwriters shall have received a certificate, dated the Closing Date, signed by an Authorized Officer of the Authority, to the effect that: (i) each of the representations and warranties of the Authority contained in this Purchase Contract has remained true and correct from the date hereof through the Closing Date and is true and correct as of the Closing Date as though made at the Closing Time, the Authority has duly complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date, no Event of Default (as defined in each of the Trust Indenture and in the Agreement) or event which with the lapse of time or the giving of notice or both, would constitute such an Event of Default has occurred and is continuing; and (ii) there has been no material adverse change in the condition and affairs of the Authority, financial or otherwise, during the period from the date of the Official Statement to the Closing Date which was not disclosed in or contemplated by the Official Statement, such certificate being in form and substance satisfactory to the Representative.

(i) The Underwriters shall have received a certificate, dated the Closing Date, signed by the Treasurer of the Public University, to the effect that each of the representations and warranties of the Public University contained in this Purchase Contract has remained true and correct from the date thereof through the Closing Date and is true and correct as of Closing Date as though made at the Closing Time, the Public University has duly complied with all agreements and satisfied all conditions of its part to be performed or satisfied at or prior to the Closing Date, no Event of Default (as defined in the Agreement) has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice or both would constitute such an Event of Default, and to the best of his knowledge and belief, the information contained in the Official Statement did not and, as of the date of such certificate, does not contain any untrue statement of a material fact or omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, and there has been no material adverse change in the condition and affairs of the Public University, financial or otherwise, during the period from the date of the Official Statement to the Closing Date which was not disclosed in or contemplated by the Official Statement, such certificate being in form and substance satisfactory to the Representative.

(j) The Underwriters shall have received an Arbitrage Certificate of the Authority and a Tax Letter of Representation from the Public University in form and substance satisfactory to the Representative and to Bond Counsel.

(k) The Underwriters shall have received evidence of either (i) the approval by the Governor of the State (the "Governor") of the minutes of the Authority authorizing the adoption of the Resolution by the Authority and the sale of the Bonds pursuant hereto and the transactions contemplated hereby and/or (ii) expiration of the period during which the Governor may veto such action by the Authority and the absence of such veto.

(l) The Underwriters shall have received ratings letters or other documents providing evidence of [(1)] the [underlying] ratings of "\_\_\_" and "\_\_\_" on the Bonds from Fitch Ratings and Moody's Investors Service ("Moody's"), respectively, on or prior to the Closing Date, which ratings shall not have been suspended, lowered or withdrawn prior to the Closing Date [and (2) the insured ratings on the Insured Bonds of "\_\_\_" and "\_\_\_" from S&P Global Ratings, acting through Standard & Poor's Financial Services LLC, and Moody's, respectively,] on or prior to the Closing Date.

(m) The Underwriters shall have received certified copies of the resolutions of the Authority and of the Public University relating to the Bonds (including the Resolution), executed copies of the Trust Indenture, the Agreement, the Escrow Deposit Agreements, the Continuing Disclosure Agreement and the Official Statement, all in form and substance satisfactory to the Representative.

(n) The Authority shall have received (1) a certificate of the Trustee, in its capacities as trustee, paying agent and bond registrar in form and substance satisfactory to the Authority and the Representative; and (2) an opinion of Trustee's counsel with respect to the Bonds dated the Closing Date stating that (A) the Trustee is duly organized and validly existing as a banking corporation under the laws of the State of New York with trust powers, authorized to conduct business and serve as a trustee, paying agent, bond registrar, dissemination agent and fiduciary under the laws of the State; (B) the Trustee has duly accepted its appointment as Trustee under the Trust Indenture, and as dissemination agent under the Continuing Disclosure Agreement, and possesses all necessary trust, fiduciary and other powers to carry out the duties and obligations imposed, respectively, by the Trust Indenture and Continuing Disclosure Agreement; (C) the Trustee has duly authenticated the Bonds and has duly executed and delivered the Trust Indenture and the Continuing Disclosure Agreement; (D) the duties and responsibilities created by the Trust Indenture and the Continuing Disclosure Agreement constitute the valid, legal and binding obligations of the Trustee, enforceable against the Trustee in accordance with their respective terms; (E) the acceptance, execution, delivery and performance by the Trustee of the duties and obligations of the Trustee under the Trust Indenture and as dissemination agent under the Continuing Disclosure Agreement will not conflict with or constitute a breach of or default under the Trustee's charter, by-laws or other authorizing documents or any law, administrative regulation or consent decree to which the Trustee is subject; (F) the execution and delivery of the Trust Indenture and the Continuing Disclosure Agreement and the due performance by the Trustee as trustee and dissemination agent, respectively, of its obligations thereunder have been duly authorized by all necessary corporate actions on the part of the Trustee; and (G) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter, if any, which would constitute a condition precedent to the performance by the Trustee as trustee and dissemination agent, respectively, of its obligations under the terms of the Trust Indenture and the Continuing Disclosure Agreement have been obtained and are in full force and effect.

(o) The Authority shall have received (1) a certificate of the 2007/2008/2010 Escrow Agent, in its capacity as escrow agent in form and substance satisfactory to the Authority and the Representative; and (2) an opinion of counsel to 2007/2008/2010 Escrow Agent with respect to the Bonds dated the Closing Date stating that (A) the 2007/2008/2010 Escrow Agent is duly organized and validly existing as a New York state banking corporation with trust powers, authorized to conduct business and serve as escrow agent and fiduciary under the laws of the State; (B) the 2007/2008/2010 Escrow Agent has duly accepted its appointment as escrow agent under the 2007/2008/2010 Escrow Deposit Agreement and possesses all necessary trust, fiduciary and other powers to carry out the duties and obligations imposed by the 2007/2008/2010 Escrow Deposit Agreement; (C) the 2007/2008/2010 Escrow Agent has duly executed and delivered the 2007/2008/2010 Escrow Deposit Agreement; (D) the duties and responsibilities created by the 2007/2008/2010 Escrow Deposit Agreement constitute the valid, legal and binding obligations of the 2007/2008/2010 Escrow Agent, enforceable against the 2007/2008/2010 Escrow Agent in accordance with its terms; (E) the acceptance, execution, delivery and performance by the

2007/2008/2010 Escrow Agent of the duties and obligations of the 2007/2008/2010 Escrow Agent under the 2007/2008/2010 Escrow Deposit Agreement will not conflict with or constitute a breach of or default under the charter, by-laws or other authorizing documents of the 2007/2008/2010 Escrow Agent or any law, administrative regulation or consent decree to which the 2007/2008/2010 Escrow Agent is subject; (F) the execution and delivery of the 2007/2008/2010 Escrow Deposit Agreement and the due performance by the 2007/2008/2010 Escrow Agent of its obligations thereunder have been duly authorized by all necessary corporate actions on the part of the 2007/2008/2010 Escrow Agent; and (G) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter, if any, which would constitute a condition precedent to the performance by the 2007/2008/2010 Escrow Agent of its obligations under the terms of the 2007/2008/2010 Escrow Deposit Agreement, have been obtained and are in full force and effect.

(p) The Authority shall have received (1) a certificate of the 2015/2016 Escrow Agent, in its capacity as escrow agent in form and substance satisfactory to the Authority and the Representative; and (2) an opinion of counsel to 2015/2016 Escrow Agent with respect to the Bonds dated the Closing Date stating that (A) the 2015/2016 Escrow Agent is duly organized and validly existing as a national banking association under the laws of the United States of America with trust powers, authorized to conduct business and serve as escrow agent and fiduciary under the laws of the State; (B) the 2015/2016 Escrow Agent has duly accepted its appointment as escrow agent under the 2015/2016 Escrow Deposit Agreement and possesses all necessary trust, fiduciary and other powers to carry out the duties and obligations imposed by the 2015/2016 Escrow Deposit Agreement; (C) the 2015/2016 Escrow Agent has duly executed and delivered the 2015/2016 Escrow Deposit Agreement; (D) the duties and responsibilities created by the 2015/2016 Escrow Deposit Agreement constitute the valid, legal and binding obligations of the 2015/2016 Escrow Agent, enforceable against the 2015/2016 Escrow Agent in accordance with its terms; (E) the acceptance, execution, delivery and performance by the 2015/2016 Escrow Agent of the duties and obligations of the 2015/2016 Escrow Agent under the 2015/2016 Escrow Deposit Agreement will not conflict with or constitute a breach of or default under the charter, by-laws or other authorizing documents of the 2015/2016 Escrow Agent or any law, administrative regulation or consent decree to which the 2015/2016 Escrow Agent is subject; (F) the execution and delivery of the 2015/2016 Escrow Deposit Agreement and the due performance by the 2015/2016 Escrow Agent of its obligations thereunder have been duly authorized by all necessary corporate actions on the part of the 2015/2016 Escrow Agent; and (G) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter, if any, which would constitute a condition precedent to the performance by the 2015/2016 Escrow Agent of its obligations under the terms of the 2015/2016 Escrow Deposit Agreement, have been obtained and are in full force and effect.

(q) Certificates, dated the Closing Date, executed by Authorized Officers of the Trustee, the Public University and the Authority and such additional documentation of organization, authority and incumbency as may be reasonably satisfactory to the Underwriter and to Bond Counsel.

(r) The Underwriters shall have received an opinion of McCarter & English, LLP, Underwriters' Counsel, dated the Closing Date, in form and substance satisfactory to the Representative in substantially the form attached hereto as Exhibit D.

(s) The Authority shall have received: (i) consent letters from the Public University's auditor, KPMG LLP (the "Auditor"), stating that the Auditor consents to the inclusion of its report regarding the financial statements of the Public University in the Preliminary Official Statement and Official Statement, respectively and stating that the Auditor consents to the use of its name in the Preliminary Official Statement and the Official Statement, respectively; and (ii) a privity letter from the Auditor in a form acceptable to the Attorney General of the State and Bond Counsel, addressed to the Public University and copied to the Authority, which acknowledges that the Authority intends to rely on its financial statements in connection with the issuance of the Bonds and waiving the provisions of N.J.S.A. 2A:53A-25 with respect to its professional accounting services.

(t) The Authority and the Public University shall have received the verification report of Causey Demgen & Moore P.C. verifying the mathematical accuracy, as of the date of delivery of the Bonds, of the computations contained in the provided schedules to determine that the amount to be deposited pursuant to the Escrow Deposit Agreements will be sufficient to pay, when due, the principal or Redemption Price of and interest on the Bonds to be Refunded.

(u) [The Underwriter shall have received a copy of the Policy.]

(v) [The Underwriter shall have received executed copies of the (1) certificate(s) from the Insurer in customary form and (2) opinion(s) of counsel to the Insurer in customary form.]

(w) The Underwriters shall have received such additional certificates, opinions and other documents as the Representative or Bond Counsel may reasonably request to evidence performance of or compliance with the provisions of this Purchase Contract and the transactions contemplated hereby and by the Official Statement; all such certificates, opinions and other documents to be in form and substance satisfactory to the Underwriter.

(x) The Authority will furnish the Underwriters with such opinions, certificates, letters and documents as the Representative or Bond Counsel reasonably requests. If the Authority shall be unable to satisfy or cause to be satisfied any condition of the obligations of the Representative contained in this Purchase Contract and the satisfaction of such condition shall not be waived by the Representative or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Authority nor the Public University shall have any further obligations or liabilities hereunder.

8. **Amendments and Supplements to the Official Statement.** The "end of the underwriting period" for the Bonds for all purposes of Rule 15c2-12 is the Closing Date. During the period from the date hereof to and including a date which is twenty-five (25) days following the end of the underwriting period for the Bonds (as determined in accordance with this Section 8), the Authority will (a) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Public University or the Representative shall reasonably object in writing, unless the Authority has obtained the written opinion of Bond Counsel, stating that such amendment or supplement is necessary in order to make the Official Statement not misleading in the light of the circumstances existing at the time that it is delivered to the Representative, and (b) if any event relating to or affecting the Authority, the Public University or the Bonds shall occur as a result of which it is necessary, in the written opinion of Bond Counsel, to amend or to supplement the Official Statement in order to make the Official Statement not

misleading in the light of the circumstances existing at the time it is delivered to the Representative, forthwith prepare and furnish to the Representative (at the expense of the Public University) up to 250 copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Authority, the Attorney General of the State, Bond Counsel and the Representative) which will amend or supplement the Official Statement so that the Official Statement, as amended or supplemented, will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to the Representative, not misleading. The cost of any copies of such amendment or supplement to the Official Statement in excess of 250 shall be borne by the Underwriters. In addition, the Authority will provide, subject to customary disclaimers regarding the transmission of electronic copies, an electronic copy of the amendment or supplement to the Official Statement to the Underwriter in the currently required designated electronic format stated in Rule G-32. The Underwriter shall comply with the provisions of Rule G-32 as in effect on the date hereof, with respect to the filing of such amendment or supplement to the Official Statement with the MSRB and to notify the Authority of the date on which such amendment or supplement to the Official Statement is filed with the MSRB. For the purpose of this Section 8, the Authority will furnish such information with respect to itself or the Public University as the Representative may from time to time reasonably request, and the Public University will cooperate with the Authority in furnishing such information with respect to the Public University.

9. **Indemnification and Contribution.** To the extent permitted by law, the Public University agrees to indemnify and hold harmless the Authority, the Trustee, each Underwriter and each person, if any, who controls an Underwriter within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended, from and against any and all losses, claims, damages, liabilities and expenses caused by any untrue or misleading statement or alleged untrue or misleading statement of a material fact contained in the Official Statement or any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and will reimburse each Indemnified Party (as defined herein) for any legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such action or claim as such expenses are incurred, except, with respect to each Indemnified Party, insofar as such losses, claims, damages, liabilities or expenses are caused by any such untrue or misleading statement or omission or alleged untrue or misleading statement or omission based upon information relating to an Indemnified Party provided to the Public University in writing by such Indemnified Party (which in the case of the Underwriter Indemnified Parties shall have been provided by the Representative) expressly for use therein. For the sake of clarity, the only information relating to the Underwriters provided by the Representative expressly for inclusion in the Official Statement (or any amendment or supplement thereto) is the information in the first paragraph under the heading “UNDERWRITING”.

In case any proceeding shall be instituted involving any person in respect of which indemnity may be sought pursuant to the preceding paragraph, such person (each, an “Indemnified Party”) shall, if a claim in respect thereof is to be made against the Public University pursuant to the immediately preceding paragraph, promptly notify the Public University in writing and the Public University shall promptly assume the defense of such action, including the retention of counsel

reasonably acceptable to such Indemnified Party, and the payment of all expenses in connection with such action. However, failure on the part of the Authority to give such notification shall not relieve the Public University from its obligation under this Section 9 to the Authority. For any Indemnified Party other than the Authority, to the extent the Public University suffers actual prejudice as a result of any such failure to give such notification, such failure shall relieve the Public University from its indemnification obligation under this Section 9 to the extent of such prejudice or loss. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party, unless the employment of such counsel has been specifically authorized by the Public University or unless by reason of conflict of interest (determined by such Indemnified Party in consultation with counsel to any Indemnified Party) it is advisable for such Indemnified Party to be represented by separate counsel, in which case the fees and expenses of such separate counsel shall be borne by the Public University. The Public University shall not be liable for any settlement of any such action effected without its written consent (such consent not to be unreasonably withheld), but if settled with the written consent of the Public University or if there be a final judgment for the plaintiff in any such action with or without written consent, the Public University agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. The Public University shall not, without the written consent of the Indemnified Party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not such Indemnified Party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the Indemnified Party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

If the indemnification provided for in the first paragraph of this Section 9 is unavailable to an Underwriter Indemnified Party in respect of any losses, claims, damages, liabilities or expenses referred to therein, the Public University shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages, liabilities or expenses (i) in such proportion as is appropriate to reflect the relative benefits received by the Public University and the Underwriters from the offering of the Bonds, or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Public University and of the Underwriters in connection with the statements or omissions that resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Public University and the Underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) received by the Public University and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the Official Statement. The relative fault of the Public University and the Underwriters shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Public University or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Public University, the Authority and the Underwriters agree that it would not be just and equitable if contribution pursuant to the immediately preceding paragraph were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by any Underwriter Indemnified Party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this Section 9 to contribute are several in proportion to their respective underwriting obligations and not joint.

The indemnity and contribution agreements contained in this Section 9 and the representations and warranties of the Public University contained in this Purchase Contract shall remain operative and in full force and effect regardless of (i) any termination of this Purchase Contract, (ii) any investigation made by or on behalf of the Underwriters or any person controlling an Underwriter or by or on behalf of the Public University, its officers or directors or any other person controlling the Public University, and (iii) acceptance of and payment for any of the Bonds.

10. **Survival of Certain Representations and Obligations.** After the Closing, the respective agreements, representations, warranties and other statements of the Authority, of the Public University and their officials and of the Underwriters set forth in or made pursuant to this Purchase Contract shall remain in full force and effect, regardless of any investigation or statement as to the results thereof, made by or on behalf of the Underwriters, the Public University, or the Authority and will survive delivery of and payment for the Bonds.

11. **Notices.** Any notice or other communication to be given to the Underwriter pursuant to this Purchase Contract may be given by mailing or delivering the same in writing to:

Morgan Stanley & Co. LLC  
1585 Broadway 16<sup>th</sup> Floor  
New York, New York 10036  
Attention: Oliver Zlomislic, Executive Director

Any notice or other communication to be given to the Authority under this Purchase Contract may be given by mailing or delivering the same in writing to:

New Jersey Educational Facilities Authority  
103 College Road East  
Princeton, New Jersey 08540-6612  
Attention: Executive Director

Any notice or other communication to be given to the Public University under this Purchase Contract may be given by mailing or delivering the same in writing to:

New Jersey City University  
2039 Kennedy Boulevard  
Jersey City, New Jersey 07305  
Attention: Vice President for Administration & Finance

12. **Governing Law.** This Purchase Contract shall be governed by and enforced in accordance with the laws of the State of New Jersey without regard for conflict of law principles.

13. **Successors.** This Purchase Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, and no other person will have any right or obligation hereunder.

14. **Execution of Counterparts.** This Purchase Contract may be executed in several counterparts, any of which may be in facsimile form and each of which shall be regarded as an original and all of which shall constitute one and the same document.

15. **Assignment.** This Purchase Contract may not be assigned by any of the parties without the written consent of the other parties hereto.

16. **Benefit.** This Purchase Contract is made solely for the benefit of the Authority, the Public University and the Underwriters (including the successors or assigns of any of said parties) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. The terms “successors” and “assigns” as used herein shall not include any purchaser, as such purchaser, of any of the Bonds from the Underwriters. All representations and agreements of the Authority, the Public University and the Underwriters in this Purchase Contract shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriters and shall survive the delivery of and payment for the Bonds.

17. **Compliance with L. 2005, c. 271 Reporting Requirements.** The Underwriters are advised of their responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, section 3) if the Underwriters enter into agreements or contracts such as this Purchase Contract, with a public entity, such as the Authority, and receive compensation or fees in excess of \$50,000 or more in the aggregate from public entities, such as the Authority, in a calendar year. It is the Underwriters’ responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

18. **Cooperation.** The Authority and the Public University agree to reasonably cooperate with the Representative and counsel to the Underwriters in any endeavor to qualify the Bonds for offering and sale under the securities or “Blue Sky” laws of such states as the Representative may request and will assist, if necessary, in continuing the effectiveness of such qualification so long as required for the distribution of the Bonds. The Authority and the Public University consent to the use of the Official Statement by the Underwriters in obtaining such

qualifications; provided, however, that the Authority and the Public University shall not be required to consent to service of process or to file a written consent to suit or service of process. The Authority's and the Public University's failure to consent to service of process or to file a written consent to suit or service of process shall not relieve the Underwriters of their obligation to purchase the Bonds under this Purchase Contract.

19. **Effect.** The performance of obligations of the Authority and the Public University hereunder is subject to the performance by the Underwriters of their obligations hereunder.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow.]

Very truly yours,

**MORGAN STANLEY & CO. LLC**

By: \_\_\_\_\_  
Name: Oliver Zlomislic  
Title: Executive Director

Accepted as of the date first written above:

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

By: \_\_\_\_\_  
Name: Eric D. Brophy, Esq.  
Title: Executive Director

**NEW JERSEY CITY UNIVERSITY**

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE I  
UNDERWRITERS**

Morgan Stanley & Co. LLC

Raymond James & Associates

**EXHIBIT A  
PRICING SUMMARY**

\$ \_\_\_\_\_  
**REVENUE REFUNDING BONDS,  
NEW JERSEY CITY UNIVERSITY ISSUE  
SERIES 2020 B (TAX-EXEMPT)**

<u>Due July 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>
	\$			

\$ \_\_\_\_\_ % Term Bond due July 1, 20\_\_; Price \_\_\_\_ %

AND

\$ \_\_\_\_\_  
**REVENUE REFUNDING BONDS,  
NEW JERSEY CITY UNIVERSITY ISSUE  
SERIES 2020 C (FEDERALLY TAXABLE)**

<u>Due July 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>
	\$			

\$ \_\_\_\_\_ % Term Bond due July 1, 20\_\_; Price \_\_\_\_ %

**Redemption Provisions**

**Series 2020 B Bonds**

**Optional Redemption.** The Series 2020 B Bonds maturing before July 1, 20\_\_ are not subject to optional redemption prior to maturity. The Series 2020 B Bonds maturing on or after July 1, 20\_\_ are subject to redemption prior to maturity on or after July 1, 20\_\_ at the option of the Authority with the prior consent of the Public University, in whole or in part at any time or from time to time at a Redemption Price equal to 100% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

**Extraordinary Optional Redemption.** Subject to the Prior Agreements, if all or a substantial portion of the Leased Facilities are damaged or destroyed by fire or other casualty, or title to or the temporary use of all or a substantial portion of such facilities is condemned or taken for any public or quasi-public use by any governmental entity exercising or threatening the exercise of the power of eminent domain, or title thereto is found to be deficient, to such extent that in the determination of the Public University (A) such facilities cannot be reasonably restored or replaced to the condition thereof preceding such event, or (B) the Public University is thereby prevented from carrying on its normal operations, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance, condemnation awards or sale under threat of condemnation with respect thereto, the Series 2020 B Bonds are subject to extraordinary optional redemption prior to maturity, in whole or in part at any time or from time to time, from and to the extent of any condemnation or insurance proceeds deposited in the Debt Service Fund pursuant to the Agreement, at the election of the Authority with the consent of the Public University. Any such redemption shall be made on the earliest practicable date at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption.** The Series 2020 B Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Principal Account at a redemption price equal to one hundred percent (100%) of the principal amount to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the Series 2020 B Bonds on July 1 in each of the years and in the principal amounts as follows:

<u>Series 2020 B Bonds Maturing July 1, 20__</u>	
<u>Year</u>	<u>Amount</u>

\* Final maturity.

**Series 2020 C Bonds**

**Optional Redemption.** The Series 2020 C Bonds maturing before July 1, 20\_\_ are not subject to optional redemption prior to maturity. The Series 2020 C Bonds maturing on or after July 1, 20\_\_ are subject to redemption prior to maturity on or after July 1, 20\_\_ at the option of the Authority with the prior consent of the Public University, in whole or in part at any time or from time to time at a Redemption Price equal to 100% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

**Extraordinary Optional Redemption.** Subject to the Prior Agreements, if all or a substantial portion of the Leased Facilities are damaged or destroyed by fire or other casualty, or title to or the temporary use of all or a substantial portion of such facilities is condemned or taken for any public or quasi-public use by any governmental entity exercising or threatening the exercise of the power of eminent domain, or title thereto is found to be deficient, to such extent that in the

determination of the Public University (A) such facilities cannot be reasonably restored or replaced to the condition thereof preceding such event, or (B) the Public University is thereby prevented from carrying on its normal operations, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance, condemnation awards or sale under threat of condemnation with respect thereto, the Series 2020 C Bonds are subject to extraordinary optional redemption prior to maturity, in whole or in part at any time or from time to time, from and to the extent of any condemnation or insurance proceeds deposited in the Debt Service Fund pursuant to the Agreement, at the election of the Authority with the consent of the Public University. Any such redemption shall be made on the earliest practicable date at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption.** The Series 2020 C Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Principal Account at a redemption price equal to one hundred percent (100%) of the principal amount to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the Series 2020 C Bonds on July 1 in each of the years and in the principal amounts as follows:

<u>Series 2020 C Bonds Maturing July 1, 20__</u>	
<u>Year</u>	<u>Amount</u>

\* Final maturity.

**Redemption in Part.** Bonds shall be redeemed only in Authorized Denominations. If less than all of the Bonds of a series are to be redeemed prior to maturity, such Bonds shall be called for redemption in any order of maturity and in any principal amount within a maturity as the Authority may designate with the consent of the Public University. Bonds to be redeemed within any maturity shall be selected by the Trustee by lot or by any other method.

**Notice of Redemption.** Notice of redemption of the Bonds will be given by the Trustee by mailing a copy of such notice to DTC, as the registered owner of the Bonds, not less than thirty (30) nor more than sixty (60) days prior to the redemption date, and such mailing shall be a condition precedent to such redemption. Failure of DTC or any Beneficial Owner to receive a copy of such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of the Bonds. Any notice of optional redemption of any Bonds may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Interest on any Bonds called for redemption shall cease to accrue from and after the date fixed for redemption if, on such date, sufficient moneys for the redemption of all such Bonds, together with interest to the date fixed for redemption, shall be held by the Trustee.]

**EXHIBIT B**

**L. 2005, c. 51, AND EXECUTIVE ORDER NO. 117  
CERTIFICATION OF NO CHANGE**

I, Oliver Zlomislic, Executive Director of Morgan Stanley & Co. LLC (the “Representative”), and based solely on reliance upon the representations and warranties made to the Representative in the Agreement Among Underwriters, dated \_\_\_\_\_, 2020, by the other Underwriters (collectively, the “Underwriters”) listed on Schedule I to the Contract of Purchase (the “Purchase Contract”), dated \_\_\_\_\_, 2020 relating to the Authority’s \$\_\_\_\_\_ Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt) and \$\_\_\_\_\_ Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable) (collectively, the “Bonds”), do hereby certify on behalf of itself and the other Underwriters that all information, certifications and disclosure statements previously provided in connection with L. 2005, c. 51 and Executive Order No. 117 (Corzine 2008), are true and correct as of the date hereof, and that all such statements have been made with full knowledge that the Authority and the State of New Jersey shall rely upon the truth of the statements contained herein and in the Purchase Contract in engaging the Representative and the other Underwriters in connection with the sale and issuance of the Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2020.

Morgan Stanley & Co. LLC

By: \_\_\_\_\_  
Oliver Zlomislic  
Executive Director

**EXHIBIT C**  
**FORM OF ISSUE PRICE CERTIFICATE**

## EXHIBIT D

### FORM OF OPINION OF UNDERWRITERS' COUNSEL

\_\_\_\_\_, 2020

Morgan Stanley & Co. LLC  
New York, New York, as Representative

Re: New Jersey Educational Facilities Authority  
Revenue Refunding Bonds, New Jersey City University,  
Series 2020 B (Tax-Exempt) and Series 2020 C (Federally Taxable)

Ladies and Gentlemen:

Morgan Stanley & Co. LLC as underwriter and as a manager of a group of underwriters (the "Underwriters") under the Contract of Purchase dated \_\_\_\_\_, 2020 in connection with the sale, issuance and delivery by the New Jersey Educational Facilities Authority (the "Authority") of its \$\_\_\_\_\_ aggregate principal amount of Revenue Refunding Bonds New Jersey City University, Series 2020 B (Tax-Exempt) (the "Series 2020 B Bonds") and \$\_\_\_\_\_ aggregate principal amount of Revenue Refunding Bonds New Jersey City University, Series 2020 C (Federally Taxable) (the "Series 2020 C Bonds" and collectively with the Series 2020 B Bonds, the "Bonds"). The Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act"), a Resolution adopted by the Authority on March 24, 2020 (the "Resolution"), and a Trust Indenture, dated as of \_\_\_\_\_ 1, 2020 (the "Trust Indenture"), by and between the Authority and The Bank of New York Mellon, as trustee (the "Trustee"). This opinion is being delivered to you pursuant to Section 7(r) of the Purchase Contract. Capitalized terms used in this opinion and not otherwise specifically defined herein have the meanings assigned to them in the Purchase Contract or the Official Statement (as hereinafter defined), as the case may be, unless the context clearly indicates otherwise.

We have examined and relied upon originals, or certified copies or copies otherwise identified to our satisfaction, of the following:

- (a) the Trust Indenture;
- (b) the Lease and Agreement, dated as of \_\_\_\_\_ 1, 2020 (the "Agreement"), by and between the Authority and New Jersey City University (the "Public University");
- (c) the Preliminary Official Statement of the Authority dated \_\_\_\_\_, 2020, with respect to the Bonds (the "Preliminary Official Statement");
- (d) the Official Statement of the Authority dated \_\_\_\_\_, 2020, with respect to the Bonds (the "Official Statement");
- (e) the Bond Purchase Contract;

(f) the Continuing Disclosure Agreement dated \_\_\_\_\_, 2020 (the "Continuing Disclosure Agreement"), by and between the Public University and The Bank of New York Mellon; and

(g) the opinions of counsel, certificates, letters and others documents required by the Bond Purchase Contract.

In addition, we have examined and relied upon originals or certified copies or copies otherwise identified to our satisfaction, of all such other agreements, certificates, records of proceedings, instruments and documents of the Authority and of the Public University, public officials and other persons as we have deemed appropriate as a basis for the opinions hereinafter expressed. In rendering the opinions hereinafter expressed, we have assumed, but have not independently verified, that the signatures on all opinions, certificates, agreements, instruments and other documents that we have examined are genuine.

In connection with the sale of the Bonds, at your request we participated and assisted as your counsel in the preparation of the Preliminary Official Statement and the Official Statement and have reviewed the information and representations contained therein. Rendering such assistance involved, among other things, discussions and inquiries concerning various subjects, and reviews of certain documents and proceedings. We also participated in conferences with representatives of the Underwriter, with officers, agents, and employees of the Authority and the Public University, and with GluckWalrath LLP, Bond Counsel, at which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and reviewed.

Based upon the foregoing, we are of the opinion that:

(1) the Bonds are not required to be registered under the Securities Act of 1933, as amended;

(2) assuming, with your permission, that the parties thereto comply on a continuing basis with the terms and provisions thereof, the provisions of the Continuing Disclosure Agreement satisfy the requirements contained in Rule 15(c)(2)-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15(c)(2)-12"), for an undertaking, for the benefit of the holders of the Bonds, to provide information at the times and in the manner required by Rule 15(c)(2)-12; and

(3) based on our role as counsel to the Underwriter and our participation in certain meetings held in connection with the preparation of the Preliminary Official Statement and the Official Statement, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Official Statement, nothing has come to our attention which would lead us to believe that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and as of the date hereof, (in each case, (except for the financial, tabular and statistical data included therein, information contained under the headings "DESCRIPTION OF THE BONDS – Book-Entry-Only System", "RATINGS", and "TAX MATTERS," and information contained in the Appendices to the Official Statement, as to all of which we express no view) contained or contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The phrase "to our attention" means conscious awareness of lawyers in the primary lawyer group of factual matters such lawyers recognize as being relevant to the opinion or confirmation so qualified. "Primary lawyer group" means any lawyer in this firm (i) who signs this opinion letter,

(ii) who is actively involved in negotiating or documenting the issuance of the Bonds, the Trust Indenture, the Bond Purchase Contract, the Preliminary Official Statement or the Official Statement, or (iii) solely as to information relevant to a particular opinion or factual confirmation issue, who is primarily responsible for providing the response concerning the particular opinion or issue.

The foregoing opinions are qualified to the extent that the enforceability of the Bonds and the Trust Indenture may be limited under bankruptcy, insolvency, moratorium or other similar laws or equitable principles affecting creditors' rights or remedies generally and may be subject to the exercise of judicial discretion in applicable cases.

The opinions expressed herein are limited to the laws and judicial decisions of the State of New Jersey, exclusive of conflicts of law provisions, and the federal laws and judicial decisions of the United States of America.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States of America as of the date hereof and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinion, or laws or judicial decisions hereafter enacted or rendered. Our engagement with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

This opinion letter is being furnished solely to the party to whom it is addressed and may not be relied upon by any other person or quoted in whole or in part or otherwise referred to without our prior written consent except as required by law. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Very truly yours,

**CONTINUING DISCLOSURE AGREEMENT**

**BY AND BETWEEN**

**NEW JERSEY CITY UNIVERSITY**

**AND**

**THE BANK OF NEW YORK MELLON,  
AS DISSEMINATION AGENT**

**Dated as of May \_\_, 2020**

Entered into with respect to the

New Jersey Educational Facilities Authority  
\$\_\_\_\_\_ Revenue Refunding Bonds, New Jersey City University Issue,  
Series 2020 B (Tax-Exempt)  
\$\_\_\_\_\_ Revenue Refunding Bonds, New Jersey City University Issue,  
Series 2020 C (Federally Taxable)

## CONTINUING DISCLOSURE AGREEMENT

**THIS CONTINUING DISCLOSURE AGREEMENT** (the “Agreement”), made and entered into as of May \_\_, 2020 by and between **NEW JERSEY CITY UNIVERSITY**, a public institution of higher education located in the State of New Jersey (the “Public University”), and **THE BANK OF NEW YORK MELLON**, a banking corporation organized and existing under the laws of the State of New York (the “Dissemination Agent” or “Trustee”).

### WITNESSETH:

**WHEREAS**, on the date hereof the New Jersey Educational Facilities Authority, a body corporate and politic with corporate succession, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter referred to as the “Authority”) is issuing its Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B, dated May \_\_, 2020, in the aggregate principal amount of \$\_\_\_\_\_ (the “Series 2020 B Bonds”) and its Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable), dated May \_\_, 2020, in the aggregate principal amount of \$\_\_\_\_\_ (the “Series 2020 C Bonds”); and

**WHEREAS**, the Series 2020 B Bonds and the Series 2020 C Bonds (collectively, the “Bonds”) are being issued pursuant to the Authority’s Bond Resolution adopted on March 24, 2020 (the “Resolution”), and a Trust Indenture dated as of May 1, 2020 (the “Trust Indenture”) by and between the Authority and the Trustee; and

**WHEREAS**, the Public University and the Authority have entered into a Lease and Agreement dated as of May 1, 2020 with respect to certain educational facilities refinanced with proceeds of the Bonds (the “Lease and Agreement”), whereby the Authority has leased certain educational facilities to the Public University and the Public University has agreed to make lease payments to the Authority; and

**WHEREAS**, the Trustee has duly accepted the trusts imposed upon it by the Trust Indenture as Trustee for the Holders from time to time of the Bonds; and

**WHEREAS**, the Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified as of the date hereof at 15 U.S.C. 77 *et seq.*) (the “Securities Exchange Act”), has adopted amendments effective July 3, 1995 to its Rule 15c2-12 (codified at 17 C.F.R. §240.15c2-12) (“Rule 15c2-12”) that generally prohibit a broker, dealer or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and operating data, notices of the occurrence of certain disclosure events and notices of the failure to make a submission required by a continuing disclosure agreement to various information repositories; and

**WHEREAS**, the Authority and the Public University have determined that the Public University is an “obligated person” with respect to the Bonds within the meaning of Rule 15c2-12 and, in order to enable a “participating underwriter” (as such term is defined in Rule 15c2-12) to purchase the Bonds, is therefore required to cause the delivery of the information described in

this Agreement to the municipal securities marketplace for the period of time specified in this Agreement; and

**WHEREAS**, the SEC has adopted amendments, effective July 1, 2009, to Rule 15c2-12 requiring that the annual financial information and operating data, notices of the occurrence of certain disclosure events and notices of the failure to make a submission required by a continuing disclosure agreement be provided to the Municipal Securities Rulemaking Board (the “MSRB”) and not to the various information repositories, and requiring that such information be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB; and

**WHEREAS**, the SEC has adopted amendments, effective December 1, 2010, to Rule 15c2-12 revising the list of disclosure events and requiring that notices of such disclosure events be provided within ten (10) business days after the occurrence of the event; and

**WHEREAS**, the SEC has adopted amendments, effective February 27, 2019, to Rule 15c2-12 revising the list of disclosure events to include two (2) additional disclosure events that must be included in any continuing disclosure agreements entered into on or after February 27, 2019, and requiring that notices of such additional disclosure events be provided within ten (10) business days after the occurrence of the event; and

**WHEREAS**, on April \_\_ 2020, the Authority and the Public University entered into a Contract of Purchase with Morgan Stanley & Co. LLC, on behalf of itself and the other underwriters named therein (collectively, the “Underwriter”), for the purchase of the Bonds; and

**WHEREAS**, the execution and delivery of this Agreement have been duly authorized by the Public University and the Dissemination Agent, respectively, and all conditions, acts and things necessary and required to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Agreement, do exist, have happened and have been performed in regular form, time and manner; and

**WHEREAS**, the Public University and the Dissemination Agent are entering into this Agreement for the benefit of the Holders of the Bonds.

**NOW, THEREFORE**, for and in consideration of the promises and of the mutual representations, covenants and agreements herein set forth, the Public University and the Dissemination Agent, each binding itself, its successors and assigns, do mutually promise, covenant and agree as follows:

## ARTICLE 1

### DEFINITIONS

Section 1.1. Terms Defined in Recitals. All capitalized terms in the preambles hereof shall have the meanings set forth therein for all purposes of this Agreement.

Section 1.2. Additional Definitions. The following additional terms shall have the meanings specified below:

“Annual Report” means Financial Statements and Operating Data provided at least annually.

“Bondholder” or “Holder” or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any Outstanding Bond, including holders of beneficial interests in the Bonds.

“Business Day” means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, the State or in the city or cities in which the designated corporate trust office of the Dissemination Agent is located are authorized or required by law to close or (c) a day on which the New York Stock Exchange is closed.

“Disclosure Event” means any event described in subsection 2.1(d) of this Agreement.

“Disclosure Event Notice” means the notice to the MSRB, as provided in subsection 2.1(d).

“Dissemination Agent” means The Bank of New York Mellon, acting in its capacity as Dissemination Agent under this Agreement, or any successor Dissemination Agent designated in writing by the Public University and which has filed a written acceptance of such designation.

“EMMA” means the MSRB’s Electronic Municipal Markets Access System, or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and certain other information.

“Final Official Statement” means the final Official Statement of the Authority dated April \_\_, 2020 pertaining to the Bonds.

“Financial Obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (iii) guarantee of (i) or (ii); provided, however, that the term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

“Financial Statements” means the basic financial statements of the Public University (including its component units, if any) for each Fiscal Year and includes statements of net assets,

statements of revenues, expenses, and changes in net assets and statements of cash flows or statements which convey similar information.

“Fiscal Year” means the fiscal year of the Public University. As of the date of this Agreement, the Fiscal Year of the Public University begins on July 1 of each calendar year and closes on June 30 of the next succeeding calendar year.

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States of America, consistently applied.

“GAAS” means generally accepted auditing standards as in effect from time to time in the United States of America, consistently applied.

“Operating Data” means the financial and statistical information of the Public University of the type included in Appendix A to the Final Official Statement under the headings “Faculty”, “Admissions and Enrollment”, “Tuition and Fees”, “State Appropriations”, “Student Financial Assistance”, “University Financial Summary”, “Outstanding Debt” and “Foundation Financial Summary”.

“State” means the State of New Jersey.

Section 1.3. Capitalized Terms Not Defined Herein. Capitalized terms not defined herein shall have the meanings assigned to them in Section 1.01 of the Trust Indenture or Article I of the Lease and Agreement, as the case may be.

Section 1.4. Interpretation. Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing Persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. Articles and Sections referred to by number mean the corresponding Articles and Sections of this Agreement. The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Agreement, refer to this Agreement as a whole unless otherwise expressly stated.

As the context shall require, all words importing the singular number shall include the plural number; the disjunctive term “or” shall be interpreted conjunctively as required to insure that the Public University performs any obligations, mentioned in the passage in which such term appears.

The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

## ARTICLE 2

### CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1. Continuing Disclosure Covenants of Public University. The Public University agrees that it will provide, or shall cause the Dissemination Agent to provide:

(a) not later than December 27<sup>th</sup> following the end of each Fiscal Year, commencing with the Fiscal Year of the Public University ending June 30, 2020, an Annual Report to the MSRB through EMMA, to the Trustee and to the Authority, and if the Fiscal Year of the Public University should change, then the Annual Report shall be due not later than one hundred eighty (180) days after the end of each Fiscal Year;

(b) not later than fifteen (15) days prior to the date of each year specified in subsection 2.1(a) as the date by which the Annual Report must be provided to the MSRB, a copy of the Annual Report to the Dissemination Agent;

(c) if not submitted as part of the Annual Report, then when and if available, to the MSRB through EMMA, to the Trustee and to the Authority, audited Financial Statements for the Public University;

(d) in a timely manner not in excess of ten (10) business days after the occurrence of the event, to the MSRB through EMMA, to the Trustee and to the Authority, notice of any of the following events with respect to the Bonds (each, a “Disclosure Event”):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
- (vii) modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;

- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar events of the Public University, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Public University in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Public University, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Public University;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Public University or the sale of all or substantially all of the assets of the Public University, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee, or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the Public University, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation, any of which affect Holders of the Bonds, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms or other similar events under a Financial Obligation of the Public University, if any such event reflects financial difficulties.

(e) in a timely manner, to the MSRB through EMMA, to the Trustee and to the Authority, notice of a failure by the Public University to provide the Annual Report within the period described in subsection 2.1(a) hereof.

Section 2.2. Continuing Disclosure Representations. The Public University represents and warrants that:

(a) Financial Statements shall be prepared according to GAAP.

(b) Any Financial Statements that are audited shall be audited by an independent certified public accountant in accordance with GAAS.

Section 2.3. Form of Annual Report. (a) The Annual Report may be submitted as a single document or as separate documents comprising a package.

(b) Any or all of the items which must be included in the Annual Report may be incorporated by reference from other documents, including official statements delivered in connection with other financings issued on behalf of the Public University or related public entities which are available to the public on the MSRB's Internet Web site or filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB through EMMA. The Public University shall clearly identify each such other document so incorporated by reference.

(c) The Annual Report for any Fiscal Year containing any modified Operating Data or financial information (as contemplated by Sections 4.9 and 4.10 hereof) for such Fiscal Year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Report being provided for such Fiscal Year.

Section 2.4. Documents to be Provided in Electronic Format and Accompanied by Identifying Information. The Public University agrees that each Annual Report, each Disclosure Event Notice and each notice pursuant to subsections 2.1(a), 2.1(c), 2.1(d) and 2.1(e) hereof shall be provided to the MSRB in an electronic format as prescribed by the MSRB, and that all documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 2.5. Responsibilities, Duties, Immunities and Liabilities of the Dissemination Agent.

(a) If the Public University has determined it necessary to report the occurrence of a Disclosure Event, the Public University or Dissemination Agent (if the Dissemination Agent has received notice from the Public University of a Disclosure Event) shall in a timely manner not in excess of ten business days after the occurrence of the event, file a Disclosure Event Notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB. The obligations of the Public University or the Dissemination Agent to provide the notices to the MSRB under this Agreement are in addition to, and not in substitution of, any of the obligations of the Trustee to provide notices of events of default to Holders under Section 7.01 of the Trust Indenture. The Public University or the Dissemination Agent shall file a copy of each Disclosure Event Notice with the Authority and the Trustee (if the Dissemination Agent is not the Trustee), for informational purposes only.

(b) If an Annual Report is received by it, the Dissemination Agent shall file a written report with the Public University, with a copy to the Authority, certifying that the Annual Report

has been provided to the MSRB pursuant to this Agreement, stating the date it was provided to the MSRB.

(c) The Dissemination Agent (i) shall have no duty to review any Financial Statements or Annual Reports, (ii) is not considered to have notice of (A) the content of such Financial Statements or Annual Reports or (B) a default or Event of Default based on the content of such Financial Statements or Annual Reports, and (iii) shall have no duty to verify the accuracy of such Financial Statements or Annual Reports.

(d) Article VIII of the Indenture, as it relates to the Trustee, is hereby made applicable to the responsibilities, duties, immunities and liabilities of the Dissemination Agent under this Agreement.

Section 2.6. Appointment, Removal and Resignation of Dissemination Agent.

(a) The Public University may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, and appoint a successor Dissemination Agent, with written notice to the Authority, such discharge to be effective on the date of the appointment of a successor Dissemination Agent. The Public University hereby appoints The Bank of New York Mellon as Dissemination Agent and The Bank of New York Mellon hereby accepts such appointment.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement, and, to the extent permitted by law, the Public University agrees to indemnify and hold the Dissemination Agent and its officers, directors, employees and agents harmless against any loss, expense or liability it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liability due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Public University under this Section 2.6(b) shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days written notice to the Public University and the Authority. Such resignation shall take effect on the date specified in such notice.

## ARTICLE 3

### DEFAULTS AND REMEDIES

Section 3.1. Disclosure Default. The occurrence and continuation of a failure by the Public University to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in this Agreement and such failure shall remain uncured for a period of thirty (30) days after written notice thereof has been given to the Public University by the Trustee or any Bondholder shall constitute a disclosure default hereunder.

#### Section 3.2 Remedies on Default.

(a) The Trustee (at the request of the Underwriter or the Holders of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds, and after provision of indemnity in accordance with Section 7.05 of the Trust Indenture) shall, or any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may, take whatever action at law or in equity against the Public University and any of the officers, agents and employees of the Public University which is necessary or desirable to enforce the specific performance and observance of any obligation, agreement or covenant of the Public University under this Agreement and may compel the Public University or any such officers, agents or employees, except for the Dissemination Agent, to perform and carry out their duties under this Agreement; provided, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

(b) In case the Trustee or any Bondholder shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Bondholder, as the case may be, then and in every such case the Public University, the Trustee and any Bondholder, as the case may be, shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Public University, the Trustee and any Bondholder shall continue as though no such proceeding had been taken.

(c) A default under this Agreement shall not be deemed an event of default under either the Trust Indenture or the Lease and Agreement, and the sole remedy under this Agreement in the event of any failure by the Public University to comply with this Agreement shall be as set forth in subsection 3.2(a) of this Agreement.

## ARTICLE 4

### MISCELLANEOUS

Section 4.1. Purposes of this Agreement. This Agreement is being executed and delivered by the Public University and the Dissemination Agent for the benefit of the Bondholders and in order to assist the Underwriter in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2. Third-Party Beneficiaries; Authority and Bondholders.

(a) The Authority is hereby recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder in favor of the Trustee or the Holders of the Bonds.

(b) Each Bondholder is hereby recognized as being a third-party beneficiary hereunder and each may enforce, for the equal benefit and protection of all Bondholders similarly situated, any such right, remedy or claim conferred, given or granted hereunder in favor of the Trustee.

Section 4.3 No Recourse to Authority; Indemnified Parties. No recourse shall be had for the performance of any obligation, agreement or covenant of the Public University or the Trustee under this Agreement against the Authority or against any member, official, officer, employee, counsel, consultant and agent of the Authority or any person executing the Bonds.

To the extent permitted by law, the Public University agrees to indemnify and hold harmless the Authority, any member, officer, official, employee, counsel, consultant and agent of the Authority (collectively called the "Indemnified Parties"), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by the Public University's failure to perform or observe any of its obligations, agreements or covenants under the terms of this Agreement but only if and insofar as such losses, claims, damages, liabilities or expenses are caused by any such failure of the Public University to perform. In case any action shall be brought against the Indemnified Parties based upon this Agreement and in respect of which indemnity may be sought against the Public University, the Indemnified Parties shall promptly notify the Public University in writing; provided, however, that the failure on the part of the Indemnified Party to give such notification shall not relieve the Public University from its obligation under this Section 4.3. Upon receipt of such notification, the Public University shall promptly assume the defense of such action, including the retention of counsel, the payment of all expenses in connection with such action, including any expenses incurred prior to such notification, and the right to negotiate and settle any such action on behalf of such party. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless the employment of such counsel has been specifically authorized by the Public University, or unless by reason of conflict of interest determined by the written opinion of counsel to any such Indemnified Party, in which case the fees and expenses of such separate counsel shall be borne

by the Public University. The Public University shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Public University or if there be a final judgment for the plaintiff in any such action with or without written consent, the Public University agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. Nothing in this paragraph shall require or obligate the Public University to indemnify or hold harmless the Indemnified Parties from or against any loss, claim, damage, liability or expense caused by any negligence, recklessness or intentional misconduct of the Indemnified Parties in connection with the Public University's performance of its obligations, agreements and covenants under this Agreement; and further provided, with respect to the Trustee, that the foregoing is subject to the limitations of the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:2-1 et seq. and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

Section 4.4. Additional Information. Nothing in this Agreement shall be deemed to prevent the Public University from (a) disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or (b) including any other information in any Annual Report or any Disclosure Event Notice, in addition to that which is required by this Agreement. If the Public University chooses to include any information in any Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Agreement, the Public University shall have no obligation under this Agreement to update such information or include it in any future Annual Report or any future Disclosure Event Notice. The Public University shall reimburse the Dissemination Agent for any expenses incurred by the Dissemination Agent in providing such additional information pursuant to this Section 4.4.

Section 4.5. Notices. All notices required to be given or authorized to be given by either party pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail (as well as by facsimile, in the case of the Trustee or Dissemination Agent) to, in the case of the Public University, addressed to it at the office of the Vice President of Administration and Finance, 2039 Kennedy Boulevard, Jersey City, New Jersey 07305-1597 (facsimile (973) 200-2323); and in the case of the Trustee or Dissemination Agent, addressed to it at its designated corporate trust office at The Bank of New York Mellon, 385 Rifle Camp Road, 3<sup>rd</sup> Floor, Woodland Park, New Jersey 07424, Attention: Corporate Trust Administration (facsimile (973) 357-7840); and in the case of the Authority, addressed to it at its offices at 103 College Road East, Princeton, New Jersey 08540-6612 (facsimile (609) 987-0850).

Section 4.6. Assignments. This Agreement may not be assigned by either party without the written consent of the other and, as a condition to any such assignment, only upon the assumption in writing of all of the obligations imposed upon such party by this Agreement.

Section 4.7. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 4.8. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Both parties hereto may sign the same counterpart or each party hereto may sign a separate counterpart.

Section 4.9. Amendments, Changes and Modifications.

(a) Except as otherwise provided in this Agreement, subsequent to the initial issuance of the Bonds and prior to their payment in full (or provision for payment thereof having been made in accordance with the provisions of the Trust Indenture), this Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Trustee.

(b) Without the consent of any Bondholders, the Public University and the Trustee at any time and from time to time may enter into any amendments or modifications to this Agreement for any of the following purposes:

(i) to add to covenants and agreements of the Public University hereunder for the benefit of the Bondholders, or to surrender any right or power conferred upon the Public University by this Agreement;

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Public University or to reflect changes in the identity, nature or status of the Public University or in the business, structure or operations of the Public University or any mergers, consolidations, acquisitions or dispositions made by or affecting the Public University; provided that any such modification shall comply with the requirements of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to include any other provisions with respect to matters or questions arising under this Agreement which, in each case, comply with Rule 15c2-12 as then in effect at the time of such modification; *provided, however,* that prior to approving any such amendment or modification, the Public University determines that such amendment or modification does not adversely affect the interests of the Holders of the Bonds in any material respect.

(c) Upon entering into any amendment or modification required or permitted by this Agreement, the Public University shall provide, or cause the Dissemination Agent to provide, to the MSRB through EMMA, notice of any such amendment or modification.

(d) The Public University and the Trustee shall be entitled to rely exclusively upon an opinion of counsel nationally recognized as an expert in federal securities law acceptable to the Public University to the effect that such amendments or modifications comply with the conditions and provisions of this Section.

Section 4.10. Amendments Required by Rule 15c2-12. The Public University and the Dissemination Agent each recognize that the provisions of this Agreement are intended to enable the Underwriter to comply with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof, a change in this Agreement shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery by the Underwriter of an opinion of counsel nationally recognized as expert in federal securities law acceptable to the Public University to the effect that such amendments shall be permitted or necessary to assure continued compliance by the Underwriter with Rule 15c2-12 as so amended or interpreted, then the Public University and the Dissemination Agent shall amend this Agreement to comply with and be bound by any such amendment to this Agreement to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and provide the written notice of such amendment as required by subsection 4.9(c) hereof.

Section 4.11. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State. The parties agree that the Public University may be sued, pursuant to Section 3.2 hereof, only in a State court in the County of Mercer in the State.

Section 4.12. Termination of Public University's Continuing Disclosure Obligations. The continuing obligation of the Public University under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of said Section shall terminate if and when either (a) the Bonds are no longer Outstanding in accordance with the terms of the Trust Indenture or (b) the Public University no longer remains an "obligated person" (as defined in Rule 15c2-12(f)(10)) with respect to the Bonds and, in either event, only after the Public University provides, or causes the Dissemination Agent to provide, to the MSRB through EMMA written notice to such effect. This Agreement shall be in full force and effect from the date hereof and shall continue in effect so long as any Bonds are Outstanding.

Section 4.13. Compliance with P.L. 2005, c. 271 Reporting Requirements. The Dissemination Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("ELEC") pursuant to *N.J.S.A. 19:44A-20.13* (P.L. 2005, c. 271, section 3) if the Dissemination Agent enters into agreements or contracts, such as this Agreement, with a New Jersey public entity, and receives compensation or fees in excess of \$50,000 or more in the aggregate from New Jersey public entities, in a calendar year. It is the Dissemination Agent's responsibility to determine if filing is necessary. Failure to do so can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

Section 4.14. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Public University and the Dissemination Agent and their respective successors and assigns.

Section 4.15. Prior Undertakings. Except as otherwise described in the Final Official Statement, the Public University has not failed during the previous five (5) years to comply in any material respect with any prior continuing disclosure undertaking made by it in accordance with Rule 15c2-12.

Section 4.16. Covenant. In accordance with P.L. 2005, c. 92, the Dissemination Agent covenants and agrees that all services performed under this Agreement shall be performed within the United States of America.

Section 4.17. Headings for Convenience Only. The descriptive headings in this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

**{THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK}**

**IN WITNESS WHEREOF, NEW JERSEY CITY UNIVERSITY and THE BANK OF NEW YORK MELLON** have caused this Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**NEW JERSEY CITY UNIVERSITY**

By: \_\_\_\_\_

**THE BANK OF NEW YORK MELLON,  
AS DISSEMINATION AGENT**

By: \_\_\_\_\_  
Janet M. Russo  
Vice President

**ESCROW DEPOSIT AGREEMENT**

**Dated as of May \_\_, 2020**

**by and between**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**and**

**U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent**

## ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT (this “Agreement”) is dated as of May \_\_, 2020 by and between NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY (the “Authority”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as Escrow Agent (the “Escrow Agent”).

### WITNESSETH:

WHEREAS, the Authority has previously issued and sold its Revenue Bonds, New Jersey City University Issue, Series 2015 A (the “Series 2015 A Bonds”) on behalf of New Jersey City University (the “Public University”) pursuant to the terms and provisions of a bond resolution of the Authority adopted on December 17, 2014 and a Trust Indenture dated as of January 1, 2015 by and between the Authority and U.S. Bank National Association, as trustee (the “Series 2015 A Indenture”); and

WHEREAS, the Authority has previously issued and sold its Revenue Refunding Bonds, New Jersey City University Issue, Series 2016 D (the “Series 2016 D Bonds”) on behalf of the Public University pursuant to the terms and provisions of a bond resolution of the Authority adopted on March 22, 2016 and a Trust Indenture dated as of June 1, 2016 by and between the Authority and U.S. Bank National Association, as trustee (the “Series 2016 D Indenture”); and

WHEREAS, each of the Series 2015 A Indenture and the Series 2016 D Indenture (collectively, the “Prior Indentures”) provides, in substance, that if the Authority shall pay or cause to be paid to the holders of the Series 2015 A Bonds and the Series 2016 D Bonds (collectively, the “Prior Bonds”), the principal of and interest thereon, at the times and in the manner stipulated therein, then the pledge of the revenues or other moneys and securities pledged by the Prior Indentures to the Prior Bonds, and all other rights granted by the Prior Indentures to the Prior Bonds shall be discharged and satisfied; and

WHEREAS, the Authority is now issuing \$\_\_\_\_\_ principal amount of its Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt) (the “Series 2020 B Bonds”) and \$\_\_\_\_\_ principal amount of its Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable) (the “Series 2020 C Bonds”), pursuant to a bond resolution adopted by the Authority on March 24, 2020 and a Trust Indenture dated as of May 1, 2020 by and between the Authority and The Bank of New York Mellon (the “Trust Indenture”) to provide, among other things, for the current refunding of the outstanding Series 2015 A Bonds maturing on July 1, 2045 and designated as “Step Coupon Bonds” (the “Series 2015 A Bonds to be Currently Refunded”), the advance refunding of certain of the outstanding Series 2015 A Bonds (the “Series 2015 A Bonds to be Advance Refunded”) and the advance refunding of certain of the outstanding Series 2016 D Bonds (the “Series 2016 D Bonds to be Refunded”), all as described in the attached Exhibit A (collectively, the “Bonds to be Refunded”); and

WHEREAS, pursuant to the Trust Indenture, the Authority has authorized the deposit with the Escrow Agent of amounts from the proceeds of the Series 2020 B Bonds and the Series 2020 C Bonds which, together with certain moneys transferred from certain amounts on deposit in the various funds and accounts established under the Prior Indentures, and the investment income to be earned on such proceeds and transferred moneys, will be sufficient to pay the principal of and interest on Bonds to be Refunded until July 1, 2020 (in the case of the Series 2015 A Bonds to be Currently Refunded), or July 1, 2025 (in the case of the Series 2015 A Bonds to be Advance Refunded), or July 1, 2026 (in the case of the Series 2016 D Bonds to be Refunded) (the “Redemption Dates”), and to pay the redemption price of the Bonds to be Refunded on their respective Redemption Dates; and

WHEREAS, upon the deposit with the Escrow Agent of moneys which, together with the investment income to be earned thereon, will be sufficient to pay the principal of and the interest on the Bonds to be Refunded until and on their respective Redemption Dates, and the principal of the Bonds to be Refunded due on their respective Redemption Dates, and the giving of certain irrevocable instructions by the Authority to the Escrow Agent as herein provided, the Bonds to be Refunded shall cease to be entitled to any lien, benefit or security under the Prior Indentures, and all obligations of the Authority to the holders of the Bonds to be Refunded shall thereupon be released, discharged and satisfied.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

SECTION 1. There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund (the “Escrow Fund”) to be held by the Escrow Agent as a trust fund for the benefit of the holders of the Bonds to be Refunded, and within such fund, separate accounts for the sole and exclusive benefit of (i) the Series 2015 A Bonds to be Currently Refunded (the “Series 2015 A Current Refunding Account”), (ii) the Series 2015 A Bonds to be Advance Refunded (the “Series 2015 A Advance Refunding Account”) and (iii) the Series 2016 D Bonds to be Refunded (the “Series 2016 D Account”). The Escrow Fund shall be held by the Escrow Agent separate and apart from all other funds of the Authority and the Escrow Agent.

SECTION 2. (a) The Escrow Agent hereby acknowledges receipt of immediately available funds in the aggregate amount of \$\_\_\_\_\_, consisting of proceeds of the Series 2020 B Bonds in the amount of \$\_\_\_\_\_ (which will be deposited in the Series 2015 A Current Refunding Account) and proceeds of the Series 2020 C Bonds in the amount of \$\_\_\_\_\_ (of which \$\_\_\_\_\_ will be deposited in the Series 2015 A Advance Refunding Account and \$\_\_\_\_\_ will be deposited in the Series 2016 D Account).

(b) The Escrow Agent, in its capacity as trustee for the Series 2015 A Bonds, is hereby directed to transfer into the Series 2015 A Current Refunding Account the following amounts on deposit in funds established under the Series 2015 A Indenture (or otherwise held by such trustee) for deposit as set forth in Section 3 hereof, consisting of:

- (i) \$\_\_\_\_\_ in the Interest Account of the Debt Service Fund;

- (ii) \$\_\_\_\_\_ in the Principal Account in the Debt Service Fund; and
- (iii) \$\_\_\_\_\_ in the Rental Pledge Account.

(c) The Escrow Agent, in its capacity as trustee for the Series 2015 A Bonds, is hereby directed to transfer into the Series 2015 A Advance Refunding Account the following amounts on deposit in funds established under the Series 2015 A Indenture (or otherwise held by such trustee) for deposit as set forth in Section 3 hereof, consisting of:

- (i) \$\_\_\_\_\_ in the Interest Account of the Debt Service Fund;
- (ii) \$\_\_\_\_\_ in the Principal Account in the Debt Service Fund; and
- (iii) \$\_\_\_\_\_ in the Rental Pledge Account.

(d) The Escrow Agent, in its capacity as trustee for the Series 2016 D Bonds, is hereby directed to transfer into the Series 2016 D Account the following amounts on deposit in funds established under the Series 2016 D Indenture (or otherwise held by such trustee) for deposit as set forth in Section 3 hereof, consisting of:

- (i) \$\_\_\_\_\_ in the Interest Account of the Debt Service Fund;
- (ii) \$\_\_\_\_\_ in the Principal Account of the Debt Service Fund; and
- (iii) \$\_\_\_\_\_ in the Rental Pledge Account.

SECTION 3. The Escrow Agent shall immediately deposit the amounts set forth in Section 2 hereof in the Escrow Fund, aggregating \$\_\_\_\_\_, of which \$\_\_\_\_\_ shall be deposited in the Series 2015 A Current Refunding Account, \$\_\_\_\_\_ shall be deposited in the Series 2015 A Advance Refunding Account and \$\_\_\_\_\_ shall be deposited in the Series 2016 D Account. The Escrow Agent shall apply such deposited amounts as follows:

(a) The Escrow Agent shall apply \$\_\_\_\_\_ of the amount deposited in the Series 2015 A Current Refunding Account on May \_\_, 2020 to the purchase of the securities listed on Exhibit B-1 attached hereto, and shall retain \$\_\_\_\_ uninvested in cash in the Series 2015 A Current Refunding Account.

(b) The Escrow Agent shall apply \$\_\_\_\_\_ of the amount deposited in the Series 2015 A Advance Refunding Account on May \_\_, 2020 to the purchase of the securities listed on Exhibit B-2 attached hereto, and shall retain \$\_\_\_\_ uninvested in cash in the Series 2015 A Advance Refunding Account.

(c) The Escrow Agent shall apply \$\_\_\_\_\_ of the amount deposited in the Series 2016 D Account on May \_\_, 2020 to the purchase of the securities listed on Exhibit B-3 attached hereto, and shall retain \$\_\_\_\_ uninvested in cash in the Series 2016 D Account.

The securities listed on Exhibits B-1, B-2 and B-3 consist entirely of direct obligations of the United States of America which are not subject to redemption prior to their maturity (“Defeasance Securities”). No investment whatsoever shall be made by the Escrow Agent with such cash amounts. In sole reliance on the computations prepared by Morgan Stanley & Co. LLC and verified by Causey Demgen & Moore P.C. as described in the verification report attached hereto as Exhibit C, the Authority represents that the amounts so deposited in each account of the Escrow Fund, together with income from the investment thereof to be retained therein pursuant to this Agreement, will provide sufficient funds to pay the principal and redemption price of and interest on each series of the Bonds to be Refunded to each Redemption Date, as set forth on Exhibit A.

SECTION 4. (a) The Escrow Agent agrees that the amounts deposited in each account of the Escrow Fund pursuant to Section 3 hereof and the interest income to be earned thereon and any other moneys and investments deposited in the Escrow Fund will be held in trust for the benefit of the holders of the respective series of Bonds to be Refunded. The Escrow Agent shall have no liability for the payment of the principal of and interest on the Refunded Bonds pursuant to this Section and the Prior Indentures, except for the application of moneys and obligations available for such purposes in the Escrow Fund. The Escrow Agent shall not be liable for any loss resulting from any investment made in accordance with the provisions of this Agreement, nor shall it be required to risk or expend its own funds hereunder.

(b) The balance remaining upon purchase of the Defeasance Securities listed on Exhibits B-1, B-2 and B-3 shall remain uninvested. For the purposes of the immediately preceding sentence “uninvested” shall mean held as a cash balance in respective account in the Escrow Fund and not invested for any purpose.

SECTION 5. (a) Except as otherwise expressly provided herein, the Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Defeasance Securities held hereunder or to sell, transfer or otherwise dispose of the Defeasance Securities acquired hereunder, or to pay interest on any such moneys not required to be invested hereunder; provided however, that at the written direction of the Authority and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, otherwise dispose of, or request the redemption of, the Defeasance Securities acquired hereunder, and to substitute therefor other Defeasance Securities which are non-callable. Any substituted Defeasance Securities or cash shall be a part of and credited to the Escrow Fund. The Authority hereby covenants that and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentences in any manner which would cause the Series 2020 B Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder in effect on the date of such request and applicable to the Series 2020 B Bonds. The Escrow Agent shall purchase such substitute Defeasance Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance Securities and with any other funds available for such purpose. From time to time, Defeasance Securities may be sold, transferred, redeemed or otherwise disposed of and replaced by other Defeasance Securities subject to the same conditions. Any amounts received from the sale or redemption of Defeasance Securities and not needed or used to purchase substitute Defeasance Securities shall be transferred by the

Escrow Agent as directed in writing by the Authority. The foregoing transactions may be effected only if: (i) a recognized firm of certified public accountants shall certify to the Authority, the Escrow Agent and Assured Guaranty Municipal Corp. (“AGC”), as insurer of certain of Bonds to be Refunded, that after such transaction the principal amount of, and interest income on, the substituted Defeasance Securities or cash will, together with any moneys or securities in the Escrow Fund reserved for such purpose, be sufficient to pay when due (whether at stated maturity or at the optional redemption date, as applicable) the principal of, and interest and redemption premium on, the Bonds to be Refunded; (ii) the amounts and dates of the anticipated payments from the Escrow Fund to the holders of such Bonds to be Refunded in accordance with their terms will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive an opinion of nationally recognized bond counsel to the effect that such disposition and substitution or purchase is permitted under the Indenture and this Agreement, and it would have no adverse effect on the exclusion from gross income for federal income tax purposes of the interest on the Series 2020 B Bonds or the Bonds to be Refunded; (iv) in the event cash is provided, such cash shall, to the extent not insured by the Federal Deposit Insurance Corporation or other Federal agency, be continuously secured by the pledge of direct obligations of the United States of America; and (v) the Authority pays all costs incident to the transactions. If United States Treasury Securities, State and Local Government Series are to be purchased as substitute Defeasance Securities, the Escrow Agent, the Trustee, the Authority’s financial advisor or Janney Montgomery Scott LLC, the Public University’s financial advisor, at the request of the Authority and the Public University, shall prepare and file the appropriate application therefor. The Escrow Agent shall incur no liability for complying with the provisions of this Section except for its own negligence or willful misconduct.

(b) The Authority hereby covenants that it will not authorize or permit the Escrow Agent to use directly or indirectly any part of the moneys or funds at any time in the Escrow Fund to acquire any investment property, the acquisition of which would cause any Series 2020 B Bonds to be “arbitrage bonds” as defined in Section 148(a) of the Code as then in effect.

SECTION 6. The Authority hereby irrevocably instructs the Escrow Agent and the Escrow Agent hereby agrees to:

(a) redeem the respective Bonds to be Refunded on the respective Redemption Dates, in the amounts and at the respective redemption prices set forth on Exhibit A, and to apply the principal of and interest earned on the Defeasance Securities to the payment of the interest on, and the principal or Redemption Price of the Bonds to be Refunded as the same shall become due as set forth on Exhibit A;

(b) mail to the holders of the Bonds to be Refunded, as soon as practicable after the date hereof, a notice of refunding substantially in the form attached hereto as Exhibit D-1 and in accordance with the Prior Indentures; and

(c) mail to the holders of the Series 2015 A Bonds to be Currently Refunded, not less than thirty (30) nor more than sixty (60) days prior to the respective Redemption Date

(i.e., July 1, 2020), a notice of redemption substantially in the form attached hereto as Exhibit D-2, and in accordance with the Series 2015 A Indenture.

(d) mail to the holders of the Series 2015 A Bonds to be Advance Refunded, not less than thirty (30) nor more than sixty (60) days prior to the respective Redemption Date (i.e., July 1, 2025), a notice of redemption substantially in the form attached hereto as Exhibit D-3, and in accordance with the Series 2015 A Indenture.

(e) mail to the holders of the Series 2016 D Bonds to be Refunded, not less than thirty (30) nor more than sixty (60) days prior to the respective Redemption Date (i.e., July 1, 2026), a notice of redemption substantially in the form attached hereto as Exhibit D-4, and in accordance with the Series 2016 D Indenture.

In addition, the Escrow Agent shall cause notices of such refunding and redemption to be provided (x) to the Municipal Securities Rulemaking Board (the “MSRB”), in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB and (y) by registered or certified mail to Assured Guaranty Municipal Corp., 31 West 52<sup>nd</sup> Street, New York, New York 10019, Attention: Communications Department, in accordance with the Prior Indentures. Notwithstanding anything herein to the contrary, the only remedy for the failure by the Escrow Agent to post any notice with the MSRB via its Electronic Municipal Marketplace Access system shall be an action by a holder of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance.

SECTION 7. On July 1, 2026, after payment of principal of and interest on the Bonds to be Refunded, all remaining moneys and securities in the Escrow Fund shall be transferred by the Escrow Agent to the Interest Account of the Debt Service Fund established pursuant to the Trust Indenture for application solely for the payment of the Series 2020 B Bonds.

SECTION 8. The Escrow Fund created hereby shall be irrevocable and the holders of the Bonds to be Refunded shall have an express lien on and security interest in all amounts deposited in the Escrow Fund, including all amounts representing principal of and interest on the Defeasance Securities on deposit in the Escrow Fund until used and applied in accordance herewith.

SECTION 9. (a) Unless otherwise provided by contract, the Escrow Agent shall be compensated by the Public University for its reasonable fees, expenses and disbursements, including reasonable legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Authority for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim against or lien on the moneys or securities on deposit in the Escrow Fund for any such payment. The compensation of the Escrow Agent provided in this Section 9(a) shall survive termination of this Agreement pursuant to Section 10 hereof.

(b) The recitals of fact in this Agreement shall be taken as the statements of the Authority, and the Escrow Agent does not assume any responsibility for the correctness of

the same. The Escrow Agent shall not be under any obligation or duty to perform any act which would involve it in any expense or liability or to institute or defend any suit in respect of this Agreement or to advance any of its own moneys unless properly indemnified to its satisfaction. The Escrow Agent shall not be liable in connection with the performance of its respective duties hereunder except for its own negligence or willful misconduct.

(c) The Escrow Agent shall be entitled to conclusively rely and act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine, and to have been signed and presented by the proper party or parties, and may consult with counsel, who may or may not be counsel to the Public University or the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Agreement, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Officer of the Authority (as defined in the Prior Indentures) and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Agreement, but in its discretion the Escrow Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Authority to the Escrow Agent shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer thereof. The Escrow Agent may perform any duties hereunder either directly or, to the extent that it may reasonably determine is necessary or appropriate to the conduct of its duties hereunder, by or through agents or attorneys, and the Escrow Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it with due care hereunder, taking into account the duties with respect to which such agent or attorney is appointed. The foregoing sentence shall not be interpreted as absolving the Escrow Agent of responsibility with respect to duties customarily performed by escrow agents in the ordinary course of business without the employment of agents or attorneys.

(d) The Escrow Agent may resign at any time and be discharged of its duties hereunder, provided that: (i) it has given not less than sixty (60) days written notice to the Authority of such resignation; (ii) it has given notice of resignation to the Holders of the Bonds to be Refunded in the manner prescribed in the Prior Indentures; (iii) the Authority has appointed a successor to the Escrow Agent hereunder; (iv) the Escrow Agent has received an instrument of acceptance executed by the successor to the Escrow Agent hereunder; and (v) the Escrow Agent has delivered to its successor hereunder all of the escrowed documents, the Defeasance Securities and moneys held by the Escrow Agent in the Escrow Fund. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (v) of this subsection (e) and only if the Escrow Agent has complied with and is not in default of any of its obligations hereunder, unless the Authority and the Public University consent to such resignation. Upon receipt by the Authority of the written notice described in clause (i) above, the Authority shall use its best efforts to obtain a successor to the Escrow Agent hereunder as soon as possible. If no appointment of a successor is made within sixty (60) days after the giving by

the Escrow Agent of written notice of resignation in accordance with Section 9(e), the Escrow Agent may apply to any State court of competent jurisdiction for the appointment of such a successor, and the State court may thereupon, after such notice, if any, as the State court may deem proper, appoint a successor.

(e) The Escrow Agent may be removed at any time by the Authority by an instrument in writing signed and acknowledged by the Authority. A copy of such instrument shall be delivered by the Authority to the Escrow Agent at least thirty (30) days prior to the effective date of the removal of such Escrow Agent. Upon such effective date, the Escrow Agent shall deliver to the Escrow Agent's successor (at the direction of the Authority) all documents, instruments and moneys listed in clause (v) of subsection (e) of Section 9 above.

(f) Upon any removal or resignation of the Escrow Agent, the successor Escrow Agent shall provide written notice of such resignation or removal, and of the appointment of a successor Escrow Agent, in the same manner as is prescribed in the Prior Indentures for the removal, resignation and appointment of a successor Trustee thereunder. Any bank that merges with or merges into the Escrow Agent or any corporation or association succeeding to the corporate trust business of the Escrow Agent shall be deemed the successor Escrow Agent without any further action hereunder.

SECTION 10. Except as provided in Section 9(a) hereof, this Agreement shall terminate when the principal or Redemption Price of and interest on all the Bonds to be Refunded have been fully paid; provided that moneys held by the Escrow Agent in the Escrow Fund for the payment and discharge of any of the Bonds to be Refunded which remain unclaimed shall be held in compliance with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* and in accordance with the Trustee's escheat policies and procedures, which must not be in conflict with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.*

SECTION 11. This Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without the written consent of AGC and the holders of one hundred percent (100%) in principal amount of the unpaid Bonds to be Refunded at the time such election is made; provided, however, that the Authority and the Escrow Agent may, without the consent of or notice to the holders of the unpaid Bonds to be Refunded, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement; or
- (b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Bonds to be Refunded any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.

The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond counsel with respect to the matters provided for in this Section 11, including the extent, if any, to which any change, modification, addition or

elimination affects the rights of holders of the Bonds to be Refunded or that any instrument executed hereunder complies with the conditions or provisions of this Section 11. Notwithstanding anything in this paragraph to the contrary, no change shall be made to any provision of this Agreement regarding the investment or other use of the proceeds of the Series 2020 B Bonds without an unqualified opinion of nationally recognized bond counsel to the effect that such change and the investment or other use of the proceeds of the Series 2020 B Bonds in accordance with such change will not (i) adversely affect the exclusion of interest on the Series 2020 B Bonds from gross income provided under Section 103 of the Code or (ii) cause any of the Bonds to be Refunded to be deemed “outstanding” within the meaning of Section 1.01 of the Prior Indentures.

SECTION 12. In accordance with P.L. 2005, c. 92, the Escrow Agent covenants and agrees that all services performed under this Agreement by the Escrow Agent shall be performed within the United States of America. The Escrow Agent represents that it has complied with the requirements of N.J.S.A. 52:32-58 and has filed a certification with the Authority that it is not identified on the list of persons engaging in investment activities in Iran.

SECTION 13. The Escrow Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the Escrow Agent enters into agreements or contracts such as this Agreement, with a public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from public entities, such as the Authority, in a calendar year. It is the Escrow Agent’s responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

SECTION 14. The Escrow Agent represents and warrants that all information, certifications and disclosure statements previously provided in connection with P.L. 2005, c. 51, which codified Executive Order No. 134 (McGreevey 2004) ), as amended by Executive Order No. 117 (Corzine 2008), are true and correct as of the date hereof and all such statements have been made with full knowledge that the Authority will rely upon the truth of the statements contained herein in engaging the Escrow Agent in connection with this Agreement. The Escrow Agent agrees that it shall maintain continued compliance with P.L. 2005, c. 51 and regulations promulgated thereunder during the term of this Agreement. The Escrow Agent acknowledges that upon its failure to make required filings thereunder or the making of a contribution prohibited thereunder, the Escrow Agent may be removed as Escrow Agent under this Agreement and any remedies available may be exercised against the Escrow Agent at law or in equity.

SECTION 15. This Agreement shall be governed by the laws of the State of New Jersey.

SECTION 16. The Escrow Agent agrees to accept and act upon instructions or directions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means (as defined below), provided, however, that the Authority shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which

incumbency certificate shall be amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. "Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

SECTION 17. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers as of the date first above written.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

By: \_\_\_\_\_  
Eric D. Brophy, Esq.  
Executive Director

U.S. BANK NATIONAL ASSOCIATION,  
as Escrow Agent

By: \_\_\_\_\_  
Vice President

**EXHIBIT A**

**BONDS TO BE REFUNDED**

**Series 2015 A Bonds to be Currently Refunded  
Redemption Date: July 1, 2020**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP
2045	\$11,320,000	2.750%*	100%	646066FA3

\* These bonds bear interest at 2.750% per annum through and including June 30, 2020; 3.500% per annum from July 1, 2020 through and including June 30, 2025; 4.500% per annum from July 1, 2025 through and including June 30, 2031; 5.000% per annum from July 1, 2031 through and including June 30, 2039; and 5.250% per annum from July 1, 2039 to maturity.

**Series 2015 A Bonds to be Advance Refunded  
Redemption Date: July 1, 2025**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP

**Series 2016 D Bonds to be Refunded  
Redemption Date: July 1, 2026**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP

**EXHIBIT B-1**

**DESCRIPTION OF SECURITIES  
FOR DEPOSIT IN THE SERIES 2015 A CURRENT REFUNDING ACCOUNT**

**EXHIBIT B-2**

**DESCRIPTION OF SECURITIES  
FOR DEPOSIT IN THE SERIES 2015 A ADVANCE REFUNDING ACCOUNT**

**EXHIBIT B-3**

**DESCRIPTION OF SECURITIES  
FOR DEPOSIT IN THE SERIES 2016 D ACCOUNT**

**EXHIBIT C**

**VERIFICATION REPORT OF  
CAUSEY DEMGEN & MOORE P.C.**

See Closing Item No. \_\_

**EXHIBIT D-1**

**NOTICE OF REFUNDING**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Bonds, New Jersey City University Issue, Series 2015 A,  
dated January 28, 2015**

**Revenue Bonds, New Jersey City University Issue, Series 2016 D,  
dated June 1, 2016**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of January 1, 2015 by and between the New Jersey Educational Facilities Authority (the “Authority”) and U.S. Bank National Association, as trustee, and a Trust Indenture dated as of June 1, 2016 by and between the Authority and U.S. Bank National Association, as trustee (collectively, the “Indentures”), there has been deposited with U.S. Bank National Association, as Escrow Agent, moneys and/or direct obligations of the United States of America that are not subject to redemption prior to maturity, the principal of and interest when due will provide moneys which (together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay when due the Redemption Price and interest due and to become due on the bonds referenced below (collectively, the “Bonds”) on and prior to their respective maturity dates on the respective redemption dates listed below (the “Redemption Dates”), and that the Authority has given the Escrow Agent irrevocable instructions to call the Bonds for optional redemption on the respective Redemption Date at a redemption price of 100% of the principal amount thereof, plus interest accrued to the respective Redemption Date.

**Series 2015 A Bonds  
Redemption Date: July 1, 2020**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2045	\$11,320,000	2.750%*	646066FA3

\* These bonds bear interest at 2.750% per annum through and including June 30, 2020; 3.500% per annum from July 1, 2020 through and including June 30, 2025; 4.500% per annum from July 1, 2025 through and including June 30, 2031; 5.000% per annum from July 1, 2031 through and including June 30, 2039; and 5.250% per annum from July 1, 2039 to maturity.

**Series 2015 A Bonds**  
**Redemption Date: July 1, 2025**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP

**Series 2016 D Bonds**  
**Redemption Date: July 1, 2026**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP

On the respective Redemption Dates, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Indentures. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, U.S. Bank National Association, as follows:

Mailing Address  
U.S. Bank National Association  
Corporate Trust Services  
P.O. Box 64111  
St. Paul, MN 55164-0111

Hand Delivery  
U.S. Bank National Association  
Corporate Trust Services  
60 Livingston Avenue  
1<sup>st</sup> Floor – Bond Drop Window  
St. Paul, MN 55107

on or immediately prior to the respective Redemption Date. On the respective Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the respective Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the respective Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Refunding. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**By: U.S. Bank National Association, as Escrow Agent**

**EXHIBIT D-2**

**NOTICE OF OPTIONAL REDEMPTION**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Bonds, New Jersey City University Issue, Series 2015 A,  
dated January 28, 2015**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of January 1, 2015 by and between the New Jersey Educational Facilities Authority (the “Authority”) and U.S. Bank National Association, as trustee (the “Indenture”), the bonds referenced below (the “Bonds”) have been called for redemption on **July 1, 2020** (the “Redemption Date”) at a redemption price (the “Redemption Price”) of 100% of the principal amount thereof, plus interest accrued to the Redemption Date.

**Series 2015 A Bonds**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2045	\$11,320,000	2.750%*	646066FA3

\* These bonds bear interest at 2.750% per annum through and including June 30, 2020; 3.500% per annum from July 1, 2020 through and including June 30, 2025; 4.500% per annum from July 1, 2025 through and including June 30, 2031; 5.000% per annum from July 1, 2031 through and including June 30, 2039; and 5.250% per annum from July 1, 2039 to maturity.

On the Redemption Date, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Resolution. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, U.S. Bank National Association, as follows:

Mailing Address

U.S. Bank National Association  
U.S. Bank National Association  
Corporate Trust Services  
P.O. Box 64111  
St. Paul, MN 55164-0111

Hand Delivery

U.S. Bank National Association  
U.S. Bank National Association  
Corporate Trust Services  
60 Livingston Avenue  
1<sup>st</sup> Floor – Bond Drop Window  
St. Paul, MN 55107

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Optional Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**By: U.S. Bank National Association, as Escrow Agent**

**EXHIBIT D-3**

**NOTICE OF OPTIONAL REDEMPTION**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Bonds, New Jersey City University Issue, Series 2015 A,  
dated January 28, 2015**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of January 1, 2015 by and between the New Jersey Educational Facilities Authority (the “Authority”) and U.S. Bank National Association, as trustee (the “Indenture”), the bonds referenced below (the “Bonds”) have been called for redemption on **July 1, 2025** (the “Redemption Date”) at a redemption price (the “Redemption Price”) of 100% of the principal amount thereof, plus interest accrued to the Redemption Date.

**Series 2015 A Bonds**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP

On the Redemption Date, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Resolution. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, U.S. Bank National Association, as follows:

Mailing Address

U.S. Bank National Association  
U.S. Bank National Association  
Corporate Trust Services  
P.O. Box 64111  
St. Paul, MN 55164-0111

Hand Delivery

U.S. Bank National Association  
U.S. Bank National Association  
Corporate Trust Services  
60 Livingston Avenue  
1<sup>st</sup> Floor – Bond Drop Window  
St. Paul, MN 55107

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the

Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Optional Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**By: U.S. Bank National Association, as Escrow Agent**

**EXHIBIT D-4**

**NOTICE OF OPTIONAL REDEMPTION**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Bonds, New Jersey City University Issue, Series 2016 D,  
dated June 1, 2016**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of June 1, 2016 by and between the New Jersey Educational Facilities Authority (the “Authority”) and U.S. Bank National Association, as trustee (the “Indenture”), the bonds referenced below (the “Bonds”) have been called for redemption on **July 1, 2026** (the “Redemption Date”) at a redemption price (the “Redemption Price”) of 100% of the principal amount thereof, plus interest accrued to the Redemption Date.

**Series 2016 D Bonds**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP

On the Redemption Date, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Resolution. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, U.S. Bank National Association, as follows:

Mailing Address

U.S. Bank National Association  
U.S. Bank National Association  
Corporate Trust Services  
P.O. Box 64111  
St. Paul, MN 55164-0111

Hand Delivery

U.S. Bank National Association  
U.S. Bank National Association  
Corporate Trust Services  
60 Livingston Avenue  
1<sup>st</sup> Floor – Bond Drop Window  
St. Paul, MN 55107

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the

Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Optional Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**By: U.S. Bank National Association, as Escrow Agent**

**ESCROW DEPOSIT AGREEMENT**

**Dated as of May \_\_, 2020**

**by and between**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**and**

**THE BANK OF NEW YORK MELLON, as Escrow Agent**

## **ESCROW DEPOSIT AGREEMENT**

THIS ESCROW DEPOSIT AGREEMENT (this “Agreement”) is dated as of May \_\_, 2020 by and between NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY (the “Authority”) and THE BANK OF NEW YORK MELLON, a banking corporation organized and existing under the laws of the State of New York, as Escrow Agent (the “Escrow Agent”).

### **W I T N E S S E T H:**

WHEREAS, the Authority has previously issued and sold its Revenue Refunding Bonds, New Jersey City University Issue, Series 2007 F (the “Series 2007 F Bonds”) on behalf of New Jersey City University (the “Public University”) pursuant to the terms and provisions of a bond resolution of the Authority adopted on February 28, 2007 and a Trust Indenture dated as of April 1, 2007 by and between the Authority and The Bank of New York Mellon, as successor to The Bank of New York, as trustee (the “Series 2007 F Indenture”); and

WHEREAS, the Authority has previously issued and sold its Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F (Federally Taxable) (the “Series 2008 F Bonds”) on behalf of the Public University pursuant to the terms and provisions of a bond resolution of the Authority adopted on February 27, 2008, as amended on March 31, 2008, and a Trust Indenture dated as of April 1, 2008 by and between the Authority and The Bank of New York Mellon, as successor to The Bank of New York, as trustee (the “Series 2008 F Indenture”); and

WHEREAS, the Authority has previously issued and sold its Revenue Bonds, New Jersey City University Issue, Series 2010 F (Tax-Exempt) (the “Series 2010 F Bonds”) and its Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment) (the “Series 2010 G Bonds”) on behalf of the Public University pursuant to the terms and provisions of a bond resolution of the Authority adopted on May 25, 2010 and a Trust Indenture dated as of September 1, 2010 by and between the Authority and The Bank of New York Mellon, as trustee (the “Series 2010 F/G Indenture”); and

WHEREAS, each of the Series 2007 F Indenture, the Series 2008 F Indenture and the Series 2010 F/G Indenture (collectively, the “Prior Indentures”) provides, in substance, that if the Authority shall pay or cause to be paid to the holders of the Series 2007 F Bonds, the Series 2008 F Bonds, the Series 2010 F Bonds and the Series 2010 G Bonds (collectively, the “Prior Bonds”), the principal of and interest thereon, at the times and in the manner stipulated therein, then the pledge of the revenues or other moneys and securities pledged by the Prior Indentures to the Prior Bonds, and all other rights granted by the Prior Indentures to the Prior Bonds shall be discharged and satisfied; and

WHEREAS, the Authority is now issuing \$\_\_\_\_\_ principal amount of its Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt) (the “Series 2020 B Bonds”) and \$\_\_\_\_\_ principal amount of its Revenue Refunding Bonds New Jersey City University Issue, Series 2020 C (Federally Taxable) (the “Series 2020 C Bonds”), pursuant

to a bond resolution adopted by the Authority on March 24, 2020 and a Trust Indenture dated as of May 1, 2020 by and between the Authority and The Bank of New York Mellon (the “Trust Indenture”) to provide, among other things, for the current refunding of [all] [certain] of the outstanding Series 2007 F Bonds (the “Series 2007 F Bonds to be Refunded”), the current refunding of all of the outstanding Series 2008 F Bonds (the “Series 2008 F Bonds to be Refunded”), the current refunding of [all] [certain] of the outstanding Series 2010 F Bonds (the “Series 2010 F Bonds to be Refunded”) and the current refunding of all of the outstanding Series 2010 G Bonds (the “Series 2010 G Bonds to be Refunded”), all as described in the attached Exhibit A (collectively, the “Bonds to be Refunded”); and

WHEREAS, pursuant to the Trust Indenture, the Authority has authorized the deposit with the Escrow Agent of amounts from the proceeds of the Series 2020 B Bonds and the Series 2020 C Bonds which, together with certain moneys transferred from certain amounts on deposit in the various funds and accounts established under the Prior Indentures, and the investment income to be earned on such proceeds and transferred moneys, will be sufficient to pay the principal of and interest on Bonds to be Refunded until June \_\_, 2020 (in the case of the Series 2007 F Bonds to be Refunded) or July 1, 2020 (in the case of the Series 2008 F Bonds to be Refunded, the Series 2010 F Bonds to be Refunded and the Series 2010 G Bonds to be Refunded (the “Redemption Dates”), and to pay the redemption price of the Bonds to be Refunded on their respective Redemption Dates; and

WHEREAS, upon the deposit with the Escrow Agent of moneys which, together with the investment income to be earned thereon, will be sufficient to pay the principal of and the interest on the Bonds to be Refunded until and on their respective Redemption Dates, and the principal of the Bonds to be Refunded due on their respective Redemption Dates, and the giving of certain irrevocable instructions by the Authority to the Escrow Agent as herein provided, the Bonds to be Refunded shall cease to be entitled to any lien, benefit or security under the Prior Indentures, and all obligations of the Authority to the holders of the Bonds to be Refunded shall thereupon be released, discharged and satisfied.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

SECTION 1. There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund (the “Escrow Fund”) to be held by the Escrow Agent as a trust fund for the benefit of the holders of the Bonds to be Refunded, and within such fund, separate accounts for the sole and exclusive benefit of (i) the Series 2007 F Bonds to be Refunded (the “Series 2007 F Account”), (ii) the Series 2008 F Bonds to be Refunded (the “Series 2008 F Account”) and (iii) the Series 2010 F Bonds to be Refunded and the Series 2010 G Bonds to be Refunded (the “Series 2010 F/G Account”). The Escrow Fund shall be held by the Escrow Agent separate and apart from all other funds of the Authority and the Escrow Agent.

SECTION 2. (a) The Escrow Agent hereby acknowledges receipt of immediately available funds in the aggregate amount of \$\_\_\_\_\_, consisting of proceeds of the Series 2020 B Bonds in the amount of \$\_\_\_\_\_ (of which \$\_\_\_\_\_ will be deposited in the Series 2007 F Account and \$\_\_\_\_\_ will be deposited in the Series 2010 F/G Account) and proceeds of the

Series 2020 C Bonds in the amount of \$\_\_\_\_\_ (which will be deposited in the Series 2008 F Account).

(b) The Escrow Agent, in its capacity as trustee for the Series 2007 F Bonds, is hereby directed to transfer into the Series 2007 F Account the following amounts on deposit in funds established under the Series 2007 F Indenture (or otherwise held by such trustee) for deposit as set forth in Section 3 hereof, consisting of:

- (i) \$\_\_\_\_\_ in the Revenue Fund;
- (ii) \$\_\_\_\_\_ in the Interest Account of the Debt Service Fund;
- (iii) \$\_\_\_\_\_ in the Principal Account in the Debt Service Fund; and
- (iv) \$\_\_\_\_\_ in the Rental Pledge Account.

(c) The Escrow Agent, in its capacity as trustee for the Series 2008 F Bonds, is hereby directed to transfer into the Series 2008 F Account the following amounts on deposit in funds established under the Series 2008 F Indenture (or otherwise held by such trustee) for deposit as set forth in Section 3 hereof, consisting of:

- (i) \$\_\_\_\_\_ in the Revenue Fund;
- (ii) \$\_\_\_\_\_ in the Interest Account of the Debt Service Fund;
- (iii) \$\_\_\_\_\_ in the Principal Account in the Debt Service Fund; and
- (iv) \$\_\_\_\_\_ in the Rental Pledge Account.

(d) The Escrow Agent, in its capacity as trustee for the Series 2010 F Bonds and the Series 2010 G Bonds, is hereby directed to transfer into the Series 2010 F/G Account the following amounts on deposit in funds established under the Series 2010 F/G Indenture (or otherwise held by such trustee) for deposit as set forth in Section 3 hereof, consisting of:

- (i) \$\_\_\_\_\_ in the Debt Service Fund; and
- (ii) \$\_\_\_\_\_ in the Rental Pledge Account.

SECTION 3. The Escrow Agent shall immediately deposit the amounts set forth in Section 2 hereof in the Escrow Fund, aggregating \$\_\_\_\_\_, of which \$\_\_\_\_\_ shall be deposited in the Series 2007 F Account, \$\_\_\_\_\_ shall be deposited in the Series 2008 F Account and \$\_\_\_\_\_ shall be deposited in the Series 2010 F/G Account. The Escrow Agent shall apply such deposited amounts as follows:

(a) The Escrow Agent shall apply \$\_\_\_\_\_ of the amount deposited in the Series 2007 F Account on May \_\_, 2020 to the purchase of the securities listed on Exhibit B-1 attached hereto, and shall retain \$\_\_\_\_\_ uninvested in cash in the Series 2007 F Account.

(b) The Escrow Agent shall apply \$\_\_\_\_\_ of the amount deposited in the Series 2008 F Account on May \_\_, 2020 to the purchase of the securities listed on Exhibit B-2 attached hereto, and shall retain \$\_\_\_\_\_ uninvested in cash in the Series 2008 F Account.

(c) The Escrow Agent shall apply \$\_\_\_\_\_ of the amount deposited in the Series 2010 F/G Account on May \_\_, 2020 to the purchase of the securities listed on Exhibit B-3 attached hereto, and shall retain \$\_\_\_\_\_ uninvested in cash in the Series 2010 F/G Account.

The securities listed on Exhibits B-1, B-2 and B-3 consist entirely of direct obligations of the United States of America which are not subject to redemption prior to their maturity (“Defeasance Securities”). No investment whatsoever shall be made by the Escrow Agent with such cash amounts. In sole reliance on the computations prepared by Morgan Stanley & Co. LLC and verified by Causey Demgen & Moore P.C. as described in the verification report attached hereto as Exhibit C, the Authority represents that the amounts so deposited in each account of the Escrow Fund, together with income from the investment thereof to be retained therein pursuant to this Agreement, will provide sufficient funds to pay the principal and redemption price of and interest on each series of the Bonds to be Refunded to each Redemption Date, as set forth on Exhibit A.

SECTION 4. (a) The Escrow Agent agrees that the amounts deposited in each account of the Escrow Fund pursuant to Section 3 hereof and the interest income to be earned thereon and any other moneys and investments deposited in the Escrow Fund will be held in trust for the benefit of the holders of the respective series of Bonds to be Refunded. The Escrow Agent shall have no liability for the payment of the principal of and interest on the Refunded Bonds pursuant to this Section and the Prior Indentures, except for the application of moneys and obligations available for such purposes in the Escrow Fund. The Escrow Agent shall not be liable for any loss resulting from any investment made in accordance with the provisions of this Agreement, nor shall it be required to risk or expend its own funds hereunder.

(b) The balance remaining upon purchase of the Defeasance Securities listed on Exhibits B-1, B-2 and B-3 shall remain uninvested. For the purposes of the immediately preceding sentence “uninvested” shall mean held as a cash balance in respective account in the Escrow Fund and not invested for any purpose.

SECTION 5. (a) Except as otherwise expressly provided herein, the Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Defeasance Securities held hereunder or to sell, transfer or otherwise dispose of the Defeasance Securities acquired hereunder, or to pay interest on any such moneys not required to be invested hereunder; provided however, that at the written direction of the Authority and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, otherwise dispose of, or request the redemption of, the Defeasance Securities acquired hereunder, and to substitute therefor other Defeasance Securities which are non-callable. Any

substituted Defeasance Securities or cash shall be a part of and credited to the Escrow Fund. The Authority hereby covenants that and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentences in any manner which would cause the Series 2020 B Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder in effect on the date of such request and applicable to the Series 2020 B Bonds. The Escrow Agent shall purchase such substitute Defeasance Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance Securities and with any other funds available for such purpose. From time to time, Defeasance Securities may be sold, transferred, redeemed or otherwise disposed of and replaced by other Defeasance Securities subject to the same conditions. Any amounts received from the sale or redemption of Defeasance Securities and not needed or used to purchase substitute Defeasance Securities shall be transferred by the Escrow Agent as directed in writing by the Authority. The foregoing transactions may be effected only if: (i) a recognized firm of certified public accountants shall certify to the Authority, the Escrow Agent and, as applicable, Financial Guaranty Insurance Company (“FGIC”), as insurer of the Series 2007 F Bonds to be Refunded, or Assured Guaranty Corp. (“AGC”), as insurer of the Series 2008 F Bonds to be Refunded and the Series 2010 F Bonds to be Refunded, that after such transaction the principal amount of, and interest income on, the substituted Defeasance Securities or cash will, together with any moneys or securities in the Escrow Fund reserved for such purpose, be sufficient to pay when due (whether at stated maturity or at the optional redemption date, as applicable) the principal of, and interest and redemption premium on, the Bonds to be Refunded; (ii) the amounts and dates of the anticipated payments from the Escrow Fund to the holders of such Bonds to be Refunded in accordance with their terms will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive an opinion of nationally recognized bond counsel to the effect that such disposition and substitution or purchase is permitted under the Indenture and this Agreement, and it would have no adverse effect on the exclusion from gross income for federal income tax purposes of the interest on the Series 2020 B Bonds or the Bonds to be Refunded; (iv) in the event cash is provided, such cash shall, to the extent not insured by the Federal Deposit Insurance Corporation or other Federal agency, be continuously secured by the pledge of direct obligations of the United States of America; and (v) the Authority pays all costs incident to the transactions. If United States Treasury Securities, State and Local Government Series are to be purchased as substitute Defeasance Securities, the Escrow Agent, the Trustee, the Authority’s financial advisor or Janney Montgomery Scott LLC, the Public University’s financial advisor, at the request of the Authority and the Public University, shall prepare and file the appropriate application therefor. The Escrow Agent shall incur no liability for complying with the provisions of this Section except for its own negligence or willful misconduct.

(b) The Authority hereby covenants that it will not authorize or permit the Escrow Agent to use directly or indirectly any part of the moneys or funds at any time in the Escrow Fund to acquire any investment property, the acquisition of which would cause any Series 2020 B Bonds to be “arbitrage bonds” as defined in Section 148(a) of the Code as then in effect.

SECTION 6. The Authority hereby irrevocably instructs the Escrow Agent and the Escrow Agent hereby agrees to:

(a) redeem the respective Bonds to be Refunded on the respective Redemption Dates, in the amounts and at the respective redemption prices set forth on Exhibit A, and to apply the principal of and interest earned on the Defeasance Securities to the payment of the interest on, and the principal or Redemption Price of the Bonds to be Refunded as the same shall become due as set forth on Exhibit A;

(b) mail to the holders of the Series 2007 F Bonds to be Refunded, as soon as practicable after the date hereof, and in any event not less than thirty (30) nor more than forty-five (45) days prior to the respective Redemption Date (i.e., June \_\_, 2020), a notice of refunding and redemption substantially in the form attached hereto as Exhibit D-1 and in accordance with the Series 2007 F Indenture;

(c) mail to the holders of the Series 2008 F Bonds to be Refunded, the Series 2010 F Bonds to be Refunded and the Series 2010 G Bonds to be Refunded, as soon as practicable after the date hereof, a notice of refunding substantially in the form attached hereto as Exhibit D-2, and in accordance with the Series 2008 F Indenture and the Series 2010 F/G Indenture; and

(d) mail to the holders of the Series 2008 F Bonds to be Refunded, the Series 2010 F Bonds to be Refunded and the Series 2010 G Bonds to be Refunded, not less than thirty (30) nor more than forty-five (45) days prior to the respective Redemption Date (i.e., July 1, 2020), a notice of redemption substantially in the form attached hereto as Exhibit D-3, and in accordance with the Series 2008 F Indenture and the Series 2010 F/G Indenture

In addition, the Escrow Agent shall cause notices of such refunding and redemption to be provided (x) to the Municipal Securities Rulemaking Board (the “MSRB”), in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB, (y) in the case of the Series 2007 F Bonds to be Refunded, by registered or certified mail to Financial Guaranty Insurance Company, 463 Seventh Avenue, 16<sup>th</sup> Floor, New York, New York 10018, Attention: Surveillance, in accordance with the Series 2007 F Indenture, and (z) in the case of the Series 2008 F Bonds to be Refunded, the Series 2010 F Bonds to be Refunded and the Series 2010 G Bonds to be Refunded, by registered or certified mail to Assured Guaranty Corp., 31 West 52<sup>nd</sup> Street, New York, New York 10019, Attention: Communications Department, in accordance with the Series 2008 F Indenture and the Series 2010 F/G Indenture. Notwithstanding anything herein to the contrary, the only remedy for the failure by the Escrow Agent to post any notice with the MSRB via its Electronic Municipal Marketplace Access system shall be an action by a holder of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance.

SECTION 7. On July 1, 2020, after payment of principal of and interest on the Bonds to be Refunded, all remaining moneys and securities in the Escrow Fund shall be transferred by the Escrow Agent to the Interest Account of the Debt Service Fund established pursuant to the Trust Indenture for application solely for the payment of the Series 2020 B Bonds.

SECTION 8. The Escrow Fund created hereby shall be irrevocable and the holders of the Bonds to be Refunded shall have an express lien on and security interest in all amounts deposited

in the Escrow Fund, including all amounts representing principal of and interest on the Defeasance Securities on deposit in the Escrow Fund until used and applied in accordance herewith.

SECTION 9. (a) Unless otherwise provided by contract, the Escrow Agent shall be compensated by the Public University for its reasonable fees, expenses and disbursements, including reasonable legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Authority for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim against or lien on the moneys or securities on deposit in the Escrow Fund for any such payment. The compensation of the Escrow Agent provided in this Section 9(a) shall survive termination of this Agreement pursuant to Section 10 hereof.

(b) The recitals of fact in this Agreement shall be taken as the statements of the Authority, and the Escrow Agent does not assume any responsibility for the correctness of the same. The Escrow Agent shall not be under any obligation or duty to perform any act which would involve it in any expense or liability or to institute or defend any suit in respect of this Agreement or to advance any of its own moneys unless properly indemnified to its satisfaction. The Escrow Agent shall not be liable in connection with the performance of its respective duties hereunder except for its own negligence or willful misconduct.

(c) The Escrow Agent shall be entitled to conclusively rely and act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine, and to have been signed and presented by the proper party or parties, and may consult with counsel, who may or may not be counsel to the Public University or the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Agreement, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Officer of the Authority (as defined in the Prior Indentures) and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Agreement, but in its discretion the Escrow Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Authority to the Escrow Agent shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer thereof. The Escrow Agent may perform any duties hereunder either directly or, to the extent that it may reasonably determine is necessary or appropriate to the conduct of its duties hereunder, by or through agents or attorneys, and the Escrow Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it with due care hereunder, taking into account the duties with respect to which such agent or attorney is appointed. The foregoing sentence shall not be interpreted as absolving the Escrow Agent of responsibility with respect to duties customarily performed by escrow agents in the ordinary course of business without the employment of agents or attorneys.

(d) The Escrow Agent may resign at any time and be discharged of its duties hereunder, provided that: (i) it has given not less than sixty (60) days written notice to the Authority of such resignation; (ii) it has given notice of resignation to the Holders of the Bonds to be Refunded in the manner prescribed in the Prior Indentures; (iii) the Authority has appointed a successor to the Escrow Agent hereunder; (iv) the Escrow Agent has received an instrument of acceptance executed by the successor to the Escrow Agent hereunder; and (v) the Escrow Agent has delivered to its successor hereunder all of the escrowed documents, the Defeasance Securities and moneys held by the Escrow Agent in the Escrow Fund. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (v) of this subsection (e) and only if the Escrow Agent has complied with and is not in default of any of its obligations hereunder, unless the Authority and the Public University consent to such resignation. Upon receipt by the Authority of the written notice described in clause (i) above, the Authority shall use its best efforts to obtain a successor to the Escrow Agent hereunder as soon as possible. If no appointment of a successor is made within sixty (60) days after the giving by the Escrow Agent of written notice of resignation in accordance with Section 9(e), the Escrow Agent may apply to any State court of competent jurisdiction for the appointment of such a successor, and the State court may thereupon, after such notice, if any, as the State court may deem proper, appoint a successor.

(e) The Escrow Agent may be removed at any time by the Authority by an instrument in writing signed and acknowledged by the Authority. A copy of such instrument shall be delivered by the Authority to the Escrow Agent at least thirty (30) days prior to the effective date of the removal of such Escrow Agent. Upon such effective date, the Escrow Agent shall deliver to the Escrow Agent's successor (at the direction of the Authority) all documents, instruments and moneys listed in clause (v) of subsection (e) of Section 9 above.

(f) Upon any removal or resignation of the Escrow Agent, the successor Escrow Agent shall provide written notice of such resignation or removal, and of the appointment of a successor Escrow Agent, in the same manner as is prescribed in the Prior Indentures for the removal, resignation and appointment of a successor Trustee thereunder. Any bank that merges with or merges into the Escrow Agent or any corporation or association succeeding to the corporate trust business of the Escrow Agent shall be deemed the successor Escrow Agent without any further action hereunder.

SECTION 10. Except as provided in Section 9(a) hereof, this Agreement shall terminate when the principal or Redemption Price of and interest on all the Bonds to be Refunded have been fully paid; provided that moneys held by the Escrow Agent in the Escrow Fund for the payment and discharge of any of the Bonds to be Refunded which remain unclaimed shall be held in compliance with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* and in accordance with the Trustee's escheat policies and procedures, which must not be in conflict with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.*

SECTION 11. This Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without the written consent of FGIC, AGC and the holders of one hundred percent (100%) in principal amount of the unpaid Bonds to be Refunded at the time such election is made; provided, however, that the Authority and the Escrow Agent

may, without the consent of or notice to the holders of the unpaid Bonds to be Refunded, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement; or
- (b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Bonds to be Refunded any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.

The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond counsel with respect to the matters provided for in this Section 11, including the extent, if any, to which any change, modification, addition or elimination affects the rights of holders of the Bonds to be Refunded or that any instrument executed hereunder complies with the conditions or provisions of this Section 11. Notwithstanding anything in this paragraph to the contrary, no change shall be made to any provision of this Agreement regarding the investment or other use of the proceeds of the Series 2020 B Bonds without an unqualified opinion of nationally recognized bond counsel to the effect that such change and the investment or other use of the proceeds of the Series 2020 B Bonds in accordance with such change will not (i) adversely affect the exclusion of interest on the Series 2020 B Bonds from gross income provided under Section 103 of the Code or (ii) cause any of the Bonds to be Refunded to be deemed “outstanding” within the meaning of Section 1.01 of the Prior Indentures.

SECTION 12. In accordance with P.L. 2005, c. 92, the Escrow Agent covenants and agrees that all services performed under this Agreement by the Escrow Agent shall be performed within the United States of America. The Escrow Agent represents that it has complied with the requirements of N.J.S.A. 52:32-58 and has filed a certification with the Authority that it is not identified on the list of persons engaging in investment activities in Iran.

SECTION 13. The Escrow Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the Escrow Agent enters into agreements or contracts such as this Agreement, with a public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from public entities, such as the Authority, in a calendar year. It is the Escrow Agent’s responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

SECTION 14. The Escrow Agent represents and warrants that all information, certifications and disclosure statements previously provided in connection with P.L. 2005, c. 51, which codified Executive Order No. 134 (McGreevey 2004) ), as amended by Executive Order No. 117 (Corzine 2008), are true and correct as of the date hereof and all such statements have been made with full knowledge that the Authority will rely upon the truth of the statements contained herein in engaging the Escrow Agent in connection with this Agreement. The Escrow

Agent agrees that it shall maintain continued compliance with P.L. 2005, c. 51 and regulations promulgated thereunder during the term of this Agreement. The Escrow Agent acknowledges that upon its failure to make required filings thereunder or the making of a contribution prohibited thereunder, the Escrow Agent may be removed as Escrow Agent under this Agreement and any remedies available may be exercised against the Escrow Agent at law or in equity.

SECTION 15. This Agreement shall be governed by the laws of the State of New Jersey.

SECTION 16. The Escrow Agent agrees to accept and act upon instructions or directions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means (as defined below), provided, however, that the Authority shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. “Electronic Means” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

SECTION 17. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers as of the date first above written.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

By: \_\_\_\_\_  
Eric D. Brophy, Esq.  
Executive Director

THE BANK OF NEW YORK MELLON,  
as Escrow Agent

By: \_\_\_\_\_  
Vice President

**EXHIBIT A**

**BONDS TO BE REFUNDED**

**Series 2007 F Bonds to be Refunded  
Redemption Date: June \_\_, 2020**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP
2020	\$ 890,000	4.000%	100%	646065BN1
2021	\$ 925,000	4.000%	100%	646065BP6
2022	\$ 965,000	4.000%	100%	646065BQ4
2023	\$1,005,000	4.125%	100%	646065BR2
2024	\$1,045,000	4.125%	100%	646065BS0
2025	\$1,085,000	4.125%	100%	646065BT8
2026	\$1,135,000	4.125%	100%	646065BU5
2028	\$2,405,000	4.125%	100%	646065BV3
2032	\$3,455,000	4.250%	100%	646065BW1

**Series 2008 F Bonds to be Refunded  
Redemption Date: July 1, 2020**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP
2036	\$6,175,000	6.850%	103%	646065QR6

**Series 2010 F Bonds to be Refunded  
Redemption Date: July 1, 2020**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP
2020	\$2,040,000	4.00%	N/A	646065H96
2021	\$2,120,000	4.00%	100%	646065J29
2022	\$2,210,000	4.00%	100%	646065J37
2023	\$1,000,000	4.00%	100%	646065J45
2024	\$1,040,000	4.00%	100%	646065J52
2025	\$1,085,000	4.00%	100%	646065J60
2026	\$1,130,000	4.00%	100%	646065J78
2027	\$1,170,000	4.00%	100%	646065J86
2028	\$1,220,000	4.00%	100%	646065J94

**Series 2010 G Bonds to be Refunded**  
**Redemption Date: July 1, 2020**

Maturity Date July 1	Principal Amount	Interest Rate	Redemption Price	CUSIP
2040	\$18,310,000	6.190%	100%	646065G97

**EXHIBIT B-1**

**DESCRIPTION OF SECURITIES  
FOR DEPOSIT IN THE SERIES 2007 F ACCOUNT**

**EXHIBIT B-2**

**DESCRIPTION OF SECURITIES  
FOR DEPOSIT IN THE SERIES 2008 F ACCOUNT**

**EXHIBIT B-3**

**DESCRIPTION OF SECURITIES  
FOR DEPOSIT IN THE SERIES 2010 F/G ACCOUNT**

**EXHIBIT C**

**VERIFICATION REPORT OF  
CAUSEY DEMGEN & MOORE P.C.**

See Closing Item No. \_\_

**EXHIBIT D-1**

**NOTICE OF REFUNDING AND OPTIONAL REDEMPTION**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Refunding Bonds, New Jersey City University Issue, Series 2007 F,  
dated April 4, 2007**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of April 1, 2007 by and between the New Jersey Educational Facilities Authority (the “Authority”) and The Bank of New York, as trustee (the “Indenture”), there has been deposited with The Bank of New York Mellon, as Escrow Agent, moneys and/or direct obligations of the United States of America that are not subject to redemption prior to maturity, the principal of and interest when due will provide moneys which (together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay when due the Redemption Price and interest due and to become due on the bonds referenced below (collectively, the “Bonds”) on and prior to their respective maturity dates on **June \_\_, 2020** (the “Redemption Date”), and that the Authority has given the Escrow Agent irrevocable instructions to call the Bonds for optional redemption on the Redemption Date at a redemption price of 100% of the principal amount thereof, plus interest accrued to the Redemption Date.

**Series 2007 F Bonds**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2020	\$ 890,000	4.000%	646065BN1
2021	\$ 925,000	4.000%	646065BP6
2022	\$ 965,000	4.000%	646065BQ4
2023	\$1,005,000	4.125%	646065BR2
2024	\$1,045,000	4.125%	646065BS0
2025	\$1,085,000	4.125%	646065BT8
2026	\$1,135,000	4.125%	646065BU5
2028	\$2,405,000	4.125%	646065BV3
2032	\$3,455,000	4.250%	646065BW1

The Bonds have been called for redemption as aforesaid. On the Redemption Date, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Indenture. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, The Bank of New York Mellon, as follows:

Mailing Address

The Bank of New York Mellon  
P.O. Box 396  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

Hand Delivery

The Bank of New York Mellon  
111 Sanders Creek Parkway  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Refunding and Optional Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**By: The Bank of New York Mellon, as Escrow Agent**

**EXHIBIT D-2**

**NOTICE OF REFUNDING**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F  
(Federally Taxable), dated April 24, 2008**

**Revenue Bonds, New Jersey City University Issue, Series 2010 F  
(Tax Exempt), dated September 2, 2010**

**Revenue Bonds, New Jersey City University Issue, Series 2010 G  
(Build America Bonds – Direct Payment), dated September 2, 2010**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of April 1, 2008 by and between the New Jersey Educational Facilities Authority (the “Authority”) and The Bank of New York, as trustee, and a Trust Indenture dated as of September 1, 2010 by and between the Authority and The Bank of New York Mellon, as trustee (collectively, the “Indentures”), there has been deposited with The Bank of New York Mellon, as Escrow Agent, moneys and/or direct obligations of the United States of America that are not subject to redemption prior to maturity, the principal of and interest when due will provide moneys which (together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay when due the Redemption Price and interest due and to become due on the bonds referenced below (collectively, the “Bonds”) on and prior to their respective maturity dates on **July 1, 2020** (the “Redemption Date”), and that the Authority has given the Escrow Agent irrevocable instructions to call the Bonds for optional redemption on the Redemption Date at a redemption price of 100% of the principal amount thereof, plus interest accrued to the Redemption Date.

**Series 2008 F Bonds  
Redemption Price: 103%**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2036	\$6,175,000	6.850%	646065QR6

**Series 2010 F Bonds  
Redemption Price: 100%**

Maturity Date July 1	Principal Amount	Interest Rate	CUSIP
2020*	\$2,040,000	4.00%	646065H96
2021	\$2,120,000	4.00%	646065J29
2022	\$2,210,000	4.00%	646065J37
2023	\$1,000,000	4.00%	646065J45

2024	\$1,040,000	4.00%	646065J52
2025	\$1,085,000	4.00%	646065J60
2026	\$1,130,000	4.00%	646065J78
2027	\$1,170,000	4.00%	646065J86
2028	\$1,220,000	4.00%	646065J94

\* To be paid at maturity.

**Series 2010 G Bonds**  
**Redemption Price: 100%**

<b>Maturity Date July 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP</b>
2040	\$18,310,000	6.190%	646065G97

On the Redemption Date, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Resolution. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, The Bank of New York Mellon, as follows:

Mailing Address  
The Bank of New York Mellon  
P.O. Box 396  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

Hand Delivery  
The Bank of New York Mellon  
111 Sanders Creek Parkway  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Refunding. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**By: The Bank of New York Mellon, as Escrow Agent**

**EXHIBIT D-3**

**NOTICE OF OPTIONAL REDEMPTION**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F  
(Federally Taxable), dated April 24, 2008**

**Revenue Bonds, New Jersey City University Issue, Series 2010 F  
(Tax Exempt), dated September 2, 2010**

**Revenue Bonds, New Jersey City University Issue, Series 2010 G  
(Build America Bonds – Direct Payment), dated September 2, 2010**

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of a Trust Indenture dated as of April 1, 2008 by and between the New Jersey Educational Facilities Authority (the “Authority”) and The Bank of New York, as trustee, and a Trust Indenture dated as of September 1, 2010 by and between the Authority and The Bank of New York Mellon, as trustee (collectively, the “Indentures”), the bonds referenced below (the “Bonds”) have been called for redemption on **July 1, 2020** (the “Redemption Date”), at the respective redemption prices referenced below (the “Redemption Price”), expressed as a percentage of the principal amount thereof, plus interest accrued to the Redemption Date.

**Series 2008 F Bonds  
Redemption Price: 103%**

<b>Maturity Date July 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP</b>
2036	\$6,175,000	6.850%	646065QR6

**Series 2010 F Bonds  
Redemption Price: 100%**

<b>Maturity Date July 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP</b>
2021	\$2,120,000	4.00%	646065J29
2022	\$2,210,000	4.00%	646065J37
2023	\$1,000,000	4.00%	646065J45
2024	\$1,040,000	4.00%	646065J52
2025	\$1,085,000	4.00%	646065J60
2026	\$1,130,000	4.00%	646065J78
2027	\$1,170,000	4.00%	646065J86
2028	\$1,220,000	4.00%	646065J94

**Series 2010 G Bonds**  
**Redemption Price: 100%**

<b>Maturity Date July 1</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP</b>
2040	\$18,310,000	6.190%	646065G97

On the Redemption Date, moneys will be available for the payment of the principal or Redemption Price on said Bonds. Accordingly, said Bonds are deemed to have been paid in accordance with the Resolution. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, The Bank of New York Mellon, as follows:

Mailing Address

The Bank of New York Mellon  
P.O. Box 396  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

Hand Delivery

The Bank of New York Mellon  
111 Sanders Creek Parkway  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, plus interest accrued to the Redemption Date, and interest on the Bonds shall cease to accrue and be payable from and after the Redemption Date.

No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Notice of Optional Redemption. Reliance may only be placed on the identification numbers printed herein or on the Bonds.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**By: The Bank of New York Mellon, as Escrow Agent**

**PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2020**

**NEW ISSUE**  
**BOOK ENTRY ONLY**

**Ratings: See “Ratings” herein**

*In the opinion of Bond Counsel (as defined herein), assuming continuing compliance with the provisions of the Internal Revenue Code of 1986, as amended (the “Code”) applicable to the Series 2020 B Bonds (as defined herein) and subject to certain provisions of the Code which are described herein, under laws, regulations, rulings and judicial decisions existing on the date of the original delivery of the Series 2020 B Bonds, interest on the Series 2020 B Bonds is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. In the further opinion of Bond Counsel, interest on the Series 2020 B Bonds is not treated as a preference item for purposes of the alternative minimum tax imposed by the Code on individuals. Interest on the Series 2020 C Bonds is not excluded from gross income for federal income tax purposes. Further, in the opinion of Bond Counsel, under the laws of the State of New Jersey, as enacted and construed on the date of original delivery of the Bonds (as defined herein), interest on the Bonds and any gain from the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act. See “TAX MATTERS” herein.*



\$ \_\_\_\_\_\*  
**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**REVENUE REFUNDING BONDS,**  
**NEW JERSEY CITY UNIVERSITY ISSUE**  
**Consisting of:**

[NJCU  
Logo]

\$ \_\_\_\_\_  
**REVENUE REFUNDING BONDS**  
**NEW JERSEY CITY UNIVERSITY ISSUE**  
**SERIES 2020 B (TAX-EXEMPT)**

\$ \_\_\_\_\_  
**REVENUE REFUNDING BONDS**  
**NEW JERSEY CITY UNIVERSITY ISSUE**  
**SERIES 2020 C (FEDERALLY TAXABLE)**

**Dated: Date of Delivery**

**Due: July 1, as shown on the inside cover**

The New Jersey Educational Facilities Authority, \$ \_\_\_\_\_\* Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt) (the “Series 2020 B Bonds”) and \$ \_\_\_\_\_\* Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable) (the “Series 2020 C Bonds” and, collectively with the Series 2020 B Bonds, the “Bonds”), when issued, will be issued as registered bonds and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository for the Bonds. Individual purchases of Bonds will be made in book-entry-only form in denominations of \$5,000 or any integral multiple of \$1,000 in excess thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. So long as DTC is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants and Indirect Participants. See “DESCRIPTION OF THE BONDS — Book-Entry-Only System.” The Bank of New York Mellon, Woodland Park, New Jersey (the “Trustee”), shall act as trustee and bond registrar for the Bonds.

Interest on the Bonds will be payable on July 1 and January 1 of each year, commencing [July 1, 2020].

The Bonds are subject to redemption prior to maturity, as described herein.

The Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law (N.J.S.A. 18A:72A-1 et seq.), as amended and supplemented, a Resolution adopted by the New Jersey Educational Facilities Authority (the “Authority”) on March 24, 2020 (the “Resolution”) and a Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the “Trust Indenture”) by and between the Authority and the Trustee. The proceeds of the Bonds will be used for the purpose of providing funds to (i) pay the costs of refunding all or part of the Authority’s Outstanding [(A) Revenue Refunding

This is a Preliminary Official Statement and the information contained herein is subject to completion and amendment in a final Official Statement. Under no circumstances will this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the securities offered hereby, in any such jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

Bonds, New Jersey City University, Series 2007 F, (B) Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F (Federally Taxable), (C) Revenue Bonds, New Jersey City University Issue, Series 2010 F (Tax-Exempt), (D) Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment), (E) Revenue Bonds, New Jersey City University Issue, Series 2015 A, and (F) Revenue Refunding Bonds, New Jersey City University Issue, Series 2016 D] (collectively, the “Bonds To Be Refunded”), and (ii) pay costs of issuance of such Bonds (the “Refunding Project”).

The principal and redemption premium, if any, of and interest on the Bonds are payable solely from payments to be received by the Authority pursuant to a Lease and Agreement, dated as of \_\_\_\_\_ 1, 2020 (the “Agreement”), by and between the Authority and New Jersey City University, and from funds and accounts held by the Trustee under the Trust Indenture.

**THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE TRUST INDENTURE), OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE TRUST INDENTURE). THE AUTHORITY HAS NO TAXING POWER. SEE “SECURITY FOR THE BONDS” HEREIN FOR A DESCRIPTION OF THE SECURITY FOR THE BONDS.**

**This cover page, including the inside cover page, contains certain information for quick reference only. It is not intended to be a summary of this issue or of all factors relevant to an investment in the Bonds. For a discussion of certain factors that should be considered, in addition to the other matters set forth on this cover page, in evaluating the investment quality of the Bonds, investors must read the entire Official Statement, including, but not limited to APPENDIX A and APPENDIX B, to obtain information essential to the making of an informed investment decision.**

The Bonds are offered when, as and if issued by the Authority and delivered to the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and to the approval of their legality by GluckWalrath LLP, Freehold, New Jersey, Bond Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by its counsel, McCarter & English, LLP, Newark, New Jersey. It is expected that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about \_\_\_\_\_, 2020.

**MORGAN STANLEY**

**Raymond James & Associates**

Dated: \_\_\_\_\_, 2020

\_\_\_\_\_  
\*Preliminary, subject to change.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

\$ \_\_\_\_\_\*  
REVENUE REFUNDING BONDS,  
NEW JERSEY CITY UNIVERSITY ISSUE  
SERIES 2020 B (TAX-EXEMPT)

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS\*

<u>Due July 1</u> <sup>*</sup>	<u>Principal Amount</u> <sup>*</sup>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP No.</u> <sup>†</sup>
	\$			

\$ \_\_\_\_\_ % Term Bond due July 1, 20\_\_ ; Price \_\_\_\_ %, CUSIP No. \_\_\_\_\_

AND

\$ \_\_\_\_\_\*  
REVENUE REFUNDING BONDS,  
NEW JERSEY CITY UNIVERSITY ISSUE  
SERIES 2020 C (FEDERALLY TAXABLE)

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS\*

<u>Due July 1</u>	<u>Principal Amount</u> <sup>*</sup>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP No.</u> <sup>*</sup>
	\$			

\$ \_\_\_\_\_ % Term Bond due July 1, 20\_\_ ; Price \_\_\_\_ %, CUSIP No. \_\_\_\_\_

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\*Preliminary, subject to change.

†† CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by Standard & Poor's Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for Standard & Poor's Capital IQ. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the State of New Jersey and are included solely for the convenience of the registered owners of the Bonds. The Authority is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in the Official Statement, including, its appendices, to obtain information essential to the nature of an informed investment decision in the Bonds.

The information contained herein relating to the Authority under the headings “THE AUTHORITY” and “LITIGATION – The Authority” has been obtained from the Authority (as hereinafter defined). All other information herein has been obtained by the Underwriters (as hereinafter defined) from the Public University (as hereinafter defined), the Underwriters and other sources deemed by the Underwriters to be reliable, and is not to be construed as a representation of the Authority or the Underwriters. The Authority has not participated in the making of the statements contained in this Official Statement except the information under the headings “THE AUTHORITY” and “LITIGATION – The Authority”, and does not represent that any such statements are accurate or complete for purposes of investors making an investment decision with respect to the Bonds. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances create any implication that there has been no change in the affairs of the Authority or the Public University since the date hereof.

The Public University, in APPENDIX A, has provided the description of the Public University and certain relevant financial and operating data with respect thereto. It is noted that some of the financial information has been derived from the audited financial statements of the Public University. This information should be read in conjunction with the audited financial statements and the related notes which are included as APPENDIX B to this Official Statement.

The Bonds have not been registered under the Securities Act of 1933, as amended, and neither the Resolution (as hereinafter defined) nor the Trust Indenture (as hereinafter defined) has been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions contained in such federal laws. In making an investment decision, investors must rely upon their own examination of the Bonds and the security therefor, including an analysis of the risk involved. The Bonds have not been recommended by any federal or state securities commission or regulatory authority. The registration, qualification or exemption of the Bonds in accordance with applicable provisions of securities laws of the various jurisdictions in which the Bonds have been registered, qualified or exempted cannot be regarded as a recommendation

thereof. Neither such jurisdictions nor any of their agencies have passed upon the merits of the Bonds or the adequacy, accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

References in this Official Statement to statutes, laws, rules, regulations, resolutions (including the Resolution), agreements (including the Trust Indenture, the Agreement, and the Continuing Disclosure Agreement) (all as hereinafter defined), reports and documents do not purport to be comprehensive or definitive, and all such references are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in the whole or in part, for any other purpose.

If and when included in this Official Statement, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” “will” and analogous expressions are intended to identify forward-looking statements. Any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance, governmental regulations, litigation and various other events, conditions and circumstances many of which are beyond the control of the Authority and the Public University. These forward-looking statements speak only as of the date of this Official Statement. The Authority and the Public University disclaim any obligation or agreement to release publicly any update or revision to any forward-looking statement contained herein to reflect any change in the Authority’s or the Public University’s expectation with regard thereto to any change in events, conditions or circumstances on which any such statement is based. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

**IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF BONDS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

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APPENDIX A –	NEW JERSEY CITY UNIVERSITY
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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
103 COLLEGE ROAD EAST  
PRINCETON, NEW JERSEY 08540**

**OFFICIAL STATEMENT**

**Relating to**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

**\$ \_\_\_\_\_\***  
**Revenue Refunding Bonds**  
**New Jersey City University Issue**  
**Series 2020 B (Tax-Exempt)**

**AND**

**\$ \_\_\_\_\_\***  
**Revenue Refunding Bonds**  
**New Jersey City University Issue**  
**Series 2020 C (Federally Taxable)**

**INTRODUCTORY STATEMENT**

**General**

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish information concerning the New Jersey Educational Facilities Authority (the “Authority”) and its \$ \_\_\_\_\_\* Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt) (the “Series 2020 B Bonds”) and \$ \_\_\_\_\_\* Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable) (the “Series 2020 C Bonds” and, collectively with the Series 2020 B Bonds, the “Bonds”). The Bonds are issued pursuant to a Resolution adopted by the Authority on March 24, 2020 (the “Resolution”) and a Trust Indenture, dated as of \_\_\_\_\_ 1, 2020 (the “Trust Indenture”), by and between the Authority and The Bank of New York Mellon, Woodland Park, New Jersey, as trustee (the “Trustee”). For definitions of certain capitalized words and terms used in this Official Statement and not otherwise defined herein, see “APPENDIX C – FORMS OF CERTAIN LEGAL DOCUMENTS” and “APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT” hereto.

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\* Preliminary, subject to change.

## **Authority for Issuance**

The Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law, being Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended (the “Act”). The Act, among other things, empowers the Authority to issue its revenue bonds, notes and other obligations to provide funds to finance and refinance an eligible educational facility as such may be required or convenient for the purpose of a public or private participating institution of higher education, and, in particular, New Jersey City University, located in Jersey City, New Jersey (the “Public University”). For information concerning the Public University, see Appendices A and B hereto.

## **Purpose and Use of Proceeds**

The proceeds of the Bonds, together with other available funds, if any, will be used to: (i) pay the costs of refunding all or part of Bonds to be Refunded (as hereinafter defined) and (ii) pay costs of issuance of such Bonds (the “Refunding Project”). See “PLAN OF REFUNDING” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

All of the facilities to be financed or refinanced with the proceeds of the Bonds described above are referred to herein as the “Project Facilities.”

## **Certain Outstanding Obligations**

The Public University has repayment obligations in respect of various bonds of the Authority issued for the benefit of the Public University, and certain other capital leases. All of such repayment obligations are general obligations of the Public University payable from any legally available funds of the Public University. The Authority may from time to time in the future issue other series of its revenue bonds to finance or refinance projects of the Public University. See “SECURITY FOR THE BONDS – Certain Outstanding Obligations” and “APPENDIX B - AUDITED FINANCIAL STATEMENTS OF NEW JERSEY CITY UNIVERSITY AS OF AND FOR THE YEARS ENDED JUNE 30, 2019 AND 2018” herein.

## **Security**

Pursuant to a Lease and Agreement, dated as of \_\_\_\_\_ 1, 2020 (the “Agreement”), by and between the Authority and the Public University, the Public University will, upon the issuance of the Bonds, have a general obligation to pay to the Authority the Basic Lease Payments (as defined therein) and certain Additional Lease Payments (as defined therein) for the use and occupancy of a portion of the Project Facilities (referred to herein as the “Leased Facilities”). The Basic Lease Payments under the Agreement are payable by the Public University from any legally available funds of the Public University, and shall be in an amount sufficient to enable the Trustee to make the transfers and deposits required at the times and in the amounts required by Section 4.06 of the Trust Indenture. The Basic Lease Payments shall be due on each Basic Lease Payment Date (in the case of regularly scheduled debt service, being December 20 in the case of interest payable on the following January 1 and one-half of the principal or scheduled mandatory redemption installment payable on the following July 1, and June 20 in the case of interest payable on the following July 1 and one-half of the principal or

scheduled mandatory redemption installment payable on July 1). To secure the payment of the Basic Lease Payments and the Additional Lease Payments, the Public University will establish a “Rental Pledge Account” under the Agreement, into which the Public University is required to deposit or cause to be deposited amounts sufficient to pay the Basic Lease Payments on each December 1 (in the case of the December 20 Basic Lease Payment) and June 1 (in the case of the June 20 Basic Lease Payment). No specific pledge of Public University revenues is made in the Agreement with respect to the Bonds.

The Authority has previously issued other series of its revenue bonds to finance and refinance projects for the Public University, each of which certain projects are leased to the Public University pursuant to a separate lease and agreement with the Authority. The payment of the annual rentals under each existing lease and agreement constitutes a general obligation of the Public University, payable from any legally available moneys of the Public University.

A portion of the Project Facilities subject to the Agreement is also subject to the [Lease and Agreement dated as of April 1, 2007], the [Lease and Agreement dated as of December 1, 2010], [the Lease and Agreement dated as of January 1, 2015] and [the Lease and Agreement dated as of June 1, 2016 (collectively, the “Prior Agreements”), by and between the Authority and the Public University, which Prior Agreements secure certain of the outstanding Authority revenue bonds previously issued for the Public University. [CONFIRM AS TO PROJECT FACILITIES SUBJECT TO PRIOR AGREEMENTS]

The Bonds are special and limited obligations of the Authority payable solely from amounts paid by the Public University under the Agreement and from certain funds and accounts held under the Trust Indenture. See “SECURITY FOR THE BONDS” and Appendix C hereto.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY OTHER POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE TRUST INDENTURE), OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE TRUST INDENTURE). THE AUTHORITY HAS NO TAXING POWER. THE BONDS ARE PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF THE REVENUES (AS DEFINED IN THE TRUST INDENTURE), AND OTHER AMOUNTS HELD IN THE FUNDS AND ACCOUNTS (EXCEPT THE REBATE FUND AND THE ADDITIONAL LEASE PAYMENTS FUND) ESTABLISHED PURSUANT TO THE TRUST INDENTURE.

### **Additional Bonds and Other Obligations**

Although additional bonds may not be issued under the Trust Indenture on a parity with the Bonds, the Trust Indenture permits the Authority to enter into Swap Agreements (as defined in the Trust Indenture) on behalf of the Public University with respect to the Bonds which may be secured on a parity with the Bonds. As of the date of the issuance of the Bonds, the Authority

has not entered into and is not contemplating at this time entering into any Swap Agreement with respect to the Bonds.

Further, although additional bonds may not be issued on parity with the Bonds under the Trust Indenture, there are no covenants or restrictions which prohibit or limit the incurrence of debt or additional obligations by the Public University. Accordingly, the Authority may from time to time issue bonds or other obligations on behalf of the Public University, and the Public University may from time to time incur additional obligations (whether to the Authority or otherwise).

Payments by the Public University under the Agreement do not secure any other obligations of the Public University.

See “SECURITY FOR THE BONDS – Additional Bonds and Other Obligations” herein.

### **PLAN OF REFUNDING**

A portion of the proceeds of the Series 2020 B Bonds, together with other available funds, if any, will be used to pay the costs of the tax-exempt current refunding all or part of the Authority’s outstanding [(A) Revenue Refunding Bonds, New Jersey City University, Series 2007 F (the “Series 2007 B Bonds to be Refunded”), (B) Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F (Federally Taxable) (the “Series 2008 F Bonds to be Refunded”), (C) Revenue Bonds, New Jersey City University Issue, Series 2010 F (Tax-Exempt), and (D) Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment) (the “Series 2010 G Bonds to be Refunded”). A portion of the proceeds of the Series 2020 C Bonds, together with other available funds, if any, will be used to pay the costs of the taxable refunding all or part of the Authority’s outstanding (A) Revenue Bonds, New Jersey City University Issue, Series 2015 A (the “Series 2015 A Bonds to be Refunded”), and (B) Revenue Refunding Bonds, New Jersey City University Issue, Series 2016 D the “Series 2016 D Bonds to be Refunded”, and collectively with the Series 2007 F Bonds to be Refunded, the Series 2008 F Bonds to be Refunded, the Series 2010 F Bonds to be Refunded, the Series 2010 G Bonds to be Refunded and the Series 2015 A Bonds to be Refunded, and as more particularly described on Appendix F, the “Bonds to be Refunded”).

In order to effect the refunding of the (i) the Series 2007 B Bonds to be Refunded, (ii) the Series 2008 F Bonds to be Refunded, (iii) the Series 2010 F Bonds to be Refunded and (iv) the Series 2010 G Bonds to be Refunded, a portion of the proceeds of the Series 2020 B Bonds will be applied to the purchase of direct obligations of, or obligations guaranteed by, the United States of America (collectively, the “U.S. Obligations”), which will be deposited with The Bank of New York Mellon, as escrow agent (the “2007/2008/2010 Escrow Agent”) under an Escrow Deposit Agreement dated as of \_\_\_\_\_ 1, 2020 (the “2007/2008/2010 Escrow Deposit Agreement”) in the Escrow Funds established thereunder for each such series of Bonds to be Refunded. Amounts deposited pursuant to the 2008/2008/2010 Escrow Deposit Agreement, together with interest earnings on such amounts, will be sufficient to pay the principal of and interest on the respective series of such Bonds to be Refunded on their respective payment dates to and including their respective redemption dates thereof. Such U.S. Obligations will be

pledged only to the payment of such Bonds to be Refunded subject to the 2007/2008/2010 Escrow Deposit Agreement and are not available for the payment of the Bonds.

In order to effect the refunding of the (i) the Series 2015 A Bonds to be Refunded, and (ii) the Series 2016 D Bonds to be Refunded, a portion of the proceeds of the Series 2020 C Bonds will be applied to the purchase of direct obligations of, or obligations guaranteed by, the United States of America (collectively, the “U.S. Obligations”), which will be deposited with U.S. Bank National, as escrow agent (the “2015/2016 Escrow Agent”) under an Escrow Deposit Agreement dated as of \_\_\_\_\_ 1, 2020 (the “2015/2016 Escrow Deposit Agreement”) in the Escrow Funds established thereunder for each such series of Bonds to be Refunded. Amounts deposited pursuant to the 2015/2016 Escrow Deposit Agreement, together with interest earnings on such amounts, will be sufficient to pay the principal of and interest on the respective series of such Bonds to be Refunded on their respective payment dates to and including their respective redemption dates thereof. Such U.S. Obligations will be pledged only to the payment of such Bonds to be Refunded subject to the 2015/2016 Escrow Deposit Agreement and are not available for the payment of the Bonds.

Upon such deposits with the Escrow Agents, the Bonds to be Refunded shall cease to be entitled to any lien, benefit or security under the indentures of trust pursuant to which such Bonds to be Refunded were issued (the “Prior Indenture”), and all obligations of the Authority to the holders of the Bonds to be Refunded shall thereupon be released, discharged and satisfied. See “VERIFICATION OF MATHEMATICAL CALCULATIONS” herein.

**ESTIMATED SOURCES AND USES OF FUNDS**

The proceeds to be received from the sale of the Bonds, along with certain other funds, are expected to be applied approximately as follows:

<b>Sources of Funds:</b>	<u>Series 2020 B Bonds</u>	<u>Series 2020 C Bonds</u>	<u>Total</u>
Par Amount of the Bonds.....	\$	\$	
Original Issue [Premium/Discount] .....			
Other Available Funds .....			
<b>Total Sources of Funds .....</b>	<b>\$</b>		
<b>Uses of Funds:</b>			
Deposit to Escrow Funds .....	\$		
Costs of Issuance <sup>(1)</sup> .....			
<b>Total Uses of Funds.....</b>	<b>\$</b>		

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<sup>(1)</sup> Includes fees and expenses of Bond Counsel, the Trustee, the Financial Advisor to the Public University, Underwriters’ discount, and other associated issuance costs.

**DESCRIPTION OF THE BONDS**

**General**

The Bonds will initially be dated and will bear interest from the date of delivery. Interest will be payable on January 1 and July 1 of each year, commencing [July 1, 2020]. The Bonds will bear interest at the interest rates per annum, and will mature on July 1 in each of the years and in the principal amounts shown on the inside front cover of this Official Statement.

The Bonds will be issued in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple of \$1,000 in excess thereof. In the event that the Bonds are no longer held in book-entry form (as described in “Book-Entry-Only System” below) (i) the principal or redemption price of the Bonds shall be payable upon surrender at a designated corporate trust office of the Trustee and (ii) interest on the Bonds will be paid by check or draft mailed by the Trustee to Holders thereof at their addresses as it appears on the registration books of the Authority, or upon the written request of any Holder of or at least \$1,000,000 in aggregate principal amount of Bonds submitted to the Trustee at least ten (10) business days prior to the record date of such interest, by wire transfer in immediately available funds to an account in the continental United States of America.

## **Book-Entry-Only System**

*This section describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in the name of Cede & Co., its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Authority believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.*

*The Authority cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.*

***DTC and its Participants.*** DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. So long as the Bonds are maintained in book-entry form, the following procedures will be applicable with respect to the Bonds.

***Purchase of Ownership Interests.*** Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will

not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

***Payments of Principal, Tender Price, Premium, if any, and Interest.*** Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC (nor its nominee), the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

***Notices.*** Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or

voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

NONE OF THE AUTHORITY, THE TRUSTEE OR THE PUBLIC UNIVERSITY WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENT TO, OR THE PROVIDING OF NOTICE FOR, SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES.

***Transfers of Bonds.*** To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Neither the Authority nor the Trustee will have any responsibility or obligation, legal or otherwise, to any party other than to the registered owners of any Bonds on the registration books of the Trustee.

***Discontinuance of Book-Entry-Only System.*** In the event (i) DTC determines not to continue to act as securities depository for the Bonds, or (ii) the Authority, with the consent of the Public University and the Trustee, determines in accordance with the terms of the Trust Indenture that (a) DTC is incapable of discharging its duties, or (b) it is in the best interests of the holders of the Bonds not to continue the Book-Entry-Only System or that interests of the Beneficial Owners of the Bonds might be adversely affected if the Book-Entry-Only System is continued, then the Authority will discontinue the Book-Entry-Only system with DTC. Upon the occurrence of the event described in (i) or (ii)(a) above, the Authority will attempt to locate another qualified securities depository. If the Authority fails to identify another qualified securities depository to replace DTC or makes the determination noted in (ii)(b) above, the Trustee will authenticate and deliver the Bonds in accordance with the Trust Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC and the Authority and the Public University do not take any responsibility for the accuracy thereof.

## **Redemption Provisions**

### **Redemption of Series 2020 B Bonds**

**Optional Redemption.** The Series 2020 B Bonds are subject to redemption prior to maturity on or after July 1, 20\_\_, at the option of the Authority with the prior consent of the Public University, in whole or in part at any time or from time to time at a Redemption Price

equal to 100% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

**Extraordinary Optional Redemption.** Subject to the Prior Agreements, if all or a substantial portion of the Leased Facilities are damaged or destroyed by fire or other casualty, or title to or the temporary use of all or a substantial portion of such facilities is condemned or taken for any public or quasi-public use by any governmental entity exercising or threatening the exercise of the power of eminent domain, or title thereto is found to be deficient, to such extent that in the determination of the Public University (A) such facilities cannot be reasonably restored or replaced to the condition thereof preceding such event, or (B) the Public University is thereby prevented from carrying on its normal operations, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance, condemnation awards or sale under threat of condemnation with respect thereto, the Series 2020 B Bonds are subject to extraordinary optional redemption prior to maturity, in whole or in part at any time or from time to time, from and to the extent of any condemnation or insurance proceeds deposited in the Debt Service Fund pursuant to the Agreement, at the election of the Authority with the consent of the Public University. Any such redemption shall be made on the earliest practicable date at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption.** The Series 2020 B Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Principal Account at a redemption price equal to one hundred percent (100%) of the principal amount to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the Series 2020 B Bonds on July 1 in each of the years and in the principal amounts as follows:

<u>Series 2020 B Bonds Maturing July 1, 20__</u>	
<u>Year</u>	<u>Amount</u>

\* Final maturity.

### **Redemption of Series 2020 C Bonds**

**Optional Redemption.** The Series 2020 C Bonds are subject to redemption prior to maturity on or after July 1, 20\_\_, at the option of the Authority with the prior consent of the Public University, in whole or in part at any time or from time to time at a Redemption Price equal to 100% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

**Extraordinary Optional Redemption.** Subject to the Prior Agreements, if all or a substantial portion of the Leased Facilities are damaged or destroyed by fire or other casualty, or title to or the temporary use of all or a substantial portion of such facilities is condemned or taken for any public or quasi-public use by any governmental entity exercising or threatening the exercise of the power of eminent domain, or title thereto is found to be deficient, to such extent

that in the determination of the Public University (A) such facilities cannot be reasonably restored or replaced to the condition thereof preceding such event, or (B) the Public University is thereby prevented from carrying on its normal operations, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance, condemnation awards or sale under threat of condemnation with respect thereto, the Series 2020 C Bonds are subject to extraordinary optional redemption prior to maturity, in whole or in part at any time or from time to time, from and to the extent of any condemnation or insurance proceeds deposited in the Debt Service Fund pursuant to the Agreement, at the election of the Authority with the consent of the Public University. Any such redemption shall be made on the earliest practicable date at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

**Mandatory Sinking Fund Redemption.** The Series 2020 C Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Principal Account at a redemption price equal to one hundred percent (100%) of the principal amount to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the Series 2020 C Bonds on July 1 in each of the years and in the principal amounts as follows:

<u>Series 2020 C Bonds Maturing July 1, 20__</u>	
<u>Year</u>	<u>Amount</u>

\* Final maturity.

**Redemption in Part.** Whenever any Bonds of a series are to be called for redemption in part, such Bonds may be called for redemption in any order of maturity and in any principal amount within a maturity as the Authority may designate, with the consent of the Public University.

The Bonds to be redeemed within any maturity shall be selected by the Trustee by lot or by any other method.

**Notice of Redemption.** Notice of redemption of the Bonds will be given by the Trustee by mailing a copy of such notice to DTC, as the registered owner of the Bonds, not less than thirty (30) nor more than sixty (60) days prior to the redemption date, and such mailing shall be a condition precedent to such redemption. Failure of DTC or any Beneficial Owner to receive a copy of such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of the Bonds. Any notice of optional redemption of any Bonds may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Interest on any Bonds called for redemption shall cease to accrue from and after the date fixed for redemption if, on such date, sufficient moneys for the redemption of all such Bonds, together with interest to the date fixed for redemption, shall be held by the Trustee.

### **Negotiable Instruments**

The Bonds issued pursuant to the Act are fully negotiable within the meaning of the Uniform Commercial Code of the State of New Jersey, subject only to the provision for registration contained in the Bonds.

### **Principal and Interest Requirements**

The following table sets forth for each bond year ending on June 30, subsequent to the issuance of the Bonds, the estimated total debt service on the Bonds, the debt service on other Authority bonds and other obligations of the Public University.

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## ESTIMATED ANNUAL DEBT SERVICE REQUIREMENTS

YEAR ENDING JUNE 30 <sup>1</sup>	DEBT SERVICE ON OTHER AUTHORITY BONDS <sup>2,3,4</sup> AND OTHER OBLIGATIONS <sup>5</sup>	SERIES 2020 B BONDS		SERIES 2020 C BONDS		COMBINED OUTSTANDING DEBT SERVICE
		PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	
2020	\$		\$			
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
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2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
<b>Total:</b>	<b>\$</b>		<b>\$</b>			

1. Includes principal and interest to be paid on July 1 following each period.
2. [Includes the Authority's outstanding Revenue Bond issues for the Public University: (i) Series 2007 F Bonds; (ii) Series 2008 F Bonds; (iii) Series 2010 F Bonds; (iv) Series 2010 G Bonds (Build America Bonds – Direct Payment); (v) Series 2015 A Bonds; and (vi) Series 2016 D Bonds].
3. The BAB Subsidy Payments with respect to the Series 2010 G Bonds are not factored into these numbers.
4. Other Obligations of the Authority consist of portions of the Authority's Capital Improvement Fund Bonds, Higher Education Equipment Leasing Fund Bonds and Dormitory Safety Trust Fund Bonds. Excludes capitalized leases of the Public University and obligations to the New Jersey Environmental Infrastructure Trust and the New Jersey Environmental Infrastructure Fund.
5. [Includes Bonds to be Refunded].

## SECURITY FOR THE BONDS

### General

The Bonds are special and limited obligations of the Authority payable solely from the Trust Estate. Trust Estate is defined in the Trust Indenture as (i) all right, title and interest of the Authority in the Agreement to the extent provided in the Agreement, and all payments received or receivable by the Authority from the Public University under the Agreement (except as otherwise provided in the Agreement), (ii) all money and securities held by the Trustee from time to time under the terms of the Trust Indenture (except moneys held in the Rebate Fund), (iii) all Swap Revenues (as defined in the Trust Indenture) paid by the Public University or by the Swap Provider (as defined in the Trust Indenture), if any, and (iv) any and all other property pledged to secure the Bonds.

Pursuant to the Agreement, the Public University agrees to pay to the Authority the Basic Lease Payments (as defined therein) and certain Additional Lease Payments (as defined therein) for the use and occupancy of the Leased Facilities. The Basic Lease Payments shall be in an amount sufficient to enable the Trustee to make the transfers and deposits required at the times and in the amounts required by Section 4.06 of the Trust Indenture. The Basic Lease Payments shall be due on each Basic Lease Payment Date (in the case of regularly scheduled debt service, being December 20 in the case of interest payable on the following January 1 and one-half of the principal or mandatory sinking fund installment payable on the following July 1, and June 20 in the case of interest payable on the following July 1 and one-half of the principal or mandatory sinking fund installment payable on July 1).

To secure the payment of the Basic Lease Payments and the Additional Lease Payments, the Public University will establish a "Rental Pledge Account" under the Agreement, into which the Public University is required to deposit or cause to be deposited amounts sufficient to pay the Basic Lease Payments and Additional Lease Payments (accounting for certain credits) on each December 1 (in the case of the December 20 Basic Lease Payment) and June 1 (in the case of the June 20 Basic Lease Payment). In the event that the balance remaining in the Rental Pledge Account on January 2 and July 2 of each Bond Year is in excess of the sums payable to the Trustee for or on account of the Authority in accordance with the Trust Indenture, such balance shall be transferred to the Public University.

The Public University has agreed that its obligation to make the payments required under the Agreement, including the Basic Lease Payments and the Additional Lease Payments, shall constitute a general obligation of the Public University, payable from any legally available funds of the Public University. No specific pledge of Public University revenues is made in the Agreement with respect to the Bonds.

Upon the payment or defeasance of the Bonds, the Leased Facilities shall no longer be subject to the Agreement.

The Trust Indenture establishes various funds and accounts and provides for the application of the proceeds of the Bonds, the Revenues received pursuant to the Agreement, and other moneys which, by any of the provisions of the Trust Indenture, are required to be deposited

in such funds and accounts. For a further description of the Trust Indenture, see Appendix C hereto.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY OTHER POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE TRUST INDENTURE), OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE TRUST INDENTURE). THE AUTHORITY HAS NO TAXING POWER. THE BONDS ARE PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF THE REVENUES (AS DEFINED IN THE TRUST INDENTURE) AND OTHER AMOUNTS HELD IN THE FUNDS AND ACCOUNTS (EXCEPT THE REBATE FUND AND THE ADDITIONAL LEASE PAYMENTS FUND) ESTABLISHED PURSUANT TO THE TRUST INDENTURE.

### **Certain Outstanding Obligations**

The Authority has previously issued other series of its revenue bonds to finance and refinance projects for the Public University, each of which projects is leased to the Public University pursuant to a separate lease and agreement with the Authority. The payment of the annual rentals under each existing lease and agreement constitutes a general obligation of the Public University, payable from any legally available moneys of the Public University.

Specifically, as of December 31, 2019, prior to the issuance of the Bonds, there were outstanding the following bonds of the Authority issued for the benefit of the Public University (inclusive of the Bonds to be Refunded): (i) \$\_\_\_\_\_ in aggregate principal amount of the Authority's Revenue Refunding Bonds, New Jersey City University, Series 2007 F (the "Series 2007 F Bonds"); (ii) \$\_\_\_\_\_ in aggregate principal amount of the Authority's Revenue Refunding Bonds, New Jersey City University, Series 2008 F (Federally Taxable) (the "Series 2008 F Bonds"); (iii) \$\_\_\_\_\_ in aggregate principal amount of the Authority's Revenue Refunding Bonds, New Jersey City University, Series 2010 F (Federally Taxable) (the "Series 2010 F Bonds"); (iv) \$\_\_\_\_\_ in aggregate principal amount of the Authority's Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment) (the "Series 2010 G Bonds"); (v) \$\_\_\_\_\_ in aggregate principal amount of the Authority's Revenue Bonds, New Jersey City University Issue, Series 2015 A (the "Series 2015 A Bonds"); and (vi) \$\_\_\_\_\_ in aggregate principal amount of the Authority's Revenue Bonds, New Jersey City University Issue, Series 2016 D (the "Series 2016 D Bonds").

The Series 2007 F Bonds, the Series 2008 F Bonds, the Series 2010 F Bonds, the Series 2010 G Bonds, the Series 2015 A Bonds and the Series 2016 D Bonds are collectively referred to herein as the "Other NJEFA Bonds". Each series of Other NJEFA Bonds is secured by, *inter alia*, payments to be made by the Public University under a separate lease and agreement by and between the Authority and the Public University, by which the Public University has a general obligation to pay annual rentals for the use of the project(s) financed or refinanced by such series of Other NJEFA Bonds. Although the Bonds are not being issued as parity bonds with the Other

NJEFA Bonds, the Basic Lease Payments and Additional Lease Payments under the Agreement are general obligations of the Public University, similar to the Public University's payment obligations in respect of the Other NJEFA Bonds.

In addition, as of December 31, 2019, the Public University had the following repayment obligations: (i) approximately \$\_\_\_\_\_ aggregate principal amount of notes of the Public University issued to the New Jersey Educational Facilities Authority Higher Education Capital Improvement Fund; (ii) approximately \$\_\_\_\_\_ aggregate principal amount of notes of the Public University issued to the New Jersey Educational Facility Authority Equipment Leasing Fund. Such obligations of the Public University are collectively referred to herein as "Other Long-Term Debt". The Other Long-Term Debt constitutes a general obligation of the Public University. As of December 31, 2019, the Public University has also entered into various capital leases and has repayment obligations to the New Jersey Environmental Infrastructure Trust and the New Jersey Environmental Infrastructure Fund. See "APPENDIX B - AUDITED FINANCIAL STATEMENTS OF NEW JERSEY CITY UNIVERSITY AS OF AND FOR THE YEARS ENDED JUNE 30, 2019 AND 2018" hereto.

The Authority may from time to time in the future issue other series of its revenue bonds to finance or refinance projects for the Public University, each of which project is to be leased to the Public University pursuant to a separate lease and agreement with the Authority.

#### **Additional Bonds and Other Obligations**

The repayment obligation of the Public University with respect to the Bonds pursuant to the Agreement is a general obligation of the Public University, and no specific revenues of the Public University are pledged as additional security for such repayment obligation. Payments by the Public University under the Agreement do not secure any other obligations of the Public University.

Although additional bonds may not be issued under the Trust Indenture on parity with the Bonds, the Trust Indenture permits the Authority to enter into Swap Agreements on behalf of the Public University (as defined in the Agreement) with respect to the Bonds. As of the date of issuance of the Bonds, the Authority has not entered into, and is not currently contemplating entering into, any Swap Agreement with respect to the Bonds.

In the event that any Swap Agreement is hereafter entered into, the Trust Indenture and the Agreement may each be amended, without notice to or consent by the holders of the Bonds, to effectuate such Swap Agreement, including (but not limited to) providing that the Trust Estate shall also secure the counterparties to any such Swap Agreement on a parity with the Bonds.

Further, although additional bonds may not be issued on a parity with the Bonds under the Trust Indenture, there are no covenants or restrictions which prohibit or limit the incurrence of debt or additional obligations by the Public University. Accordingly, the Authority may from time to time issue bonds or other obligations on behalf of the Public University, and the Public University may from time to time incur additional obligations (whether to the Authority or otherwise).

Payments by the Public University under the Agreement do not secure any other obligations of the Public University.

## **[DISCLOSURES REGARDING COVID-19 [DISCUSS]]**

COVID-19, a respiratory disease caused by a new strain of coronavirus, was declared a Pandemic by the World Health Organization on March 11, 2020. States of emergency have been declared by Governor Murphy on March 9, 2020 and by President Trump on March 13, 2020. The outbreak of this disease has severely affected travel, commerce and financial markets globally, and is expected to alter the behavior of people and businesses in a manner that will likely have significant negative impacts on the global, national and local economies. Stock markets in the United States and globally have seen significant recent declines that have been attributed to coronavirus concerns. The municipal securities market has also recently experienced a lack of liquidity with supply outpacing demand.

In New Jersey, residents and businesses have been advised to take pro-active measures, including use of “social distancing” to reduce interpersonal contacts. Most large-scale public events have been canceled, many schools have been closed, and some businesses are encouraging employees to work remotely whenever possible. Persons exposed to, or having close contact with persons exposed to, the COVID-19 virus are generally being encouraged, or required, to self-isolate for extended periods of time. Beginning March 16, 2020, all instruction at the Public University was moved to online delivery, with classes scheduled to resume in a face-to-face setting on March 30, 2020. [To be updated]

The acute phase of the COVID-19 pandemic in New Jersey is expected to last several months. The federal and state governments are expected to enact legislation to mitigate the financial impacts on people and businesses. The continued spread of COVID-19 is expected to impact global financial markets, national, state, and local economies, and the higher education landscape in general. While its potential impact cannot be predicted at this time, the COVID-19 pandemic could have a material adverse impact on the Public University and its finances.]

## **THE AUTHORITY**

### **Powers of the Authority**

The Authority was duly created under the Act (*N.J.S.A. 18A:72A-1 et seq.*) as a public body corporate and politic constituting an instrumentality exercising public and essential governmental functions of the State of New Jersey (the “State”). The Act empowers the Authority, among other things, to make loans to public and private colleges and universities for the construction, improvement, acquisition and refinancing of eligible projects in accordance with a lease agreement, a loan agreement or a mortgage approved by the Authority. The Authority is also authorized to provide financing for capital improvements at qualified public libraries.

The Act provides that the Authority shall not be required to pay taxes or assessments upon any of the property acquired or used by it or under its jurisdiction, control, possession or supervision, or upon its activities in the operation and maintenance of the facilities acquired or

constructed for any participating college or university or upon any moneys, revenues or other income received therefrom by the Authority.

### **Authority Organization and Membership**

Under the Act and pursuant to Reorganization Plan 005-2011, the Authority membership consists of the State Treasurer, the Secretary of Higher Education, both *ex-officio*, and five citizen members appointed by the Governor of the State (the “Governor”) with the advice and consent of the Senate for terms of five years each. The Act provides that deputies of the *ex-officio* members may be designated to act on their behalf. Members of the Authority whose terms have expired continue to serve on the Authority until their successors are appointed and qualified. The members of the Authority serve without compensation, but are entitled to reimbursement of actual and necessary expenses incurred in the discharge of their official duties.

The present members and officers of the Authority, the dates of expiration of their terms as members and their business affiliations are as follows:

Joshua E. Hodes, Chair; term as a member expired April 30, 2014; Partner, Public Strategies Impact; Trenton, New Jersey.

Ridgeley Hutchinson, Vice Chair; term as a member expired April 30, 2015; Executive Director, New Jersey Carpenters Apprentice Training and Educational Fund; Trenton, New Jersey.

The Honorable Elizabeth Maher Muoio, Treasurer; Treasurer, State of New Jersey, *ex officio*.

The Honorable Zakiya Smith Ellis, Secretary of Higher Education, *ex officio*.

Louis A. Rodriguez, P.E.; term as a member expired April 30, 2016; Engineering Consultant; Marlboro, New Jersey.

Eric D. Brophy, Esq., Executive Director, serves as the Secretary to the Authority.

Sheryl A. Stitt, Deputy Executive Director, serves as an Assistant Secretary to the Authority.

Steven P. Nelson, Director of Project Management, serves as an Assistant Secretary to the Authority.

Ellen Yang, Director of Compliance Management, serves as an Assistant Secretary to the Authority.

Brian Sootkoos, Director of Finance/Controller, serves as the Assistant Treasurer to the Authority.

## **Outstanding Obligations of the Authority [UPDATE]**

As of December 31, 2018, the Authority has heretofore authorized and issued its obligations in a total outstanding amount of \$4,963,318,355 to finance and refinance eligible projects at certain of the participating public and private colleges and universities and public libraries located in the State.

The Authority has never defaulted in payment of the maturing principal of or interest on any of its obligations.

### **STATE OF NEW JERSEY HIGHER EDUCATION**

Pursuant to Governor Christie's Reorganization Plan 005-2011, the New Jersey Commission on Higher Education (the "Commission") has been abolished and the responsibilities, duties and authorities of the former Commission have been transferred to the Secretary of Higher Education.

The Commission, established by the Higher Education Restructuring Act of 1994, provided coordination, planning, policy development and advocacy for the State's higher education system. The Commission was also responsible for institutional licensure and the administration of the Educational Opportunity Fund and other programs.

The Commission served as the principal advocate for an integrated system of higher education which provides a broad scope of higher education programs and services. The system includes both thirty (30) public and fifty (50) independent institutions and enrolls over 420,000 full- and part-time credit-seeking students statewide.

The thirty (30) public colleges and universities are comprised of Rutgers, The State University of New Jersey ("Rutgers University"; Rowan University; the New Jersey Institute of Technology; and Montclair State University; two (2) state colleges and five (5) state universities; and nineteen (19) community colleges. Pursuant to the New Jersey Medical and Health Services Restructuring Act, effective July 1, 2013, all liabilities and debt of the University of Medicine and Dentistry of New Jersey ("UMDNJ") and its assets were transferred to Rutgers University, Rowan University and University Hospital, and UMDNJ, as a legal entity, ceased to exist. The fifty-nine (59) independent institutions include fifteen (15) senior colleges and universities with a public mission, one (1) independent two-year religious college, thirty (30) rabbinical schools and theological seminaries and twelve (12) proprietary institutions with degree-granting authority, and one independent three-year college.

### **RATINGS**

Fitch Ratings ("Fitch") and Moody's Investors Service, Inc. ("Moody's") have assigned their municipal bond ratings of "\_\_\_" and "\_\_\_", respectively, to the Bonds. Any desired explanation of the significance of such ratings should be obtained from Fitch and Moody's, respectively. There is no assurance that a particular rating will pertain for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency

furnishing such rating, circumstances so warrant. Any downward revision or withdrawal of any such ratings could have an adverse effect on the market price of the Bonds.

## **TAX MATTERS**

### **The Series 2020 B Bonds**

Federal Income Taxes. The Internal Revenue Code of 1986, as amended (the "Code") imposes certain requirements that must be met at and subsequent to the issuance and delivery of the Series 2020 B Bonds for interest thereon to be and remain excluded from gross income of the owners thereof for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2020 B Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2020 B Bonds. The Authority and the Public University have covenanted to comply with the provisions of the Code applicable to the Series 2020 B Bonds, and have covenanted not to take any action or permit any action that would cause the interest on the Series 2020 B Bonds to be included in gross income under Section 103 of the Code or cause interest on the Series 2020 B Bonds to be treated as an item of tax preference for purposes of the alternative minimum tax imposed by the Code on individuals. GluckWalrath LLP, Freehold, New Jersey ("Bond Counsel"), will not independently verify the accuracy of those certifications and representations.

Assuming the Authority and the Public University observe their covenants with respect to compliance with the Code, Bond Counsel is of the opinion that, under laws, regulations, rulings and judicial decisions existing on the date of the original delivery of Series 2020 B Bonds, interest on the Series 2020 B Bonds is excluded from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. Bond Counsel is further of the opinion that interest on the Series 2020 B Bonds is not treated as a preference item for purposes of the alternative minimum tax imposed by the Code on individuals. See "Certain Federal Tax Considerations" below.

Original Issue Premium. The initial public offering price of certain Series 2020 B Bonds may be greater than the stated redemption price thereof at maturity (the "Premium Bonds"). The difference between the initial public offering price for the Premium Bonds and the stated redemption price at maturity is "original issue premium". For federal income tax purposes original issue premium is amortizable periodically over the term of a Premium Bond through reductions in the holder's tax basis for the Premium Bonds for determining gain or loss from the sale or redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the Premium Bonds rather than crediting a deductible expense or loss. Purchasers of Series 2020 B Bonds should consult their tax advisors for an explanation of the accrual rules for original issue premium and any other federal, state or local tax consequences of the purchase of the Premium Bonds.

Original Issue Discount. The initial public offering price of certain Series 2020 B Bonds may be less than the stated redemption price thereof at maturity (each a "Discount Bond"). The difference between the initial public offering price for any such Discount Bond and the stated redemption price at maturity is "original issue discount". For federal income tax purposes,

original issue discount of a Discount Bond accrues to the original holder of the Discount Bond over the period of its maturity based on the constant yield method compounded annually as interest with the same tax exemption and alternative minimum tax status (if applicable) as regular interest. The accrual of original issue discount increases the holder's tax basis in the Discount Bond for determining taxable gain or loss on the maturity, redemption, prior sale or other disposition of a Discount Bond. Purchasers of the Series 2020 B Bonds should consult their tax advisors for an explanation of the accrual rules for original issue discount and any other federal, state or local tax consequences of the purchase of Series 2020 B Bonds with original issue discount.

Certain Federal Tax Considerations. Ownership of the Series 2020 B Bonds may result in collateral federal tax consequences to certain taxpayers, including, without limitation, financial institutions, S corporations with excess net passive income, property and casualty companies, individual recipients of social security or railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, foreign corporations that may be subject to the foreign branch profits tax, and taxpayers who may be deemed to have incurred indebtedness to purchase or carry the Series 2020 B Bonds. Bond Counsel will express no opinion with respect to these or any other collateral tax consequences of the ownership of the Series 2020 B Bonds. The nature and extent of the tax benefit to a taxpayer of ownership of the Series 2020 B Bonds will generally depend upon the particular nature of such taxpayer or such taxpayer's own particular circumstances, including other items of income or deduction. Accordingly, prospective purchasers of the Series 2020 B Bonds should consult their own tax advisors with respect to these and other collateral federal tax consequences resulting from ownership of the Series 2020 B Bonds.

Backup Withholding. Commencing with interest paid in 2006, interest paid on tax-exempt obligations such as the Series 2020 B Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2020 B Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Changes in Law and Post-Issuance Events. Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2020 B Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2020 B Bonds. This impact could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of interest on the Series 2020 B Bonds from gross income of the owners thereof for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2020 B Bonds may occur. Prospective purchasers of Series 2020 B Bonds should consult their own tax advisors regarding such matters.

## **The Series 2020 C Bonds**

The following is a general discussion of certain of the anticipated federal tax consequences of the purchase, ownership and disposition of the Series 2020 C Bonds by the original purchasers of the Series 2020 C Bonds. Investors should consult their own tax advisors in determining the federal, state, local or other tax consequences to them of purchase, ownership and disposition of the Series 2020 C Bonds. This discussion is based upon the Code, regulations, rulings and decisions now in effect, all of which are subject to change at any time, possibly with retroactive effect, and does not purport to deal with federal income tax consequences applicable to all categories of investors, some of which will be subject to special rules. This discussion assumes that Series 2020 C Bonds will be held as "capital assets" under the Code and that the Series 2020 C Bonds are owned by U.S. Holders (as defined below). Investors should consult their own tax advisors in determining the federal, state, local or other tax consequences to them of purchase, ownership and disposition of the Series 2020 C Bonds.

As used herein, the term "U.S. Holder" means a beneficial owner of a bond that is for United States federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or any State or any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a court within the United States and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

**INTEREST ON THE SERIES 2020 C BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME OF THE OWNERS THEREOF FOR FEDERAL INCOME TAX PURPOSES.** The Authority will report annually (or more frequently if required) to owners of record and to the IRS in respect of interest paid on the Series 2020 C Bonds.

Under the Code, payments on the Series 2020 C Bonds may under certain circumstances, be subject to "backup withholding" at a rate equal to the fourth lowest rate of tax applicable under Section 1(c) of the Code. This withholding generally applies if the owner (i) fails to furnish such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnishes an incorrect TIN, (iii) fails to properly report interest, dividends or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide such owner's securities broker with a certified statement, signed under penalties of perjury, that the TIN is correct and that such Bondholder is not subject to backup withholding. Owners of the Series 2020 C Bonds should consult their own tax advisors as to their qualification for exemption for backup withholding and the procedures for obtaining the exemption.

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a taxable bond, a holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such holder's adjusted tax basis in the bond.

The Authority may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Series 2020 C Bonds to be deemed to be no longer outstanding under the Indenture (a "defeasance"). For Federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Series 2020 C Bonds subsequent to any such defeasance could also be affected.

## **State Taxes**

In the opinion of Bond Counsel, under the laws of the State of New Jersey, as enacted and construed on the date of original delivery of the Bonds, interest on the Bonds and gain from the sale thereof are not includible in gross income under the New Jersey Gross Income Tax Act.

## **General**

Bond Counsel is not rendering any opinion on any federal tax matters other than those described under the caption "TAX MATTERS." Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

**ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.**

**THE FOREGOING IS NOT INTENDED AS AN EXHAUSTIVE RECITAL OF THE POTENTIAL TAX CONSEQUENCES OF HOLDING THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS.**

## **CONTINUING DISCLOSURE**

Pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), on the date of delivery of the Bonds, the Public University will enter into an undertaking in the form of a Continuing Disclosure Agreement, with the Trustee as dissemination agent, substantially in the form included as Appendix D to this Official Statement, in which the Public University will covenant, for the benefit of the holders of the Bonds, to

provide or cause a dissemination agent to provide certain financial information and operating data and notice of certain enumerated events to the Municipal Securities Rulemaking Board through its electronic data program, Electronic Municipal Market Access (“EMMA”), or such other program required by Rule 15c2-12.

The Underwriters’ obligation to purchase and accept delivery of the Bonds is conditioned upon their receiving, at or prior to the delivery of the Bonds, evidence that the Public University has made the continuing disclosure undertaking set forth in the Continuing Disclosure Agreement.

A failure by the Public University to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in the Continuing Disclosure Agreement will not constitute an Event of Default under either the Indenture or the Lease Agreement, and the holders of the Bonds are limited to the remedies set forth in the Continuing Disclosure Agreement.

The Authority and the holders of the Bonds are recognized under the Continuing Disclosure Agreement as being third-party beneficiaries thereunder and may enforce any such right, remedy or claim conferred, given or granted thereunder in favor of the Trustee or the holders of the Bonds, as the case may be.

[The Public University notes the following: Pursuant to the terms of prior continuing disclosure undertakings pursuant to Rule 15c2-12, for the fiscal year ended June 30, 2012, the Public University’s annual financial and statistical information (“Operating Data”) due to be filed on December 27, 2012 was filed on January 11, 2013 and was not filed under all outstanding bond issues. For the fiscal years ended June 30, 2015, 2014, 2013, 2011 and 2010, the Public University’s Operating Data for such fiscal years, although filed on time, was not filed or not timely filed under all outstanding bond issues. For the fiscal years ended June 30, 2015 and 2010, the Public University’s audited financial statements were filed on time, but were not filed or not timely filed under all outstanding bond issues. In addition, financial and statistical data of the type included under the heading “Tuition, Fees and Charges” in each of the Official Statements relating to the Public University’s outstanding bonds has not been included in the Public University’s Operating Data. As of the date hereof, all of the above-referenced filing omissions have been corrected.][**PARAGRAPH TO BE UPDATED**]

## **LEGALITY FOR INVESTMENT**

Pursuant to the Act, all bonds, notes and other obligations, including the Bonds, issued by the Authority under the provisions of the Act are securities in which the State and all political subdivisions of the State, their officers, boards, commissions, departments or other agencies; all banks, bankers, savings banks, trust companies, savings and loan associations, investment companies, and other persons carrying on a banking business; all insurance companies, insurance associations, and other persons carrying on an insurance business; all administrators, executors, guardians, trustees and other fiduciaries; and all other persons whatsoever who now are or may hereafter be authorized to invest in bonds or other obligations of the State may properly and legally invest any funds including capital belonging to them or within their control. Bonds, notes

or other securities or obligations of the Authority are also securities which may properly and legally be deposited with and received by any State or municipal officer or agency of the State for any purpose for which the deposit of bonds or other obligations of the State is authorized by law.

### **PLEDGE OF STATE NOT TO AFFECT RIGHTS OF BONDHOLDERS**

Pursuant to the provisions of the Act, the State has pledged to and agrees with the holders of the Bonds issued pursuant to authority contained in the Act, and with those parties who may enter into contracts with the Authority pursuant to the provisions of the Act, that the State will not limit, alter or restrict the rights vested by the Act in the Authority and the participating colleges (as defined in the Act) to maintain, construct, reconstruct and operate any project (as defined in the Act) or to establish and collect such rents, fees, receipts or other charges as may be convenient or necessary to produce sufficient revenues to meet the expenses of maintenance and operation thereof and to fulfill the terms of any agreements made with holders of the Bonds authorized by the Act, and with the parties who may enter into contracts with the Authority pursuant to the provisions of the Act, or in any way impair the rights or remedies of such holders of the Bonds or such parties until the Bonds, together with interest hereon, are fully paid and discharged and such other contracts are fully performed on the part of the Authority.

### **LEGAL MATTERS SUBJECT TO APPROVAL OF COUNSEL**

All legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of GluckWalrath LLP, Freehold, New Jersey, Bond Counsel to the Authority. A copy of the approving opinion of Bond Counsel, in substantially the form provided in Appendix E hereto, will be available at the time of the delivery of the Bonds. Certain legal matters will be passed upon for the Underwriters by McCarter & English, LLP, Newark, New Jersey.

### **LITIGATION**

#### **The Authority**

There is no litigation pending or, to the knowledge of the Authority threatened, seeking to restrain or enjoin the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings or authority under which the Bonds are to be issued. There is no litigation pending or, to the Authority's knowledge, threatened, which in any manner questions the right of the Authority to adopt the Resolution, to enter into the Trust Indenture or the Agreement, or to secure the Bonds in the manner herein described.

#### **The Public University**

There is no litigation pending, or to the knowledge of the Public University threatened, contesting the Public University's ability to enter into the Agreement, nor is there any litigation pending or, to the knowledge of the Public University, threatened, which, if adversely determined, would materially adversely effect the financial condition or operation of the Public

University, the transactions contemplated by this Official Statement or the validity of the Bonds or the Agreement.

### **INDEPENDENT AUDITORS**

The basic financial statements of New Jersey City University as of and for the years ended June 30, 2019 and 2018, included in Appendix B to this Official Statement, have been audited by KPMG LLP, Short Hills, New Jersey, independent auditors, as stated in their report appearing in Appendix B to this Official Statement.

### **FINANCIAL ADVISOR TO THE PUBLIC UNIVERSITY**

Janney Montgomery Scott LLC (“Janney”) has been retained to act as financial advisor for the Public University in connection with the issuance of the Bonds. Although Janney has assisted in the preparation of this Official Statement, Janney is not obligated to undertake, and has not undertaken to make, any independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

### **VERIFICATION OF MATHEMATICAL CALCULATIONS**

Causey Demgen & Moore P.C. (the “Verification Agent”) will verify, from the information provided to them, the mathematical accuracy, as of the date of delivery of the Bonds, of (i) the computations contained in the provided schedules to determine that the maturing principal amounts of the U.S. Obligations to be deposited pursuant to the Escrow Deposit Agreements, and the interest payments to be made thereon, together with other available amounts to be deposited pursuant to the Escrow Deposit Agreements, will be sufficient to pay, when due, the principal and interest on the Bonds to be Refunded on their redemption date and (ii) the mathematical computations supporting the conclusion of Bond Counsel that interest on the Series 2020 B Bonds is excluded from gross income of the owners thereof for federal income tax purposes. The Verification Agent will express no opinion on the assumptions provided to it, nor as to the exemption from taxation of the interest on the Bonds.

## **UNDERWRITING**

Morgan Stanley & Co. LLC, as representative of the underwriters of the Bonds shown on the cover page hereof (the “Underwriters”), has agreed to purchase the Bonds pursuant to the terms of a contract of purchase, by and among the Authority, the Public University and the Underwriters, at an aggregate purchase price for the (i) Series 2020 B Bonds of \$\_\_\_\_\_ (said aggregate purchase price reflecting the par amount of the Series 2020 B Bonds, [plus/minus] a [net] original issue [premium/discount] of \$\_\_\_\_\_, and less an Underwriters’ discount of \$\_\_\_\_\_), and (ii) Series 2020 C Bonds of \$\_\_\_\_\_ (said aggregate purchase price reflecting the par amount of the Series 2020 C Bonds, less an Underwriters’ discount of \$\_\_\_\_\_). The Underwriters will be obligated to purchase all of the Bonds if any Bonds are purchased. The Underwriters intend to offer the Bonds to the public initially at the offering prices set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriters may offer and sell Bonds to certain dealers (including depositing Bonds into investment trusts) at prices lower than the public offering price.

The following paragraph has been furnished by Morgan Stanley & Co. LLC for inclusion in this Official Statement. Neither the Authority nor the Public University guarantees the accuracy or completeness of the information contained in such paragraph and such information is not to be construed as a representation of the Authority or the Public University.

Morgan Stanley, one of the Underwriters of the Bonds, has entered into a retail distribution arrangement with Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

## **MISCELLANEOUS**

The foregoing summaries of the provisions of the Act, the Resolution, the Bonds, the Trust Indenture, the Agreement and the Continuing Disclosure Agreement do not purport to be complete and are made subject to the detailed provisions thereof to which reference is hereby made. Copies of the above and of the most recent financial statements of the Authority are available for inspection at the office of the Authority. So far as any statements are made in this Official Statement involving estimates, projections or matters of opinion whether or not expressly so stated, such statements are intended as such and not as representations of fact.

The description of the Public University contained in Appendix A to this Official Statement, the financial statements of the Public University as of and for the years ended June 30, 2019 and 2018 which are included in Appendix B to this Official Statement and the information under the heading “CONTINUING DISCLOSURE” has been provided by the Public University.

The information herein regarding DTC has been provided by DTC and is not to be construed as a representation of either the Authority or the Public University.

The execution and delivery of this Official Statement have been authorized by the Authority and approved by the Public University.

**NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY**

By: \_\_\_\_\_

Name: Eric D. Brophy, Esq.

Title: Executive Director

Approved: \_\_\_\_\_, 2020

**NEW JERSEY CITY UNIVERSITY**

By: \_\_\_\_\_

Name:

Title:

**APPENDIX A**

**NEW JERSEY CITY UNIVERSITY**

**APPENDIX B**

**INDEPENDENT AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS  
OF NEW JERSEY CITY UNIVERSITY  
AS OF AND FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

**APPENDIX C**  
**FORMS OF CERTAIN LEGAL DOCUMENTS**

**APPENDIX D**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**APPENDIX E**  
**FORM OF OPINION OF BOND COUNSEL**

## APPENDIX F

### BONDS TO BE REFUNDED

<u>Series</u>	<u>Maturity Date</u>	<u>Outstanding Par Amount</u> *	<u>Dated Date</u>	<u>CUSIP No.</u> *
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\*CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by Standard & Poor's Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for Standard & Poor's Capital IQ. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the State of New Jersey and are included solely for the convenience of the registered owners of the Bonds to be Refunded. The Authority is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds to be Refunded as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds to be Refunded.

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TRUST INDENTURE

*by and between*

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

*and*

THE BANK OF NEW YORK MELLON,  
as Trustee

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*Dated as of May 1, 2020*

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*Relating to*

\$\_\_\_\_\_ New Jersey Educational Facilities Authority Revenue Refunding Bonds,  
New Jersey City University Issue, Series 2020 B (Tax-Exempt)

and

\$\_\_\_\_\_ New Jersey Educational Facilities Authority Revenue Refunding Bonds,  
New Jersey City University Issue, Series 2020 C (Federally Taxable)

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EXHIBIT A  
EXHIBIT B

FORM OF BOND  
LIST OF INVESTMENT OBLIGATIONS

## TRUST INDENTURE

This **TRUST INDENTURE** (this "Indenture"), dated as of May 1, 2020, by and between the **NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**, a public body corporate and politic of the State of New Jersey (the "Authority"), and **THE BANK OF NEW YORK MELLON**, a state banking corporation organized and existing under the laws of the State of New York with trust and fiduciary powers in the State of New Jersey, and being duly qualified to accept and administer the trusts created hereby (the "Trustee"),

### WITNESSETH:

**WHEREAS**, the Authority is a public body corporate and politic of the State of New Jersey (the "State"), created under the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented, N.J.S.A. 18A:72A-1 *et seq.*) (the "Act"); and

**WHEREAS**, the Authority has, on behalf of New Jersey City University (the "Public University"), heretofore issued, *inter alia*, its Revenue Refunding Bonds, New Jersey City University Issue, Series 2007 F (the "Series 2007 F Bonds"), its Revenue Refunding Bonds, New Jersey City University Issue, Series 2008 F (the "Series 2008 F Bonds"), its Revenue Bonds, New Jersey City University Issue, Series 2010 F (Tax-Exempt) (the "Series 2010 F Bonds"), its Revenue Bonds, New Jersey City University Issue, Series 2010 G (Build America Bonds – Direct Payment) (the "Series 2010 G Bonds"), its Revenue Bonds, New Jersey City University Issue, Series 2015 A (the "Series 2015 A Bonds") and its Revenue Refunding Bonds, New Jersey City University Issue, Series 2016 D (the "Series 2016 D Bonds"); and

**WHEREAS**, the Public University has determined it is necessary and advisable to undertake (i) a project (collectively, the "Series 2020 B Refunding Project") consisting of the tax-exempt current refunding of all of the outstanding Series 2007 F Bonds, Series 2010 F Bonds and Series 2010 G Bonds and all of the outstanding Series 2015 A Bonds maturing on July 1, 2045 and initially bearing interest at the rate of 2.75% per annum, together with payment of certain costs incidental to the sale and issuance of the hereinafter-defined Series 2020 B Bonds, and (ii) a project (collectively, the "Series 2020 C Refunding Project") consisting of the taxable refunding of all of the outstanding Series 2008 F Bonds, all of the outstanding Series 2015 A Bonds maturing on July 1 in the years \_\_\_\_\_, and all of the outstanding Series 2016 D Bonds maturing on July 1 in the years \_\_\_\_\_, together with payment of certain costs incidental to the sale and issuance of the hereinafter-defined Series 2020 C Bonds, all as presented, submitted and approved by the Public University Board; and

**WHEREAS**, pursuant to a Resolution of the Authority adopted on March 24, 2020, the Authority determined that it was necessary and in keeping with its authorized purposes to issue (i) a series of bonds to be designated "New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt)" (the "Series 2020 B Bonds") for the purposes of providing funds to finance the Series 2020 B Refunding Project and (ii) a series of bonds to be designated "New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable)

(the "Series 2020 C Bonds" and, collectively with the Series 2020 B Bonds, the "Bonds") for the purposes of providing funds to finance the Series 2020 C Refunding Project; and

**WHEREAS**, the repayment of the Bonds will be secured by a Lease and Agreement dated the date hereof by and between the Authority and the Public University (the "Lease Agreement"), pursuant to which the Authority will lease the Leased Facilities (as defined therein) to the Public University; and

**WHEREAS**, all things necessary to make the Bonds, when authenticated by the Trustee and issued as in provided in this Indenture, the valid, legal and binding, special and limited obligations of the Authority and to constitute this Indenture a valid, legal and binding agreement and pledge of the property, rights, interests and revenues herein pledged and assigned, have been done and performed, and the execution and delivery of this Indenture and the issuance and delivery of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

**NOW, THEREFORE**, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to secure the payment of the principal of, redemption premium, if any, and interest on all of the Bonds issued and Outstanding under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the Authority of all the covenants, agreements and conditions herein and in the Bonds contained, the payment of all Swap Payment Obligations, if any, and Swap Termination Payments, if any, the Authority does hereby transfer, pledge and assign to the Trustee and its successors and assigns in trust forever, and does hereby grant a security interest unto the Trustee and its successors in trust and its assigns, in the property described in the Granting Clauses below (said property being herein referred to as the "Trust Estate"), to wit:

#### **GRANTING CLAUSE FIRST**

All right, title and interest of the Authority in and to all payments received or receivable by the Authority from the Public University under the Lease Agreement (but excluding the Authority's rights to payment of its fees and expenses, to indemnification and as otherwise expressly set forth in the Lease Agreement), and any amounts pledged by the Public University thereunder to the extent provided in the Lease Agreement.

#### **GRANTING CLAUSE SECOND**

All moneys and securities from time to time held by the Trustee under the terms of this Indenture, including but not limited to those amounts held in the Construction Fund and the Debt Service Fund (except moneys and securities held in the Rebate Fund).

#### **GRANTING CLAUSE THIRD**

All Swap Revenues paid by the Public University or by the Swap Provider, if any.

## **GRANTING CLAUSE FOURTH**

Any and all other property (real, personal or mixed) of every kind and nature from time to time hereafter by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Authority or by anyone on its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

**TO HAVE AND TO HOLD**, with all rights and privileges hereby transferred, pledged, assigned and/or granted or agreed or intended so to be, to the Trustee and its successors and assigns in trust forever;

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all Swap Payment Obligations and Swap Termination Payments, if any, and all present and future holders of the Bonds, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one bond over or from the others, by reason of priority in the issue or negotiation or maturity thereof, or for any other reason whatsoever, except as herein otherwise expressly provided;

**PROVIDED, NEVERTHELESS**, and these presents are upon the express condition that, if the Authority or its successors or assigns shall well and truly pay or cause to be paid the principal of such Bonds with interest, according to the provisions set forth in the Bonds or shall provide for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions hereof, and shall also pay or cause to be paid all other sums payable hereunder by the Authority, and shall pay or cause to be paid all Swap Payment Obligations, if any, and Swap Termination Payments, if any, then these presents and the estate and rights hereby granted shall cease, determine and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Authority and upon the payment of the costs and expenses thereof, shall duly execute, acknowledge and deliver to the Authority such instruments of satisfaction or release as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Authority, its successors or assigns, all the property, rights, privileges and interests by it hereby granted, conveyed and assigned, and all substitutes therefor, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force and effect.

**NOW, THEREFORE**, it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority does hereby agree and covenant with the Trustee and with the respective Owners from time to time of the Bonds, and the Swap Provider, if any, as their interests may appear, as follows:

**ARTICLE I**  
**DEFINITIONS, RULES OF CONSTRUCTION**

**Section 1.01 Definitions of Words and Terms.** In addition to words and terms elsewhere defined herein, the following words and terms as used in this Indenture and in the Lease Agreement shall have the following meanings, unless some other meaning is plainly intended:

**"Act"** means New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented, N.J.S.A. 18A:72A-1 *et seq.*).

**"Annual Administrative Fee"** means the annual fee for the general administrative services of the Authority, including without limitation, the cost of attendance at Authority events, in an amount equal to 1/10 of 1% of the outstanding aggregate principal amount of the Bonds with a maximum Annual Administrative Fee of \$85,000.

**"Authority"** means the New Jersey Educational Facilities Authority, a public body corporate and politic, with corporate succession, constituting a political subdivision of the State, organized and existing under and by virtue of the Act.

**"Authorized Denominations"** means \$5,000 or any integral multiple of \$1,000 in excess thereof.

**"Authorized Officer"** means (i) in the case of the Authority, the Chair, Vice Chair, Treasurer, Executive Director, Deputy Executive Director, Director of Project Management, Director of Compliance Management, Secretary, Assistant Treasurer or any Assistant Secretary, and when used with reference to any act or document also means any other person authorized by resolution of the Authority to perform such act or execute such document or serving in an interim or acting capacity; (ii) in the case of the Public University, the Chair or Vice Chair of the Public University Board, the President or the Vice President for Administration and Finance, and when used in reference to any act or document also means any other person or persons authorized by a resolution of the Public University Board to perform any act or execute any document; and (iii) in the case of the Trustee, means the President, Executive Vice President, Senior Vice President, any Vice President, any Assistant Vice President, any Corporate Trust Officer, any Trust Officer, any Assistant Trust Officer or any Assistant Secretary of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee.

**"Basic Lease Payments"** means an amount of money payable in accordance with the Lease Agreement, as more fully provided for in Section 4.05 of the Lease Agreement.

**"Basic Lease Payment Date"** means (i) with respect to the Principal Portion of a Basic Lease Payment, December 20 and June 20 prior to any regularly scheduled Principal Payment Date or, if such date is not a Business Day, the Business Day next preceding such date, (ii) with respect to the Interest Portion of a Basic Lease Payment, December 20 and June 20, as applicable, prior to any regularly scheduled Interest Payment Date, (iii) with respect to Swap Payment Obligations and any Swap Termination Payments, two (2) Business Days prior to any

payment dates therefor set forth in the Swap Agreement and (iv) with respect to a prepayment or acceleration, the date of payment of the Purchase Option Price or Mandatory Purchase Price, as the case may be.

**"Bond Documents"** means, collectively, this Indenture, the Resolution, the Bonds, the Lease Agreement, the Escrow Deposit Agreements and the Tax Certificate and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

**"Bond Insurance Policy"** means the municipal bond insurance policy issued by the Bond Insurer that guarantees payment of principal of and interest on the Bonds.

**"Bond Insurer"** means [Assured Guaranty Municipal Corp.], or any successor thereto or assignee thereof.

**"Bond Payment Obligations"** means, for any period or payable at any time, the principal of (whether on a Principal Payment Date, at stated maturity, by mandatory sinking fund redemption, if any, by acceleration or otherwise) and premium, if any, and interest on the Bonds for that period or due and payable at that time as the case may be.

**"Bond Register"** means the registration books of the Authority kept by the Trustee to evidence the registration and transfer of the Bonds.

**"Bond Registrar"** means the Trustee when acting as such, and any other bank or trust company designated and at the time serving as bond registrar under this Indenture.

**"Bondowner" "Holder" "Owner" or "Registered Owner"** means the Person in whose name a Bond is registered on the Bond Register.

**"Bond Year"** shall have the meaning assigned to such term in the Tax Certificate.

**"Bonds"** means, collectively, the Series 2020 B Bonds and the Series 2020 C Bonds.

**"Business Day"** means a day other than a day (i) on which banks located in the City of New York, New York, the State of New Jersey or the city in which the Principal Office of the Trustee is located, are required or authorized by law or executive order to close, and (ii) on which the New York Stock Exchange is closed.

**"Cede & Co."** means Cede & Co., as nominee for The Depository Trust Company.

**"Certificate"** means a certificate or report, in form and substance satisfactory to the Authority (such satisfaction to be assumed if such certificate or report is mailed to the Authority and it does not object in writing within ten (10) days after such mailing), executed: (a) in the case of an Authority Certificate, by the Chair, Vice Chair, Treasurer, Executive Director, Deputy Executive Director, Director of Project Management, Director of Compliance Management, Secretary, Assistant Treasurer or any Assistant Secretary, including those serving in an interim or acting capacity; (b) in the case of a Public University Certificate, by the Chair or Vice Chair of the Public University Board, the President or the Vice President for Administration and

Finance, and by its Secretary or Assistant Secretary; and (c) in the case of a Certificate of any other Person, by such Person, if an individual, and otherwise by an officer, partner or other authorized representative of such Person; provided that in no event shall any individual be permitted to execute any Certificate in more than one capacity.

**"Certified Public Accountant"** or **"Accountant"** shall mean any firm of certified public accountants (not an individual) who shall be Independent, appointed by the Public University Board or the Authority, as the case may be, actively engaged in the business of public accounting, and duly certified as a certified public accountant under the laws of the State.

**"Certified Resolution"** means, as the context requires: (a) one or more resolutions of the Authority, certified by the Secretary, an Assistant Secretary or the Assistant Treasurer of the Authority under its official common seal, to have been duly adopted and to be in full force and effect as of the date of certification; or (b) one or more resolutions of the Public University Board or duly authorized committee thereof, certified by the Secretary of the Public University Board or any authorized officer of the Public University as authorized by resolution of the Public University Board, under its corporate seal, to have been duly adopted and to be in full force and effect as of the date of certification.

**"Closing Date"** means the date of initial delivery of and payment for the Bonds.

**"Construction Fund"** means the fund by that name created pursuant to Section 4.01(a) hereof.

**"Costs of Issuance"** means issuance costs with respect to the Bonds described in Section 147(g) of the Internal Revenue Code, including but not limited to the following: (a) underwriters' spread (whether realized directly or derived through purchase of the Bonds at a discount below the price at which they are expected to be sold to the public); (b) counsel fees (including bond counsel, underwriters' counsel, Authority's counsel, the Public University's counsel, if any, Trustee's counsel, as well as any other specialized counsel fees incurred in connection with the borrowing); (c) financial advisor fees of any financial advisor to the Authority or the Public University incurred in connection with the issuance of the Bonds; (d) rating agency fees; (e) trustee, registrar and paying agent fees; (f) accountant fees and other expenses related to issuance of the Bonds; (g) printing costs (for the Bonds and of the preliminary and final official statements relating to the Bonds); and (h) fees and expenses of the Authority incurred in connection with the issuance of the Bonds.

**"Costs of Issuance Account"** means the account so designated, created and established in the Construction Fund pursuant to Section 4.01(a) hereof.

**"Counsel"** shall mean an attorney at law or law firm duly authorized to engage in the practice of law (which may include counsel to the Public University) satisfactory to the Authority.

**"Debt Service Fund"** means the Fund by that name created by Section 4.01(b) hereof.

**"Electronic Means"** means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes,

passwords and/or authentication keys, issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

**“Escrow Deposit Agreements”** means, collectively, the 2007/2008/2010 Escrow Deposit Agreement and the 2015/2016 Escrow Deposit Agreement.

**“2007/2008/2010 Escrow Deposit Agreement”** means the Escrow Deposit Agreement, dated May \_\_, 2020, between the Authority and The Bank of New York Mellon, in its capacity as trustee and escrow agent for the Series 2007 F Bonds, the Series 2008 F Bonds, the Series 2010 F Bonds and the Series 2010 G Bonds to be refunded, executed in connection with the redemption and defeasance thereof.

**“2015/2016 Escrow Deposit Agreement”** means the Escrow Deposit Agreement, dated May \_\_, 2020, between the Authority and U.S. Bank National Association, in its capacity as trustee and escrow agent for the Series 2015 A Bonds and the Series 2016 D Bonds to be refunded, executed in connection with the refunding and defeasance thereof.

**"Event of Default"** means (a) with respect to this Indenture, any "Event of Default" as defined in Section 7.01, and (b) with respect to the Lease Agreement, any "Lease Default Event" as defined in Section 7.01 of the Lease Agreement.

**"Extraordinary Services" and "Extraordinary Expenses"** means all services rendered and all reasonable expenses properly incurred by the Trustee or any of its agents under this Indenture, other than Ordinary Services and Ordinary Expenses.

**"Final Computation Date"** shall have the meaning assigned to that term in Section 4.07(b) hereof.

**"Financing Documents"** shall have the meaning assigned to that term in the Lease Agreement.

**"Fiscal Year"** means the fiscal year of the Public University, currently the 12-month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year, or such other period of 12 months as may be adopted by the Public University Board from time to time as its Fiscal Year.

**"Fitch"** means Fitch Ratings, a division of Fitch Group, and its successors and assigns.

**"GASB"** means those accounting principles applicable in the preparation of financial statements of institutions of higher learning, as promulgated by the Governmental Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants or any successor body.

**"Government Obligations"** shall mean the investment types identified in paragraphs A, B and C of the “List of Investment Obligations”, as contained in Exhibit B attached hereto.

**"Holder"** shall have the same meaning as the term "Bondowner."

**"Indenture"** means this Trust Indenture as originally executed by the Authority and the Trustee, as from time to time may be amended and supplemented by Supplemental Indentures.

**"Independent"** shall mean, with respect to any Person, one which is not a member of the Authority, a member of the Public University Board, a corporate officer or employee of the Authority or a corporate officer or employee of the Public University, or which is not a partnership, corporation or association having a partner, director, corporate officer, member or substantial stockholder who is a member of the Authority or a member of the Public University Board, a corporate officer or employee of the Authority or a corporate officer or employee of the Public University; provided, however, that the fact that such Person is retained regularly by or transacts business with the Authority or the Public University shall not make such Person an employee within the meaning of this definition.

**"Initial Fee"** means the per series fee paid or payable to the Authority for its services in connection with the issuance of the Bonds, calculated at the rate of 1/5 of 1% of the principal amount of the Bonds, with a maximum initial fee of \$125,000.

**"Interest Payment Date"** means each January 1 and July 1, commencing July 1, 2020, through and including the maturity date for the Bonds and for Bonds subject to redemption on any date, the date of such redemption.

**"Internal Revenue Code"** or **"Code"** means the Internal Revenue Code of 1986, as amended, and, when appropriate, any statutory predecessor or successor thereto, and all applicable regulations (whether proposed, temporary or final) thereunder and any applicable official rulings, announcements, notices, procedures and judicial determinations relating to the foregoing.

**"Investment Obligations"** means any of the investment types identified in Exhibit B attached hereto.

**"Lease Agreement"** means the Lease and Agreement dated as of the date hereof relating to the Bonds, by and between the Authority and the Public University, as from time to time may be amended and supplemented by Supplemental Lease Agreements.

**"Leased Facilities"** shall have the meaning ascribed to that term in the Lease Agreement.

**"Letter of Instructions"** means the Letter of Instructions provided by GluckWalrath LLP in connection with the execution of the Indenture and attached to the Certificate as to Arbitrage as Exhibit A, as such letter may be amended from time to time, as a source of guidance for compliance with the Internal Revenue Code.

**"Moody's"** means Moody's Investors Service, Inc. and its successors and assigns.

**"Net Proceeds"** when used with respect to any insurance proceeds or any condemnation award, means the amount remaining after deducting all expenses (including attorneys' fees and

disbursements) incurred in the collection of such proceeds or award from the gross proceeds thereof.

**"Obligations"** shall have the meaning assigned to that term in Section 12.06 hereof.

**"Official Statement"** means the Official Statement dated April \_\_, 2020 with respect to the Bonds.

**"Opinion of Counsel"** means an opinion in writing signed by legal counsel, which legal counsel may be an employee of or counsel to the Public University, acceptable to the Public University and, to the extent the Authority is asked to take action in reliance thereon, to an Authorized Officer of the Authority.

**"Ordinary Services"** and **"Ordinary Expenses"** means those services normally rendered and those expenses normally incurred, by a trustee under instruments similar to this Indenture, but not those services rendered and those expenses incurred following the occurrence and during the continuation of an Event of Default under Section 7.01 hereof.

**"Original Purchaser"** means Morgan Stanley & Co. LLC, on behalf of itself and the other underwriters named in the Contract of Purchase dated April \_\_, 2020 by and among the Authority, the Public University and the Original Purchaser in respect of the Bonds.

**"Outstanding"** means, when used with reference to Bonds, as of a particular date, all Bonds theretofore authenticated and delivered, except: (a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation pursuant to Section 2.11; (b) Bonds which are deemed to have been paid in accordance with Article XI; and (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to Article II.

**"Owner"** has the same meaning as the term "Bondowner."

**"Participants"** means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**"Paying Agent"** means the Trustee and any other commercial bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by this Indenture or any Supplemental Indenture as paying agent for the Bonds at which the principal of and redemption premium, if any, and interest on such Bonds shall be payable.

**"Payment Default"** means an Event of Default described in Section 7.01(a) or (b).

**"Person"** means any natural person, firm, joint venture, association, partnership, business, trust, corporation, public body, agency or political subdivision thereof or any other similar entity.

**"Prime Rate"** means the rate from time to time publicly announced by the Trustee's primary commercial banking affiliate as its "prime rate" or "base rate."

**"Principal Office"** means, with respect to any entity performing functions under any Bond Document, the designated office of that entity or its affiliate at which those functions are performed.

**"Prior Agreements"** shall have the meaning provided therefor in the Lease Agreement.

**"Project Facilities"** shall have the meaning assigned to that term in the Lease Agreement.

**"Public University"** means the public institution for higher education authorized and created pursuant to State law, the name of which is, New Jersey City University, located in Jersey City, New Jersey.

**"Public University Board"** means the Board of Trustees of the Public University, as the governing body vested with the power of management of the Public University, or a duly authorized committee thereof.

**"Qualified Financial Institution"** means (a) any domestic branch or a foreign bank, U.S. domestic institution which is a bank, trust company, national banking association or a corporation, including the Trustee and any of its affiliates, subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956, or a member of the National Association of Securities Dealers, Inc. whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating of at least A- by Fitch, A3 by Moody's or A- by S&P, or which has issued a letter of credit, contract, agreement or surety bond in support of debt obligations which have been so rated; (b) an insurance company with a claims-paying ability or a corporation whose obligations are guaranteed by an insurance company (in the form of an insurance policy) or by an insurance holding company rated at least AA- by Fitch, Aa3 by Moody's or AA- by S&P or whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating of at least AA- by Fitch, Aa3 by Moody's or AA- by S&P or (c) other financial institutions whose unsecured obligations or uncollateralized long-term debt obligations have been assigned a rating of at least A- by Fitch, A3 by Moody's or A- by S&P.

**"Rating Agency"** shall mean each nationally recognized securities rating agency then maintaining a rating on the Bonds at the request of an Authorized Officer of the Authority, and initially means Fitch, Moody's and S&P.

**"Rebatable Arbitrage"** shall have the meaning assigned to that term in Section 4.07(b) hereof.

**"Rebate Fund"** means the fund by that name created by Section 4.01(c).

**"Rebate Computation Date"** shall have the meaning assigned to that term in Section 4.07(b) hereof.

**"Record Date"** means the fifteenth day of the month immediately preceding such Interest Payment Date.

**"Registered Owner"** shall have the same meaning as the term "Bondowner."

**"Rental Pledge Account"** means the New Jersey City University Rental Pledge Account created by the Public University to be maintained with the Trustee pursuant to Section 4.04 of the Lease Agreement.

**"Replacement Bonds"** means Bonds issued to the beneficial Owners of the Bonds in accordance with Section 2.12(b).

**"Resolution"** means the resolution of the Authority, adopted March 24, 2020, authorizing, among other things, the execution and delivery of this Indenture and the Lease Agreement and the issuance of the Bonds.

**"S&P"** means Standard & Poor's Global Ratings, a Standard & Poor's Financial Services LLC business, and its successors and assigns.

**"Securities Depository"** means, initially, The Depository Trust Company, and its successors and assigns, and any successor Securities Depository appointed pursuant to Section 2.12(c).

**"Series 2010 F/G Agreement"** means the Lease and Agreement, dated as of April 1, 2008, by and between the Authority and the Public University, as the same may have been and may be amended or supplemented from time to time.

**"Series 2010 F/G Project"** means the "Series 2010 F/G Project" as such term is defined in the Series 2010 F/G Agreement.

**"Series 2020 B Bonds"** means the New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt), in the original principal amount of \$\_\_\_\_\_, issued pursuant to the Resolution and this Indenture.

**"Series 2020 C Bonds"** means the New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable), in the original principal amount of \$\_\_\_\_\_, issued pursuant to the Resolution and this Indenture.

**"State"** means the State of New Jersey.

**"Supplemental Indenture"** means any indenture supplemental or amendatory to this Indenture entered into by the Authority and the Trustee pursuant to Article IX hereof.

**"Supplemental Lease Agreement"** means any agreement supplemental or amendatory to the Lease Agreement entered into by the Authority and the Public University pursuant to Article X hereof.

**"Swap"** or **"Swap Agreement"** means any agreement between the Authority and a Swap Provider, entered into on behalf of the Public University, confirming a transaction which is a rate swap transaction, basis swap, forward rate transaction, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, corridor

transaction, currency swap transaction, cross-currency rate swap transaction, currency option or other similar transaction (including any option with respect to any of the foregoing transactions) or any combination of these transactions and any related agreement.

**"Swap Payment Obligations"** means all net amounts payable by the Authority under any Swap (excluding any Swap Termination Payment payable by the Authority).

**"Swap Provider"** means the Authority's counterparty under a Swap Agreement, which counterparty must be rated at least A-/A3 or better by S&P and Moody's, respectively.

**"Swap Revenues"** means all amounts received by the Authority or the Trustee pursuant to any Swap, including without limitation any Swap Termination Payment, whether such amounts are paid by the Public University or by the Swap Provider.

**"Swap Termination Payment"** means, with respect to any Swap, any settlement amount payable by the applicable Swap Provider or the Authority by reason or on account of the early termination of such Swap either in whole or in part.

**"Tax Certificate"** means, collectively, the Tax Representation Letter executed and delivered by the Public University and the Certificate as to Arbitrage executed and delivered by the Authority at the time of issuance and delivery of the Series 2020 B Bonds.

**"Trustee"** means The Bank of New York Mellon, a state banking corporation organized and existing under the laws of the State of New York with trust and fiduciary powers in the State of New Jersey, and its successors and any entity resulting from or surviving any consolidation or merger to which it or its successors may be a party, and any successor trustee at the time serving as successor trustee hereunder.

**"Trust Estate"** means the Trust Estate described in the Granting Clauses of this Indenture.

**"Value"** as of any particular time of determination, means:

(a) For securities:

- (1) the closing bid price quoted by Interactive Data Systems, Inc.; or
- (2) a valuation performed by a nationally recognized and accepted pricing service whose valuation method consists of the composite average of various bid price quotes on the valuation date; or
- (3) the lower of two dealer bids on the valuation date; the dealers or their parent holding companies must be rated at least investment grade by Moody's and S&P and must be market makers in the securities being valued; or
- (4) a valuation performed by a pricing service acceptable to the Trustee; or

(5) for any security maturing within 30 days of the valuation date, the maturity value of the security including interest to be paid on the maturity date.

(b) As to certificates of deposit and bankers' acceptances, the face amount thereof, plus accrued interest;

(c) With respect to any investment agreement, the total amount that may be withdrawn therefrom for the purposes of the fund in which it is held; and

(d) As to any investment not specified above, the value thereof established by prior agreement between the Authority, the Public University and the Trustee.

**"Written Request"** means a request in writing signed by an Authorized Officer of the Authority or Public University, as applicable.

**"Yield"** shall have the meaning assigned to that term in the Tax Certificate.

**Section 1.02 Rules of Construction.** For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Indenture:

(a) The terms defined in this Article I include the plural as well as the singular.

(b) All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with GASB to the extent applicable.

(c) The words "herein," "hereof," "hereunder," "hereto" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(d) The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

(e) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

(f) Any references herein to the Swap Provider or Swap Agreement shall be disregarded at any time during which there is no Swap Provider or Swap Agreement in effect.

**ARTICLE II  
THE BONDS**

**Section 2.01 Amount of Bonds; Purpose.** No Bonds may be issued under this Indenture except in accordance with this Article. The Bonds shall be issued and secured under this Indenture for the purposes set forth in the Recitals. The total principal amount of Bonds that may be issued as provided in Section 2.02 is hereby expressly limited to \$\_\_\_\_\_.

**Section 2.02 Issuance of the Bonds.**

(a) The Series 2020 B Bonds are hereby authorized to be issued and secured hereunder as follows:

(1) Designation, Denominations, Numbering and Dating. The Series 2020 B Bonds shall be designated "New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 B (Tax-Exempt)". The Series 2020 B Bonds shall be issuable as fully registered Bonds without coupons in Authorized Denominations and shall be numbered consecutively from RB-1 upward in the order of their issuance. The Series 2020 B Bonds shall initially be dated the date of their initial issuance and delivery, and thereafter shall be dated the date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Series 2020 B Bonds shall be in default, Series 2020 B Bonds issued in lieu of Series 2020 B Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered.

(2) Principal Amount, Maturity and Interest. The Series 2020 B Bonds shall be issued in an aggregate principal amount of \$\_\_\_\_\_, shall bear interest payable on June 1, 2020 and thereafter semiannually on January 1 and July 1 of each year, at the rates per annum set forth below and shall mature on July 1 (subject to prior redemption as provided in Article III) of each year in the years and in the principal amounts as follows:

<b>Maturity (July 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>
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(b) The Series 2020 C Bonds are hereby authorized to be issued and secured hereunder as follows:

(1) Designation, Denominations, Numbering and Dating. The Series 2020 C Bonds shall be designated "New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, Series 2020 C (Federally Taxable)". The Series 2020 C Bonds shall be issuable as fully registered Bonds without coupons in Authorized Denominations and shall be numbered consecutively from RC-1 upward in the order of their issuance. The Series 2020 C Bonds shall initially be dated the date of their initial issuance and delivery, and thereafter shall be dated the date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Series 2020 C Bonds shall be in default, Series 2020 C Bonds issued in lieu of Series 2020 C Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered.

(2) Principal Amount, Maturity and Interest. The Series 2020 C Bonds shall be issued in an aggregate principal amount of \$\_\_\_\_\_, shall bear interest payable on June 1, 2020 and thereafter semiannually on January 1 and July 1 of each year, at the rates per annum set forth below and shall mature on July 1 (subject to prior redemption as provided in Article III) of each year in the years and in the principal amounts as follows:

<b><u>Maturity</u></b> <b><u>(July 1)</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>
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### **Section 2.03 Determination of Interest Rates.**

The Bonds shall bear interest from the most recent Interest Payment Date next preceding the date of such Bonds to which interest has been paid, unless the date of such Bond is an Interest Payment Date, in which case interest shall be payable from such date, or unless the date

of such Bond is prior to the first Interest Payment Date of the Bonds, in which case interest shall be payable from the dated date of the Bonds, or unless the date of such Bond is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

#### **Section 2.04 Conditions To Delivery of Bonds.**

(a) The Bonds shall be executed substantially in the form and manner set forth in Section 2.07 and furnished to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Trustee there shall be filed or deposited with the Trustee the following:

(i) A copy, certified as true and correct by the Secretary or Assistant Secretary of the Authority, of the Resolution adopted by the Authority authorizing the issuance of the Bonds and the execution of this Indenture, the Lease Agreement and any other Bond Documents to which it is a party.

(ii) A copy, duly certified as true and correct by the Secretary of the Public University Board (or other officer serving in a similar capacity), of the resolution(s) adopted and approved by the Public University Board authorizing the execution and delivery of the Lease Agreement, and any other Bond Documents to which it is a party, and approving this Indenture and the issuance and sale of the Bonds.

(iii) An original executed counterpart of this Indenture, the Lease Agreement, and each of the other Bond Documents.

(iv) A request and authorization to the Trustee on behalf of the Authority, executed by an Authorized Officer of the Authority, to authenticate the Bonds and deliver the Bonds to the Original Purchaser upon payment to the Trustee, for the account of the Authority, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the Original Purchaser and the amount of such purchase price.

(v) An opinion or opinions of bond counsel, dated as of the Closing Date, in substantially the form(s) attached as an appendix to the Official Statement.

(vi) Such other certificates, statements, receipts, opinions and documents as the Authority shall reasonably require for the delivery of the Bonds.

(b) When the documents specified in subsection (a) shall have been filed with the Trustee, and when the Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Bonds to or upon the order of the Original Purchaser thereof, but only upon payment to the Trustee of the purchase price of the Bonds as specified in the request and authorization by the Authority. The net proceeds of the sale of the Bonds shall be immediately paid over to the Trustee, and the Trustee shall deposit and apply such proceeds as provided in Article IV.

## **Section 2.05 Forms and Denominations of Bonds.**

(a) The Bonds and the Trustee's Certificate of Authentication to be endorsed thereon shall be in substantially the form set forth in Exhibit A hereto, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture or any Supplemental Indenture. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirement of law with respect thereto.

(b) The Bonds shall be issuable in the form of fully registered Bonds without coupons in Authorized Denominations.

## **Section 2.06 Method and Place of Payment of Bonds.**

(a) The Trustee is hereby designated as the Authority's Paying Agent for the payment of the principal of, redemption premium, if any, and interest on the Bonds.

(b) The principal of, redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts.

(c) The principal of and the redemption premium, if any, on all Bonds shall be payable by check or draft at maturity or upon earlier redemption to the Persons in whose names such Bonds are registered on the Bond Register at the maturity or redemption date thereof, upon the presentation and surrender of such Bonds at the Principal Office of the Trustee or of any Paying Agent named in the Bonds.

(d) The interest payable on each Bond on any Interest Payment Date shall be paid by the Trustee to the Person in whose name such Bond is registered on the Bond Register at the close of business on the Record Date for such interest, (i) by check or draft mailed on the applicable Interest Payment Date to such Registered Owner at his address as it appears on such Bond Register or at such other address as is furnished to the Trustee in writing by such Owner or (ii) by electronic transfer in immediately available funds, if the Bonds are held by a Securities Depository, or at the written request addressed to the Trustee by any Owner of Bonds in the aggregate principal amount of at least \$1,000,000, such request to be signed by such Owner, containing the name of the bank (which shall be in the continental United States), its address, its ABA routing number, the name and account number to which credit shall be made and an acknowledgment that an electronic transfer fee is payable, and to be filed with the Trustee no later than ten Business Days before the applicable Record Date preceding such Interest Payment Date.

## **Section 2.07 Execution and Authentication of Bonds.**

(a) The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Chair, Vice Chair, Executive Director or Deputy Executive Director and attested by the manual or facsimile signature of its Executive Director, Secretary or any Assistant Secretary or Assistant Treasurer, including those serving in an interim or acting capacity (provided that the person executing the Bonds may not also make its attestation), and

shall have the official common seal of the Authority or a facsimile thereof affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such Person had remained in office until delivery. Any Bond may be signed by such Persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such Persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Exhibit A hereto, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the Trustee. Such executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any Authorized Officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the Certificate of Authentication on all of the Bonds that may be issued hereunder at any one time.

#### **Section 2.08 Registration, Transfer and Exchange of Bonds.**

(a) The Trustee is hereby appointed Bond Registrar and as such shall keep the Bond Register at its Principal Office.

(b) Any Bond may be transferred only upon the Bond Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Authority shall execute and the Trustee shall authenticate and deliver in exchange for such Bond, a new Bond or Bonds registered in the name of the transferee, of any Authorized Denomination or Denominations, in an equal aggregate principal amount and of the same maturity and bearing interest at the same rate.

(c) Any Bonds, upon surrender thereof at the Principal Office of the Trustee, together with an assignment duly executed by the Registered Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Registered Owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any Authorized Denomination or Denominations, and bearing interest at the same rate.

(d) In all cases in which Bonds shall be exchanged or transferred hereunder, the Authority shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with this Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee.

(e) The Authority, the Trustee or the Securities Depository may make a charge against the Bondowner requesting the same for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such charge shall be paid before any such new Bond

shall be delivered. The fees and charges of the Trustee for making any transfer or exchange hereunder and the expense of any bond printing necessary to effect any such transfer or exchange shall be paid by the Public University. In the event any Bondowner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Bondowner hereunder or under the Bonds.

(f) The Trustee shall not be required to transfer or exchange (i) any Bond during a period beginning at the opening of business 15 days before the day of mailing of any notice of redemption of Bonds and ending at the close of business on the day of such mailing, (ii) any Bond so selected for redemption in whole or in part, or (iii) any Bond during a period beginning at the opening of business on any Record Date and ending at the close of business on the relevant Interest Payment Date.

(g) The Person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute Owner of such Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such Bond shall be made only to or upon the order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

(h) At reasonable times upon prior Written Request and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Public University, the Authority or by the Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(i) The transferor Owner shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

### **Section 2.09 Temporary Bonds.**

(a) Until definitive Bonds are ready for delivery, the Authority may execute, and upon the Written Request of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same limitations and conditions as definitive Bonds, temporary printed, engraved, lithographed or typewritten Bonds.

(b) If temporary Bonds shall be issued, the Authority shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its Principal Office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Owner thereof, a definitive Bond in the same aggregate principal amount and of the same maturity and bearing interest at the

same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

**Section 2.10 Mutilated, Lost, Stolen or Destroyed Bonds.** In the event any Bond shall become mutilated, or be lost, stolen or destroyed, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together, in either such case, with such security or indemnity as may be required by the Trustee to save the Authority, the Public University and the Trustee harmless. In the event any such Bond shall have matured or shall have been selected for redemption, instead of issuing a substitute Bond, the Trustee in its discretion may pay, with funds available under this Indenture for such purpose, such Bond without surrender thereof (except in the case of a mutilated Bond). Upon the issuance of any substitute Bond, the Authority and the Trustee may require the payment of an amount by the Bondowner sufficient to reimburse the Authority and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

**Section 2.11 Cancellation and Destruction of Bonds Upon Payment.** All Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be canceled and destroyed by the Trustee in compliance with all applicable laws and regulations and the record retention requirements of the Trustee upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee. The Trustee shall execute a certificate in triplicate describing the Bonds so canceled and destroyed, and shall file executed counterparts of such certificate with the Authority and the Public University.

**Section 2.12 Book-Entry; Securities Depository.**

(a) The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no beneficial Owners will receive certificates representing their respective interests in the Bonds, except in the event the Trustee issues Replacement Bonds as provided in subsection (b). It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, redemption premium, if any, and interest on the Bonds to the Participants until and unless the Trustee authenticates and delivers Replacement Bonds to the beneficial Owners as described in subsection (b).

(b) If (i) the Authority determines (A) that the Securities Depository is unable to properly discharge its responsibilities or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, or (B) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Bondowner other than Cede & Co. is no longer in the best interests of the beneficial Owners of the Bonds of a series, or (ii) the Trustee receives written notice from Participants having interests

in not less than 50% of the Bonds of a series Outstanding, as shown on the records of the Securities Depository (and certified to such effect to the Trustee by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds of such series being issued to any Bondowner other than Cede & Co. is no longer in the best interests of the beneficial Owners of the Bonds of such series, then the Trustee, based on information provided to it by the Securities Depository, shall notify the beneficial Owners of the Bonds of such series of such determination or such notice and of the availability of certificates to beneficial Owners of the Bonds requesting the same, and the Trustee shall register in the name of and authenticate and deliver Bonds (the "Replacement Bonds") to the beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (i)(A) of this subsection (b), the Authority with the consent of the Trustee may select a successor Securities Depository in accordance with subsection (c) to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository or its nominee is the Registered Owner of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Authority, the Trustee or the Public University is unable to locate a qualified successor Securities Depository in accordance with subsection (c) below, then the Trustee shall authenticate and cause delivery of Replacement Bonds, as provided herein. The Trustee may rely on information from the Securities Depository and its Participants as to the names, addresses, taxpayer identification numbers of and principal amount held by the beneficial Owners of the Bonds. The cost of printing Replacement Bonds shall be paid for by the Public University.

(c) In the event the Securities Depository resigns or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, the Authority may appoint a successor Securities Depository provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Trustee upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in Authorized Denominations and form as provided herein.

(d) In connection with any proposed transfer outside the book-entry system, the Authority or DTC shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

**ARTICLE III  
REDEMPTION OF BONDS**

**Section 3.01 Redemption of Bonds Generally.** The Bonds shall be subject to redemption prior to maturity in accordance with the terms and provisions set forth in this Article.

**Section 3.02 Redemption of Bonds.**

(a) Redemption of the Series 2020 B Bonds.

(a) Optional Redemption. The Series 2020 B Bonds maturing prior to July 1, [2030] are not subject to optional redemption prior to maturity. The Series 2020 B Bonds maturing on or after July 1, [2031] are subject to redemption prior to maturity on or after July 1, [2030], at the option of the Authority with the consent of the Public University, in whole or in part at any time or from time to time at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

(b) Extraordinary Optional Redemption. Subject to the Prior Agreements, if all or a substantial portion of the Leased Facilities are damaged or destroyed by fire or other casualty, or title to or the temporary use of all or a substantial portion of such facilities is condemned or taken for any public or quasi-public use by any governmental entity exercising or threatening the exercise of the power of eminent domain, or title thereto is found to be deficient, to such extent that in the determination of the Public University (A) such facilities cannot be reasonably restored or replaced to the condition thereof preceding such event, or (B) the Public University is thereby prevented from carrying on its normal operations, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance, condemnation awards or sale under threat of condemnation with respect thereto, the Series 2020 B Bonds are subject to extraordinary optional redemption prior to maturity, in whole or in part at any time or from time to time, from and to the extent of any condemnation or insurance proceeds deposited in the Debt Service Fund pursuant to the Lease Agreement, at the election of the Authority with the consent of the Public University. Any such redemption shall be made on the earliest practicable date at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

(c) Mandatory Sinking Fund Redemption. The Series 2020 B Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Principal Account at a redemption price equal to one hundred percent (100%) of the principal amount to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the Series 2020 B Bonds on July 1 in each of the years and in the principal amounts as follows:

<u>Series 2020 B Bonds Maturing July 1, 20__</u>	
<u>Year</u>	<u>Amount</u>

\* Final maturity.

The Series 2020 B Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Principal Account at a redemption price equal to one hundred percent (100%) of the principal amount to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the Series 2020 B Bonds on July 1 in each of the years and in the principal amounts as follows:

<u>Series 2020 B Bonds Maturing July 1, 20__</u>	
<u>Year</u>	<u>Amount</u>

\* Final maturity.

The principal amount of the Series 2020 B Bonds required to be redeemed from Sinking Fund Installments may be reduced by the principal amount of such Series 2020 B Bonds theretofore delivered to the Trustee by the Public University in lieu of cash payments under the Lease Agreement or purchased by the Trustee out of moneys in the Debt Service Fund that have not theretofore been applied as a credit against any Sinking Fund Installment.

(b) Redemption of the Series 2020 C Bonds.

(a) Optional Redemption. The Series 2020 C Bonds maturing prior to July 1, [2030] are not subject to optional redemption prior to maturity. The Series 2020 C Bonds maturing on or after July 1, [2031] are subject to redemption prior to maturity on or after July 1, [2030], at the option of the Authority with the consent of the Public University, in whole or in part at any time or from time to time at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest to the date of redemption.

(b) Extraordinary Optional Redemption. Subject to the Prior Agreements, if all or a substantial portion of the Leased Facilities are damaged or destroyed by fire or other casualty, or title to or the temporary use of all or a substantial portion of such facilities is condemned or taken for any public or quasi-public use by any governmental entity exercising or threatening the exercise of the power of eminent domain, or title thereto is found to be deficient, to such extent that in the determination of the Public University (A) such facilities cannot be reasonably restored or replaced to the condition thereof preceding such event, or (B) the Public University is thereby prevented from carrying on its normal operations, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance, condemnation awards or sale under threat of condemnation with respect thereto, the Series 2020 C Bonds are subject to extraordinary optional redemption prior to maturity, in whole or in part at any time or from time to time, from and to the extent of any condemnation or insurance proceeds deposited in the Debt Service Fund pursuant to the Lease Agreement, at the election of the Authority with the consent of the Public University. Any such redemption shall be made on the earliest practicable date at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.



by any Bond is to be selected for redemption, then upon notice of intention to redeem such portion, the Owner of such Bond or such Owner's attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the premium, if any, and interest to the date fixed for redemption) of the principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the principal amount called for redemption (and to that extent only).

(c) The Trustee shall call Bonds for redemption and payment as herein provided upon receipt by the Trustee at least 60 days prior to the redemption date of a Written Request of the Authority. Such request shall specify the principal amount of the Bonds and their series and principal maturities so to be called for redemption, the applicable redemption price or prices and the provision or provisions above referred to pursuant to which such Bonds are to be called for redemption.

**Section 3.04 Notice and Effect of Call for Redemption.** Official notice of any such redemption shall be given by the Trustee on behalf of the Authority by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the redemption date to each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Trustee, and such mailing shall be a condition precedent to such redemption.

All official notices of redemption shall be dated and shall state: (i) the redemption date; (ii) the redemption price; (iii) if less than all Outstanding Bonds are to be redeemed, the identification number and the respective principal amounts to be redeemed of the Bonds to be redeemed; (iv) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (v) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Office of the Trustee for the payment of Bonds.

Any notice of redemption of any Bonds pursuant to Section 3.02 may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority shall default in the payment of the redemption price) such Bonds, or portions thereof shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Trustee at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered

Owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Trustee in accordance with Section 2.11 and shall not be reissued.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Trustee shall provide the notices specified in this Section only to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial Owner of a Bond (having been mailed notice from the Trustee, a Participant or otherwise) to notify the beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Failure of any Owner to receive a copy of such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any other Bonds. Any notice mailed shall be conclusively presumed to have been duly given and shall become effective upon mailing, whether or not any Owner receives the notice.

**ARTICLE IV  
CREATION OF FUNDS AND ACCOUNTS;  
APPLICATION OF BOND PROCEEDS AND OTHER MONEYS**

**Section 4.01 Creation of Funds and Accounts.** There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the Authority to be designated as follows:

(a) "New Jersey Educational Facilities Authority Construction Fund, New Jersey City University Series 2020 B/C" (the "Construction Fund") from which moneys deposited into the Construction Fund shall be expended in accordance with the provisions of the Lease Agreement, and which Fund shall the following accounts therein: (i) a "Series 2020 B Costs of Issuance Account" (which shall be used to pay Costs of Issuance in respect of the Series 2020 B Bonds) and a "Series 2020 C Costs of Issuance Account" (which shall be used to pay Costs of Issuance in respect of the Series 2020 C Bonds) (said Series 2020 B Costs of Issuance Account and the Series 2020 C Costs of Issuance Account are collectively referred to herein as the "Costs of Issuance Accounts") and (ii) a "Series 2010 F/G Project Account" (which shall be funded from the unexpended proceeds of the Series 2010 F Bonds used to pay costs of the Series 2010 F/G Project).

(b) "New Jersey Educational Facilities Authority Debt Service Fund, New Jersey City University Series 2020 B/C" (the "Debt Service Fund"), and which Fund shall have the following accounts therein: (i) an "Interest Account" (which shall be used to pay interest on the Bonds and any Swap Payment Obligations), and which Account shall contain a "Series 2020 B Sub-Account" and a "Series 2020 C Sub-Account", and (ii) a "Principal Account" (which shall be used to pay principal or redemption price of the Bonds and any Swap Termination Payments), and which Account shall contain a "Series 2020 B Sub-Account" and a "Series 2020 C Sub-Account".

(c) "New Jersey Educational Facilities Authority Rebate Fund, New Jersey City University Series 2020 B" (the "Rebate Fund").

(d) The Trustee shall establish such additional accounts or subaccounts within such funds as are called for by the provisions hereof at such time or times as such accounts or subaccounts are required or become applicable or as directed by an Authorized Officer of the Authority.

**Section 4.02 Deposit of Bond Proceeds and Other Moneys.** The aggregate principal amount of the Bonds, plus a net original issue premium, less the underwriters' discount and less the premium for the Bond Insurance Policy, plus any additional sums described by the Authority, shall be applied as directed by the Authority to the Trustee in writing in a certificate dated the date of the issuance of the Bonds.

**Section 4.03 Application of Moneys in Construction Fund.** (a) As soon as practicable after the delivery of the Bonds, the Authority shall direct, in writing, the Trustee to pay from the Costs of Issuance Accounts to the firms, corporations or Persons entitled thereto the

Costs of Issuance, including but not limited to the legal, administrative, financing and incidental expenses of the Authority and the Public University relating to the issuance of the Bonds.

(b) Except as otherwise provided in this Article IV, any moneys deposited in the Series 2010 F/G Project Account shall be used only to pay the costs of the Series 2010 F/G Project and to the necessary incidental expenses and reimbursement to the Public University for such costs and expenses paid by the Public University in connection with the Series 2010 F/G Project as are approved by the Authority. For purposes of internal accounting, the Series 2010 F/G Project Account may contain one or more subaccounts, as the Authority or the Trustee may deem proper.

(c) Payments pursuant to paragraph (a) of this Section 4.03 shall be made in accordance with a Certificate or Certificates signed by an Authorized Officer of the Authority stating the names of the payees, the purpose of each payment in terms sufficient for identification and the respective amounts of each such payment. Payments pursuant to paragraph (b) of this Section 4.03 shall be made in accordance with a Certificate or Certificates signed by an Authorized Officer of the Authority, substantiated by a Certificate filed with the Authority by the Public University describing in reasonable detail the purpose for which such moneys were used and the amount thereof, and further stating the opinion that such purposes constitute a necessary part of the cost of the Series 2010 F/G Project, such substantiating Certificate to be signed by an Authorized Officer of the Public University. If the Public University requests a copy of any Certificate issued by the Authority under this Section 4.03, the Authority shall comply with such request.

**Section 4.04 Use of Money in the Construction Fund Upon Default.** If the Bonds shall be accelerated pursuant to Section 7.02 hereof, any balance remaining in the Construction Fund shall, without further authorization, be transferred into the Debt Service Fund, for deposit into the Principal Account therein (unless otherwise directed by an Authorized Officer of the Authority).

**Section 4.05 Close-Out of the Construction Fund.** Not later than the one hundred eightieth (180<sup>th</sup>) day following the issuance of the Bonds (which date may be extended by notice from an Authorized Officer of the Authority to the Trustee), the Authority shall, by a Certificate filed with the Trustee, specify the amount of moneys, if any, to be retained by the Trustee in the Costs of Issuance Subaccounts for payment of any Costs of Issuance of the Bonds not then due and payable, which amounts shall be applied to the payment of such costs as soon as practicable after delivery to the Trustee of such Certificate.

The completion of the Series 2010 F/G Project shall be evidenced by a Certificate in a form satisfactory to the Authority (the "Completion Certificate"). The Completion Certificate shall specify the amount of moneys, if any, to be retained by the Trustee in the Series 2010 F/G Project Account for the payment of any costs of the Series 2010 F/G Project not then due and payable, which amounts shall be applied to the payment of such costs as soon as practicable after delivery to the Trustee of the Completion Certificate, but in any event not later than 90 days after such delivery.

Any amount not to be retained in either the Costs of Issuance Account for payment of Costs of Issuance or in the Series 2010 F/G Project Account for payment of costs of the Series 2010 F/G Project, and any amount retained but not subsequently applied to the payment of Costs of Issuance or costs of the Series 2010 F/G Project, as applicable, as provided in the foregoing paragraphs, shall be transferred by the Trustee to the Debt Service Fund, for deposit into such account(s) and sub-account(s) therein as shall be directed by an Authorized Officer of the Authority. Written advice of the transfer of such amount to the Debt Service Fund shall be provided by the Trustee to the Authority, and, at the written direction of an Authorized Officer of the Authority with the consent of the Public University and subject to the conditions hereinafter set forth, such amount shall be applied by the Trustee as follows: (i) to pay principal and interest on the Bonds as the same becomes due, (ii) to redeem, or to cause the redemption of, Bonds on the earliest redemption date permitted by this Indenture without a premium, (iii) to purchase Bonds on the open market prior to such redemption date at prices not in excess of the principal amount of such Bonds, or (iv) for any other purpose, *provided* that the Trustee is furnished with an opinion of bond counsel to the effect that such use is lawful under the Act and, in the case of amounts attributable to the Series 2020 B Bonds, will not cause the interest on said Bonds to be included in gross income for federal income tax purposes. Until used for one or more of the foregoing purposes, such segregated amount (in the case of the Series 2020 B Bonds) may only be invested as permitted by this Indenture at a Yield not in excess of the Yield on such Bonds.

#### **Section 4.06 Debt Service Fund.**

(a) The Trustee shall make deposits and credits to the applicable accounts and sub-accounts in the Debt Service Fund, as and when received, as set forth below and in accordance with the written direction of an Authorized Officer of the Authority.

(i) To the respective sub-accounts in the Interest Account and/or the Principal Account, as applicable, on each Basic Lease Payment Date, from the applicable subaccount in the Rental Pledge Account established with the Trustee pursuant to the Lease Agreement, such Basic Lease Payments on deposit therein payable by the Public University to the Authority specified in Section 4.04 of the Lease Agreement, sufficient to pay the amounts when due described in Section 4.06(c) below;

(ii) To the respective sub-accounts in the Principal Account (unless otherwise directed by an Authorized Officer of the Authority), the balance of the Net Proceeds of condemnation awards, sale under threat of condemnation or insurance received by the Trustee pursuant to the Lease Agreement.

(iii) To the respective sub-accounts in the Interest Account (unless otherwise directed by an Authorized Officer of the Authority), interest earnings and other income on Investment Obligations required to be deposited in the Debt Service Fund pursuant to Section 5.02.

(iv) To the respective sub-accounts in the Principal Account and/or the Interest Account, as applicable, all other moneys received by the Trustee under the Lease Agreement or any other Bond Document, when accompanied by directions from the Person depositing such moneys that such moneys are to be paid into the Debt Service Fund.

(b) Except as otherwise provided in Article VII or elsewhere herein, moneys in each account and sub-account in the Debt Service Fund shall be expended solely as follows: (i) to pay interest on the applicable Bonds as the same becomes due; (ii) to pay principal of the applicable Bonds as the same mature or become due; (iii) to pay principal of and redemption premium, if any, on the applicable Bonds as the same become due upon redemption prior to maturity; (iv) to pay applicable Swap Payment Obligations, if any as they become due; and (v) to pay an applicable Swap Termination Payment, if any; provided, however, that a Swap Termination Payment shall only be paid on a regularly scheduled payment date and after full satisfaction of, and on a subordinate basis to, those payments listed in the foregoing (i), (ii), (iii) and (iv) of this subsection (b).

(c) The Authority hereby authorizes and directs the Trustee to withdraw sufficient funds from the applicable account(s) and sub-account(s) in the Debt Service Fund to pay (i) principal of and redemption premium, if any, and interest on the applicable Bonds as the same become due and payable at maturity or upon redemption; (ii) applicable Swap Payment Obligations as they become due; and (iii) an applicable Swap Termination Payment; provided, however, that a Swap Termination Payment shall only be paid on a regularly scheduled payment date and after full satisfaction of, and on a subordinate basis to, those payments listed in the foregoing (i), (ii), (iii) and (iv) of subsection (b) above, and to make said funds so withdrawn available to the Trustee and any Paying Agent for the purpose of paying said principal, redemption premium, if any, and interest and Swap Payment Obligations and Swap Termination Payments.

(d) Whenever there is on deposit in the applicable account(s) and sub-account(s) in the Debt Service Fund moneys sufficient to redeem all or a portion of the applicable Bonds Outstanding and to pay interest to accrue thereon prior to such redemption and redemption premium, if any, the Trustee shall, upon Written Request of the Authorized Officer of the Authority with the consent of the Public University, take and cause to be taken the necessary steps to redeem all such applicable Bonds on the next succeeding redemption date for which the required redemption notice may be given or on such later redemption date as may be specified by the Public University. Any moneys in the applicable account(s) and sub-account(s) in the Debt Service Fund may be used to redeem a part of the applicable Bonds Outstanding, in accordance with Article III, so long as the Public University is not in default with respect to any payments under the Lease Agreement and to the extent said moneys are in excess of the amounts required to be on deposit therein pursuant to Section 4.05 of the Lease Agreement and the amount required for payment of Bonds theretofore matured or called for redemption and past due interest in all cases when such Bonds have not been presented for payment.

(e) After payment in full of the principal of and redemption premium, if any, and interest on the Bonds (or after provision has been made for the payment thereof as provided in this Indenture), payment in full of Swap Payment Obligations and Swap Termination Payments, if any, all rebatable arbitrage to the United States of America and the fees, charges and expenses of the Trustee, any Paying Agent and the Authority, and any other amounts required to be paid under this Indenture and the Lease Agreement, all amounts remaining in the Debt Service Fund shall be paid to the Public University upon the expiration or sooner termination of the Lease Agreement.

#### **Section 4.07 Rebate Fund.**

(a) The Rebate Fund shall be held for the benefit of the United States of America and not for the benefit of the Holders of the Series 2020 B Bonds, which Holders shall have no rights in or to such fund.

(b) Subject to subsection (c) of this Section 4.07, as of the last day of each fifth Bond Year (the "Rebate Computation Date"), the Authority shall calculate, or cause to be calculated, the amount required to be paid to the United States of America (the "Rebatable Arbitrage") pursuant to Section 148 of the Internal Revenue Code. On or before the sixtieth day after such date, the Trustee at the written direction of an Authorized Officer of the Authority, and upon the receipt of funds from the Public University shall deposit in the accounts (if any) in the Rebate Fund the amount, if any, needed to increase the amount in the accounts (if any) in such Rebate Fund to an amount equal to one-hundred percent (100%) of the Rebatable Arbitrage for the period from the date of issuance of the Bonds to the Rebate Computation Date at issue, or shall transfer from the Rebate Fund to the Debt Service Fund, for deposit into the Interest Account therein (unless otherwise directed by an Authorized Officer of the Authority), the amount, if any, needed to reduce the amount in the Rebate Fund to 90% of the amount of the Rebatable Arbitrage for such period.

Subject to subsection (c) of this Section 4.07, as of the last day on which the last Bond remaining Outstanding is retired (the "Final Computation Date"), the Authority shall calculate, or cause to be calculated, the amount required to be paid to the United States of America pursuant to Section 148 of the Internal Revenue Code. On or before the sixtieth day after such date, the Trustee, at the written direction of the Authority, and upon the receipt of funds from the Public University, shall deposit in the accounts (if any) in the Rebate Fund the amount, if any, needed to increase the amount in the accounts in such Rebate Fund to an amount equal to the Rebatable Arbitrage for the period from the date of issuance of the Bonds to the Final Computation Date, or shall transfer from the Rebate Fund to the Debt Service Fund, for deposit into the Interest Account therein (unless otherwise directed by an Authorized Officer of the Authority), the amount, if any, needed to reduce the amount in the Rebate Fund to the amount of the Rebatable Arbitrage for such period.

After making any transfer required for a Rebate Computation Date and the Final Computation Date, the Authority shall immediately pay or cause to be paid to the United States of America the amount in the Rebate Fund. The amounts in the Rebate Fund shall not be subject to the claim of any party, including any Holder, and shall not be paid to any party other than the United States of America.

All amounts in the Rebate Fund shall be used and withdrawn by the Authority or the Trustee solely for the purposes set forth in this Section. In the event the amount in the Rebate Fund is for any reason insufficient to pay to the United States of America the amounts due as calculated in this Section, the Public University, or the Trustee at the written direction of an Authorized Officer of the Authority and upon the receipt of funds from the Public University, shall deposit in the Rebate Fund the amount for such deficiency.

(c) Notwithstanding the provisions of this Section 4.07, the Authority hereby agrees to calculate or cause to be calculated the amount to be deposited in the Rebate Fund and the amount to be rebated to the United States of America pursuant to Section 148(f) of the Internal Revenue Code in a manner not inconsistent with its arbitrage covenants set forth in the Tax Certificate. Such calculation shall give regard to all regulations applicable to such Section 148(f) including any temporary regulations heretofore or hereafter released.

(d) The Authority and the Public University agree that the Trustee shall not be liable for any damages, costs or liabilities resulting from the performance of the Trustee's duties and obligations under this Section 4.07, except that the Trustee shall be liable for its negligence or willful misconduct. In making any deposit or transfer to or payment from the Rebate Fund, the Trustee shall be entitled to rely conclusively and solely on the written instructions of the Authority and shall have no duty to examine such written instruments to determine the accuracy of the Authority's calculation of the Rebateable Arbitrage or the amounts to be paid to the United States. In the event that the Public University or the Authority shall not comply with their respective obligations under this Section 4.07, the Trustee shall have no obligation to cause compliance on their respective behalf.

**Section 4.08 Payments Due on Saturdays, Sundays and Holidays.** In any case where the date of maturity of principal of or redemption premium, if any, or interest on the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, a Sunday or a legal holiday or other day that is not a Business Day, then payment of principal, redemption premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

**Section 4.09 Nonpresentment of Bonds.** In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Authority to the Owner thereof for the payment of such Bond, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee, to hold such funds in trust in a separate trust account, uninvested and without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on or with respect to said Bond. Thereupon it shall be the duty of the Trustee to comply with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* with respect to such funds in accordance with the Trustee's escheat policies and procedures, which must not be in conflict with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* Any money held by the Trustee pursuant to this Section 4.09 shall be held uninvested and without any liability for interest.

**Section 4.10 Reports From Trustee.** The Trustee shall furnish monthly to the Authority and the Public University a report on the status of each of the funds and accounts established under this Article which are held by the Trustee, showing at least the balance in each such fund or account as of the first day of the preceding month, the total of deposits to and the total of disbursements from each such fund or account, the dates of such deposits and

disbursements, and the balance in each such fund or account on the last day of the preceding month.

**Section 4.11 Certain Verifications.** The Authority, from time to time, with notice to the Public University, may cause a firm of attorneys, consultants or Independent accountants or an investment banking firm acceptable to the Authority to supply the Authority or the Public University with such information as the Authority or the Public University may request in order to determine in a manner reasonably satisfactory to the Authority or the Public University all matters relating to (a) the Yields on the Bonds as the same may relate to any data or conclusions necessary to verify that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, and (b) compliance with rebate requirements of Section 148(f) of the Internal Revenue Code. Payment for costs and expenses incurred in connection with supplying the foregoing information shall be paid by the Public University. The Authority and the Public University authorize the Trustee to provide to such firm(s) such information as may be required by such firm(s) to make such determinations which the Trustee has maintained on its records pursuant to this Indenture.

**ARTICLE V  
DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS  
AND INVESTMENT OF FUNDS**

**Section 5.01 Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee for the funds and accounts held under this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with this Indenture and the Lease Agreement, and, until used or applied as herein provided, shall (except for moneys in the Rebate Fund) constitute part of the Trust Estate and be subject to the lien, terms and provisions hereof and shall not be commingled with any other funds of the Authority or the Public University except as provided under Section 5.02 for investment purposes. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon in writing.

**Section 5.02 Investment of Moneys.** Moneys held in each of the funds and accounts hereunder shall, pursuant to the written direction of an Authorized Officer of the Authority, be invested and reinvested by the Trustee in accordance with the provisions hereof in Investment Obligations which mature or are subject to redemption by the Owner thereof prior to the date such funds are expected to be needed. Notwithstanding any other provision of this Indenture, if the Trustee fails to receive written directions of the Authority regarding investment of funds pursuant to this Section, moneys held in any fund or account hereunder shall be invested or reinvested in shares of an open-end, diversified investment company which is registered under the Investment Company Act of 1940, as amended, and which invests its assets exclusively in obligations of or guaranteed by the United States of America or any instrumentality or agency thereof, and for which the Trustee may or may not act as the investment manager or advisor. The Trustee may make any investments permitted by this Section through its own or its affiliate's bond department or investment department and may pool moneys for investment purposes, except moneys held in the yield restricted portion of any fund or account, which shall be invested separately. Any such Investment Obligations shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund or account in which such moneys are originally held. The interest accruing on and any profit realized from such Investment Obligations (other than any amounts required to be deposited in the Rebate Fund pursuant to Section 4.07) shall be credited to such fund or account, and any loss resulting from such Investment Obligations shall be charged to such fund or account. The Trustee shall sell and reduce to cash a sufficient amount of such Investment Obligations whenever the cash balance in such fund or account is insufficient for the purposes of such fund or account. The Trustee shall not be responsible for any loss or decrease in value of the investments made pursuant to this Article V. The Trustee shall not be required to provide brokerage confirmations so long as the Trustee provides periodic statements that include investment activity to the Authority.

**Section 5.03 Record Keeping.** The Trustee shall maintain records of the investments made pursuant to this Article and Article IV for at least six years after the payment of all of the Outstanding Bonds.

## **ARTICLE VI PARTICULAR COVENANTS AND PROVISIONS**

**Section 6.01 Special and Limited Obligations.** The Bonds and the interest thereon, Swap Payment Obligations, Swap Termination Payment (subject to the immediately succeeding sentence), if any (provided, that Swap Payment Obligations shall be payable equally and ratably with Bond Payment Obligations only to the extent so provided in the applicable Swap Agreement and provided further that Swap Payment Obligations may be subordinate but never prior to Bond Payment Obligations), each in accordance with their terms and the provisions of this Indenture shall be special and limited obligations of the Authority payable (except to the extent paid out of Bond proceeds or the income from the temporary investment thereof and under certain circumstances from insurance proceeds and condemnation awards) solely out of the Basic Lease Payments and other payments derived by the Authority under the Lease Agreement (except for fees and expenses payable to the Authority, the Authority's right to indemnification as set forth in the Lease Agreement and any payments made by the Trustee or the Public University to meet the rebate requirements of Section 148(f) of the Internal Revenue Code) as provided herein, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds and the Swap Provider, as provided in this Indenture. Swap Termination Payments, if any, shall be secured by the Trust Estate on a wholly subordinate basis to the Bond Payment Obligations and Swap Payment Obligations. Notwithstanding anything to the contrary in the Resolution, the Bonds or this Indenture, the Bond Payment Obligations, Swap Payment Obligations and Swap Termination Payments, if any, shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof other than the Authority (to the limited extent set forth herein) within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit or the taxing power of the State or of any political subdivision thereof other than the Authority (to the limited extent set forth herein), and shall not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to make any appropriation for their payment. The State or any political subdivision thereof other than the Authority (to the limited extent set forth herein) shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds, Swap Payment Obligations or Swap Termination Payments or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any political subdivision thereof other than the Authority (to the limited extent set forth herein) or any charge upon its general credit or against its taxing power. The Authority has no taxing power.

**Section 6.02 Punctual Payment.** The Authority represents and warrants and agrees that it will deposit or cause to be deposited in the Debt Service Fund all Basic Lease Payments and any and all other payments and sums received under the Lease Agreement and this Indenture promptly to meet and pay the principal of, redemption premium, if any, and interest on the Bonds, Swap Payment Obligations and Swap Termination Payments, if any, as the same become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof.

**Section 6.03 Authority to Issue Bonds and Execute Indenture.** The Authority represents and warrants that it is duly authorized under the Constitution and laws of the State to execute this Indenture and the other Bond Documents to which it is a party, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable, special and limited obligations of the Authority according to the import thereof.

**Section 6.04 Performance of Covenants.** The Authority covenants that it will (to the extent within its control) faithfully perform or cause to be performed at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings pertaining thereto.

**Section 6.05 Instruments of Further Assurance.** The Authority agrees that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better assuring, transferring, pledging and assigning to the Trustee, and granting a security interest unto the Trustee in and to the Trust Estate and the other property and revenues herein described to the payment of the principal of, redemption premium, if any, and interest on the Bonds, all at the expense of the Public University. The Lease Agreement, all Supplemental Lease Agreements and all other documents, instruments or policies of insurance required hereunder or under the Lease Agreement shall be delivered to and held by the Authority or its designee.

**Section 6.06 Inspection of Books.** The Authority agrees that all books and documents in its possession relating to this Indenture, the Lease Agreement, and any other Bond Documents and the transactions relating thereto shall at all times be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

**Section 6.07 Enforcement of Rights.** The Authority agrees that the Trustee, as assignee, transferee, pledgee, and owner of a security interest hereunder in its name or in the name of the Authority may enforce all rights of the Authority and/or the Trustee and all obligations of the Public University under and pursuant to the Lease Agreement for and on behalf of the Bondowners, whether or not the Authority is in default hereunder.

**Section 6.08 Tax Covenants.** The Authority covenants, and the Public University has covenanted in the Lease Agreement and the Tax Representation Letter, not to take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Series 2020 B Bonds under Section 103 and Sections 141 through 150, inclusive, of the Internal Revenue Code. The Authority and the Public University will not directly or indirectly use or permit the use of any proceeds of the Series 2020 B Bonds or any other funds of the Authority or the Public University, or take or omit to take any action that would cause the Series 2020 B Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code. To that end, the Authority and the Public University will comply with all requirements of Section 148 of the Internal Revenue Code to the extent applicable to the Series 2020 B Bonds. In the event that at any time the Authority

or the Public University is of the opinion that for purposes of this Section 6.08 it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee under this Indenture, the Lease Agreement or otherwise, the Authority or the Public University shall so instruct the Trustee, in writing, and the Trustee shall take such action as shall be set forth in such instructions. The covenants of the Authority contained in the Lease Agreement are fully incorporated herein by reference and are made a part of this Indenture as if fully set forth herein.

Without limiting the generality of the foregoing, the Authority and the Public University agree that there shall be paid from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Internal Revenue Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Series 2020 B Bonds from time to time. This covenant shall survive payment in full or defeasance of the Series 2020 B Bonds. The Authority and the Public University specifically covenant to pay or cause to be paid to the United States of America at the times and in the amounts determined under Section 4.07 hereof the Rebatable Arbitrage, as described in the Tax Certificate.

Notwithstanding any provision of this Section and Section 4.07 hereof, if the Authority, at the expense of the Public University, shall provide to the Public University and the Trustee an opinion of nationally recognized bond counsel to the effect that any action required under this Section and Section 4.07 hereof is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of interest on the Bonds, the Authority, the Trustee and the Public University may rely conclusively on such opinion.

## **ARTICLE VII DEFAULT AND REMEDIES**

**Section 7.01 Events of Default.** If any one or more of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default" under this Indenture:

(a) default in the due and punctual payment of any interest on any Bond when the same becomes due and payable;

(b) default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when the same becomes due and payable, whether at the stated maturity or accelerated maturity thereof, or upon proceedings for redemption thereof;

(c) default in the due and punctual payment of any Swap Payment Obligation or any Swap Termination Payment, if any (provided, with respect to such Swap Termination Payment, such default shall not be deemed to occur until the next regularly scheduled payment date if such payment has not been made by such date), when and as the same shall become due and payable;

(d) the Authority shall for any reason be rendered incapable of fulfilling its obligations hereunder, or the Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture or any Supplemental Indenture on the part of the Authority to be performed, and such incapacity or default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority and the Public University by the Trustee (which notice shall be given at the written request of the Owners of not less than 10% in aggregate principal amount of the affected Bonds then Outstanding); provided that, if any such default shall be correctable but is such that it cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Authority or the Public University within such period and diligently pursued until the default is corrected;

(e) any Event of Default as specified in the Lease Agreement has occurred and is continuing and has not been waived or cured; or

(f) a default by either the Authority or the Swap Provider, if any, with respect to any payment obligations or in the observance of any of the other covenants, agreements or conditions or their respective parts under a Swap Agreement.

With regard to any alleged default concerning which notice is given to the Public University under this Section, the Authority hereby grants the Public University full authority for account of the Authority to perform any covenant or obligation, the nonperformance of which is alleged in said notice to constitute a default, in the name and stead of the Authority, with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts in order to remedy such default. Upon the occurrence of an Event of Default for which the Trustee has received notice pursuant to Section 8.03 or under which Section the Trustee is required to take notice, the Trustee shall, within 30 days, give written notice thereof by first class mail to all Bondowners.

In determining whether a payment default has occurred or whether a payment on the Bonds has been made hereunder, no effect shall be given to payments under the Bond Insurance Policy.

**Section 7.02 Acceleration of Maturity in Event of Default.** (a) If an Event of Default under Section 7.01(a) or (b) hereof occurs, then, without other further action, all Bonds Outstanding shall become and be immediately due and payable, anything in the Bonds or herein to the contrary notwithstanding. In addition, if any other Event of Default shall have occurred and be continuing, the Trustee may, and if requested by the Owners of not less than 25% in principal amount of the Bonds Outstanding or by the Swap Provider, the Trustee shall by notice in writing delivered to the Authority, the Swap Provider and the Public University, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable; provided that if at any time after the principal of the Bonds then Outstanding shall have so become due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such acceleration or before the completion of the enforcement of any other remedy under this Indenture, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest in respect to which such default shall have occurred, and all arrears of payments of principal when due, as the case may be, and all Swap Payment Obligations and Swap Termination Payments, if any, and all fees and expenses of the Trustee in connection with such default shall have been paid or provided for, then the acceleration of the Bonds then Outstanding and the consequences of such acceleration shall be annulled or rescinded, but no such annulment or rescission shall extend to or affect any subsequent acceleration of the Bonds then Outstanding, or impair any right consequent thereon.

(a) Notwithstanding any other provision of this Indenture to the contrary, (i) any acceleration of principal of the Bonds shall be subject to the prior written consent of the Bond Insurer, and (ii) any annulment of such declaration of acceleration of principal of the Bonds shall be subject to the prior written consent of the Bond Insurer.

**Section 7.03 Appointment of Receivers in Event of Default.** If an Event of Default shall have occurred and be continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the Basic Lease Payments, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 7.04 Exercise of Remedies by the Trustee.**

(a) Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding (including any rights of a secured party under the State Uniform Commercial Code) to enforce the payment of the principal of, redemption premium, if any, and interest on the Bonds then Outstanding, Swap Payment Obligations and Swap Termination Payments, to realize on or to foreclose any of its interests or liens hereunder or under any other of the Bond Documents, to exercise any rights or remedies available to the Trustee, to enforce and compel the performance of the duties and obligations of

the Authority as herein set forth and to enforce or preserve any other rights or interests of the Trustee hereunder with respect to any of the Trust Estate or otherwise existing at law or in equity.

(b) If an Event of Default shall have occurred and be continuing, and if requested in writing so to do by the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding or the Swap Provider and if indemnified as provided in Section 8.02(e) or Section 8.04, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondowners and the Swap Provider.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or Swap Agreement, if any, or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall, subject to Section 7.07, be for the equal benefit of all the Owners of the Outstanding Bonds and the Swap Provider.

**Section 7.05 Limitation on Exercise of Remedies by Bondowners.** No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in Section 8.03 or of which by said Section the Trustee is deemed to have notice, (b) such default shall have become an Event of Default, (c) the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have offered to the Trustee indemnity as provided in Section 8.02(e) or Section 8.04, and (d) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owners of the Bonds shall have the right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided, and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondowner to payment of the principal of and interest on any Bond at and after the maturity thereof or the obligation of the Authority to pay the principal of, redemption premium, if any, and interest on each of the Bonds to their respective Owners at the time, place, from the source and in the manner expressed herein and in the Bonds or affect or interfere with the right of any Owner to institute suit for the enforcement of any such payment.

**Section 7.06 Right of Bondowners to Direct Proceedings.** Notwithstanding Section 7.05, the Owners of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver, custodian or any other proceedings hereunder, provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the proceedings so directed would involve it in personal liability for which it has not been indemnified.

**Section 7.07 Application of Moneys in Event of Default.** Any moneys held or received by the Trustee (after the deductions for payment of costs and expenses of proceedings resulting in the collection of such moneys) together with any other sums then held by the Trustee as part of the Trust Estate, shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or redemption premium, if any, or interest, upon presentation of the Bonds and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

(a) First: To the payment of all amounts due the Trustee hereunder or under the Lease Agreement;

(b) Second: To the payment of the whole amount then due and unpaid upon the Outstanding Bonds for principal and redemption premium, if any, and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Bonds) on overdue principal and redemption premium, if any, and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon such Bonds and Swap Payment Obligations, then to the payment of such principal, redemption premium, if any, and interest, and Swap Payment Obligations, without any preference or priority, ratably according to the aggregate amount so due;

(c) Third: To the payment of a Swap Termination Payment, if any, and any amounts due and owing the Bond Insurer hereunder or under the Lease Agreement; and

(d) Fourth: To the payment of the remainder, if any, to the Public University or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times and from time to time as the Authority shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Authority shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem

appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all of the Bonds and interest thereon have been paid under this Section, all Swap Payment Obligations and Swap Termination Payments, if any, and all fees, expenses and charges of the Trustee and the Authority, including attorneys' fees and expenses, have been paid, and all amounts owing to the United States of America under Section 148 of the Internal Revenue Code have been paid, any balance remaining in the Debt Service Fund shall be paid to the Public University.

**Section 7.08 Remedies Cumulative.** No remedy by the terms of this Indenture conferred upon or reserved to the Trustee, the Swap Provider, or to the Bondowners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Swap Provider, or to the Bondowners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every case the Authority, the Public University, the Trustee, the Swap Provider, and the Bondowners shall be restored to their former positions and all rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 7.09 Waivers of Events of Default.** The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration of principal upon the written direction of the Owners of at least a majority in aggregate principal amount of all Bonds then Outstanding, provided that there shall not be waived without the consent of the Owners of all the Bonds Outstanding (a) an Event of Default in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein, or (b) any default in the payment when due of the interest on any such Bonds unless, prior to such waiver or rescission of the Event of Default referred to in clause (a) or (b) above, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest in respect to which such default shall have occurred, and all arrears of payments of principal when due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every case the Authority, the Public University, the Trustee and the Bondowners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

**Section 7.10 Cancellation of Bonds Owned by the Public University.** Upon the occurrence of any Event of Default, any Bonds owned by the Public University shall be deemed to be canceled and shall be surrendered to the Trustee, unless the Event of Default has been waived.

**ARTICLE VIII  
THE TRUSTEE**

**Section 8.01 Acceptance of Trusts; Certain Duties and Responsibilities.** The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the following terms and conditions:

(a) Except during the continuance of an Event of Default,

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent trustee would exercise or use under the circumstances.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subsection shall not be construed to limit the effect of subsection (a);

(ii) the Trustee shall not be liable for any error of judgment made in good faith by an Authorized Officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in principal amount of the Outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture, and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

**Section 8.02 Certain Rights of Trustee.** Except as otherwise provided in Section 8.01:

(a) The Trustee may rely conclusively and shall be protected in acting or refraining from acting upon any resolution, Certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The Trustee shall be entitled to rely conclusively upon a Certificate of Authorized Officer of the Authority or a Certificate of an Authorized Officer of the Public University as to the sufficiency of any request or direction of the Public University or the Authority, as applicable, mentioned herein, the existence or non-existence of any fact or the sufficiency or validity of any instrument, paper or proceeding, or that a resolution in the form therein set forth has been adopted by the Public University Board or a resolution of the Authority has been duly adopted, and is in full force and effect.

(c) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon a Certificate of Authorized Officer of the Authority or a Certificate of an Authorized Officer of the Public University, as applicable.

(d) The Trustee may consult with counsel, and the advice or opinions of such counsel or any Opinion of Counsel may be conclusively relied upon by the Trustee and shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon.

(e) Notwithstanding anything elsewhere in this Indenture contained, before taking any action under this Indenture, the Trustee may require that satisfactory indemnity be furnished to it for the payment or reimbursement of all reasonable fees, costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, including those arising in connection with any environmental claim and the fees and expenses of attorneys, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, Certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Authority or the Public University, personally or by agent or attorney.

(g) The Trustee assumes no responsibility for the correctness of the recitals contained in this Indenture and in the Bonds, except the certificate of authentication on the Bonds. The Trustee makes no representations to the value or condition of the Trust Estate or any part thereof, or as to the title thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application by the Authority or the Public University of any of the Bonds or the proceeds thereof or of any money paid to or upon the order of the Authority or the Public University under any provision of this Indenture.

(h) The Trustee or any of its affiliates, in its individual or any other capacity, may become the Owner or pledgee of Bonds and may otherwise deal with the Authority or the Public University with the same rights it would have if it were not Trustee.

(i) All money received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received. Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law or by this Indenture. The Trustee shall be under no liability for interest on any money received by it hereunder except for accounting for earnings on Investment Obligations.

(j) The Trustee may execute any of the trusts and powers hereunder or perform any duties hereunder either directly or, to the extent that it may reasonably determine is necessary or appropriate to the conduct of its duties hereunder, by or through agents, attorneys or receivers, and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney or receiver appointed by it with due care hereunder, taking into account the duties with respect to which such Person is appointed, and the Trustee shall not be required to give any bond or surety in respect of the execution, delivery or administration of this Indenture. This subparagraph shall not be interpreted as absolving the Trustee of responsibility with respect to duties customarily performed by corporate trustees in the ordinary course of business without the employment of agents, attorneys or receivers.

(k) The Trustee may elect not to proceed in accordance with the directions of the Owners without incurring any liability to the Owners if in the opinion of the Trustee such direction may result in liability to the Trustee, in its capacity as Trustee or in an individual capacity for which the Trustee has not received indemnity pursuant to Section 8.02(e) from the Owners, and the Trustee may conclusively rely upon an Opinion of Counsel addressed to the Authority and the Trustee in determining whether any action directed by Owners or the Authority may result in such liability.

(l) Notwithstanding any other provision of this Indenture to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, protection or immunity to the Trustee shall be interpreted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Bond Registrar or Paying Agent.

(m) Except as otherwise expressly provided hereunder, the Trustee shall not be required to give or furnish any notice, demand, report, reply, statement, advice or opinion to any Owner, the Public University, the Authority or any other Person, and the Trustee shall not incur

any liability for its failure or refusal to give or furnish the same unless obligated or required to do so by express provisions hereof.

(n) In acting or omitting to act pursuant to the Lease Agreement or any of the other Bond Documents, the Trustee shall be entitled to all of the rights and immunities accorded to it under this Indenture, including but not limited to this Article VIII.

(o) The Trustee shall have no responsibility with respect to any information in any offering memorandum or other disclosure material distributed with respect to the Bonds or for compliance with securities laws in connection with the sale and issuance of the Bonds.

(p) The Trustee shall have no responsibility with respect to compliance by the Authority or the Public University with Section 148 of the Internal Revenue Code or any covenant in this Indenture or in the Lease Agreement regarding yields on investments.

(q) The Trustee shall not be required to give a bond or surety to act under this Indenture.

(r) The Trustee shall have no duty or obligation to record or file the initial financing statements or any mortgage or similar document relating to this Indenture, the Lease Agreement, or the Project.

(s) The Trustee shall have no duty or obligation to expend its own funds in the administration of the trusts hereunder, provided the foregoing shall not be construed to permit the Trustee to delay or fail to take actions in the administration of the trusts hereunder for which the Trustee's fees and expenses associated therewith would customarily and in the ordinary course of business be paid on a reimbursement basis.

(t) The Trustee shall have no duty to review any evidence of insurance delivered to it pursuant to this Indenture or the Lease Agreement and shall not be responsible to determine the validity or sufficiency of same.

(u) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

**Section 8.03 Notice of Defaults.** The Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder except failure by the Authority to cause to be made any of the payments to the Trustee required to be made by Article IV, unless the Trustee shall be specifically notified in writing of such default or Event of Default by the Authority, the Public University, any Swap Provider or the Owners of at least 10% in principal amount of all Bonds Outstanding, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid. Within 30 days after the occurrence of any Event of Default hereunder of which the Trustee is required to take notice or has received notice as provided in this Section, the Trustee shall give written notice of such Event of Default by first-class mail to all Owners of Bonds as shown on the Bond Register maintained by the Trustee, unless such Event of Default shall have been cured or waived; provided that, except in the case of a default in the payment of the principal of (or redemption

premium, if any) or interest on any Bond, the Trustee shall be protected in withholding such notice from Bondowners if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of the Bondowners. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default.

**Section 8.04 Compensation and Reimbursement.** The Trustee shall be entitled to payment or reimbursement:

(a) from time to time for reasonable compensation for Ordinary Services and Extraordinary Services (which in the case of compensation for the Trustee's Ordinary Services shall be agreed upon by the Authority), which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust; and

(b) except as otherwise expressly provided herein, upon its request, for all Ordinary Expenses and Extraordinary Expenses (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Trustee's negligence, willful misconduct.

Pursuant to the Lease Agreement, the Public University has agreed to pay to the Trustee all reasonable fees, charges, advances and expenses of the Trustee, and the Trustee agrees to look only to the Public University for the payment of all reasonable fees, charges, advances and expenses of the Trustee and any Paying Agent as provided in the Lease Agreement. The Trustee agrees that the Authority shall have no liability for any fees, charges and expenses of the Trustee.

As security for the payment of such compensation, expenses, reimbursements and indemnity under this Section, the Trustee shall be secured under this Indenture by a lien prior to the Bonds, and shall have the right to use and apply any trust moneys held by it under Articles IV and VII except for funds and investments held pursuant to Section 4.07.

All indemnity provisions in favor of the Trustee under this Indenture shall survive the termination of this Indenture and the removal or resignation of the Trustee.

**Section 8.05 Corporate Trustee Required; Eligibility.** There shall at all times be a Trustee hereunder which shall be a bank, national banking association or trust company organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, subject to supervision or examination by federal or state authority, having a corporate trust office located in the State, and having a combined capital and surplus of at least \$75,000,000 or having its obligations hereunder guaranteed by an affiliated entity with a combined capital and surplus of at least \$75,000,000. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with this Section, it shall resign immediately in the manner and with the effect specified in this Article.

### **Section 8.06 Resignation and Removal of Trustee.**

(a) The Trustee may resign at any time by giving written notice thereof to the Authority, the Public University, the Swap Provider, if any, and each Owner of Bonds Outstanding as their names and addresses appear in the Bond Register maintained by the Trustee. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may, at the expense of the Public University, petition any State court of competent jurisdiction for the appointment of a successor Trustee.

(b) The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Authority, the Swap Provider, if any, and the Trustee signed by the Owners of a majority in principal amount of the Outstanding Bonds. In addition, the Authority at the written direction of the Public University (so long as the Public University is not in default under this Indenture or the Lease Agreement and no condition exists that, with the giving of notice or the passage of time, or both, would constitute a default or an Event of Default) may remove the Trustee at any time for any reason. The Authority, the Public University or any Bondowner may at any time petition any State court of competent jurisdiction for the removal for cause of the Trustee.

(c) If at any time:

(i) the Trustee shall cease to be eligible under Section 8.05 and shall fail to resign after written request therefor by the Authority, the Public University or by any such Bondowner, or

(ii) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (a) the Authority may remove the Trustee, or (b) the Public University or any Bondowner may petition any State court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(d) The successor Trustee shall give notice of such resignation or such removal of the Trustee and such appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Registered Owners of Bonds as their names and addresses appear in the Bond Register maintained by the Trustee. Each notice shall include the name of the successor Trustee and the address of its Principal Office.

(e) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Sections 8.07 and 8.08.

**Section 8.07 Appointment of Successor Trustee.** If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Trustee for any cause, the Authority with the written consent of the Public University (so long as no

Event of Default and no condition exists that, with the giving of notice or the passage of time, or both, would constitute a default or an Event of Default hereunder or under the Lease Agreement has occurred and is continuing) with the written consent of the Owners of a majority in principal amount of Bonds Outstanding (if an Event of Default hereunder or under the Lease Agreement has occurred and is continuing), by an instrument or concurrent instruments in writing delivered to the Authority, the Public University, the Swap Provider, if any, and the retiring Trustee, shall promptly appoint a successor Trustee acceptable to the Bond Insurer. In case all or substantially all of the Trust Estate shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee, by written instrument, may similarly appoint a temporary successor to fill such vacancy until a new Trustee shall be so appointed by the Authority or the Bondowners. If a successor Trustee shall be appointed in the manner herein provided, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the retiring Trustee and any temporary successor Trustee appointed by such receiver or trustee. If, within 30 days after such resignation, removal or incapability or the occurrence of such vacancy, no successor Trustee shall have been so appointed and accepted appointment in the manner herein provided, the Authority (so long as no Event of Default hereunder or under the Lease Agreement has occurred and is continuing and no condition exists that, with the giving of notice or the passage of time, or both, would constitute a default or an Event of Default) or the Owners of a majority in principal amount of Bonds Outstanding may appoint, or the Authority, the Swap Provider, if any, the Public University or the retiring Trustee, at the expense of the Public University, or any Bondowner may petition any State court of competent jurisdiction for the appointment of, a temporary successor Trustee, until a successor shall have been appointed as above provided. The temporary successor so appointed shall immediately and without further act be superseded by any successor Trustee appointed as above provided. Every such successor Trustee appointed pursuant to this Section shall be a bank or national banking association with trust powers or trust company in good standing under the laws of the jurisdiction in which it was created and by which it exists, meeting the eligibility requirements of this Article.

**Section 8.08 Acceptance of Appointment by Successor.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Authority, the Public University and the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Trustee, but, on request of an Authorized Officer of the Authority, the Public University or the successor Trustee, such retiring Trustee shall, upon payment of its fees and charges, execute and deliver an instrument conveying and transferring to such successor Trustee upon the trusts herein expressed all the estates, properties, rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in Section 8.04 and thereupon, all duties and obligations of the retiring Trustee hereunder shall cease and terminate. Upon request of any such successor Trustee, the Authority shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such estates, properties, rights, powers and trusts.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

**Section 8.09 Merger, Consolidation and Succession to Business.** Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation or association shall be otherwise qualified and eligible under this Article, and shall be vested with all of the title to the whole property or Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger or consolidation to such authenticating Trustee may adopt such authentication and deliver such Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

**Section 8.10 Designation of Paying Agents.** The Trustee is hereby designated and agrees to act as principal Paying Agent for and in respect to the Bonds. The Authority, or the Public University on behalf of the Authority, may cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of alternate Paying Agents, if any, and for the making available of funds hereunder for the payment of the principal of, redemption premium, if any, and interest on the Bonds, or at the Principal Office of said alternate Paying Agents. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be trustee of any funds provided hereunder and Paying Agent for principal of, redemption premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee and Paying Agent unless a separate Paying Agent or Agents are appointed in connection with the appointment of any successor Trustee.

**Section 8.11 Advances by Trustee.** If the Public University shall fail to make any payment or perform any of its covenants in the Lease Agreement, the Trustee may (but shall in no case be required), at any time and from time to time, use and apply any moneys held by it under this Indenture, or make advances, to effect payment or performance of any such covenant on behalf of the Public University. All moneys so used or advanced by the Trustee, together with interest at the Prime Rate plus 2%, shall be repaid by the Public University upon demand and such advances shall be secured under this Indenture prior to the Bond Payment Obligations. For the repayment of all such advances the Trustee shall have the right to use and apply any moneys at any time held by it (except the moneys in the Rebate Fund) under this Indenture but no such use of moneys or advance shall relieve the Public University from any default hereunder.

**Section 8.12 Notice to Rating Agencies.** The Trustee shall promptly give written notice to each Rating Agency by registered or certified mail, postage prepaid, of the occurrence of any of the following events: (a) the appointment of a successor Trustee hereunder, (b) the date that no Bonds remain Outstanding, (c) the Trustee becomes aware of any material change made in this Indenture or the Lease Agreement, (d) any redemption of Bonds pursuant to this Indenture, or (e) the acceleration of the Bonds in accordance with Article VII.

**Section 8.13 P.L. 2005, c. 92 Covenant.** In accordance with P.L. 2005, c. 92, the Trustee covenants and agrees that all services performed under this Indenture shall be performed within the United States of America.

**Section 8.14 Compliance with P.L. 2005, c. 51 and Executive Order No. 117.** The Trustee represents and warrants that all information, certifications and disclosure statements previously provided in connection with P.L. 2005, c. 51, and Executive Order No. 117 (Corzine, 2008) ("Executive Order 117"), are true and correct as of the date hereof and that all such statements have been made with full knowledge that the Authority has relied upon the truth of the statements contained therein in engaging the Trustee in connection with the Bonds. The Trustee agrees that it will maintain continued compliance with P.L. 2005, c. 51, Executive Order 117 and any regulations pertaining thereto. The Trustee acknowledges that upon its failure to make required filings thereunder or the making of a contribution prohibited thereunder the Authority may remove the Trustee as trustee under this Indenture and may exercise any remedies afforded to it at law or in equity.

**Section 8.15 Compliance with P.L. 2005, c. 271 Reporting Requirements.** The Trustee hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("ELEC") pursuant to *N.J.S.A. 19:44A-20.13* (P.L. 2005, c. 271, section 3) if the Trustee enters into agreements or contracts, such as this Indenture, with a New Jersey public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from New Jersey public entities, such as the Authority, in a calendar year. It is the Trustee's responsibility to determine if filing is necessary. Failure to do so can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

**Section 8.16 Compliance with N.J.S.A. 52:32-58.** The Trustee represents and warrants that it has complied with the requirements of N.J.S.A. 52:32-58 and has filed a certification with the Authority that it is not identified on the list of persons engaging in investment activities in Iran.

**ARTICLE IX**  
**SUPPLEMENTAL INDENTURES**

**Section 9.01 Supplemental Indentures Not Requiring Consent of Bondowners.** The Authority and the Trustee may from time to time, without the consent of or notice to any of the Bondowners or the Swap Provider, enter into one or more Supplemental Indentures, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture or to release property from the Trust Estate which was included by reason of an error or other mistake;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;
- (c) To subject to this Indenture additional revenues, properties or collateral;
- (d) To modify, amend or supplement this Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States;
- (e) To conform to the provisions of any Swap Agreement;
- (f) To evidence the appointment of a separate Trustee or the succession of a new Trustee hereunder; or
- (g) To make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Bondowners or Swap Provider (in making such determination, the Trustee shall be entitled to rely conclusively upon an opinion of bond counsel).

**Section 9.02 Supplemental Indentures Requiring Consent of Bondowners.** With the consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, the consent of the Swap Provider (so long as a Swap Agreement is in effect and the Swap Provider is not then in default under its payment obligations thereunder), the Authority and the Trustee may from time to time enter into such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary or desirable by the Trustee for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided that nothing in this Section contained shall permit or be construed as permitting without the consent of the Owners of all of the Bonds then Outstanding:

- (a) an extension of the maturity of the principal of or the scheduled date of payment of interest on any Bond, or
- (b) a reduction in the principal amount, redemption premium, or any interest payable on any Bond, or

(c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or

(d) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

If at any time the Authority shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed by first-class mail to each Bondowner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all Bondowners. If within 60 days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

**Section 9.03 Public University's Consent to Supplemental Indentures.** Anything herein to the contrary notwithstanding, so long as the Public University is not in default under the Lease Agreement, a Supplemental Indenture under this Article which affects any rights of the Public University shall not become effective unless and until the Public University shall have consented in writing to the execution and delivery of such Supplemental Indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture, together with a copy of the proposed Supplemental Indenture, to be mailed by first-class mail to the Public University at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

**Section 9.04 Opinion of Bond Counsel.** Notwithstanding anything to the contrary in Sections 9.01 or 9.02, concurrently with the entry by the Authority and the Trustee into any Supplemental Indenture pursuant to Section 9.01 or 9.02, there shall have been delivered to the Authority, the Swap Provider and the Trustee an opinion of bond counsel. The Trustee may conclusively rely on such opinion when consenting to such Supplemental Indenture, which shall, in addition to its other elements, opine to the effect that such Supplemental Indenture is permitted under this Article IX and is duly authorized, validly executed and delivered and is legally valid and binding upon the Authority and that the execution and delivery of the Supplemental Indenture will not adversely affect the exclusion of interest on the Series 2020 B Bonds from gross income of the Owners for purposes of federal income taxation.

**ARTICLE X  
SUPPLEMENTAL LEASE AGREEMENTS**

**Section 10.01 Supplemental Lease Agreements Not Requiring Consent of Bondowners.** The Authority and the Trustee may, without the consent of or notice to the Bondowners or the Swap Provider, consent to the execution of any Supplemental Lease Agreement by the Authority and the Public University as may be required:

(a) For the purpose of curing any ambiguity or formal defect or omission in the Lease Agreement, or

(b) For the purpose of modifying the scope of the Project, Leased Facilities and/or the Leased Facilities Site in accordance with the Lease Agreement, or

(c) In connection with any other change therein which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Bondowners or Swap Provider (in making such determination, the Trustee shall be entitled to rely conclusively upon an opinion of bond counsel).

Copies of any amendments, changes or modification of the Lease Agreement as provided in this Section must be provided to each Rating Agency.

**Section 10.02 Supplemental Lease Agreements Requiring Consent of Bondowners.** With the consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding and with the consent of the Swap Provider (so long as a Swap Agreement is in effect and the Swap Provider is not then in default under its payment obligations thereunder), the Authority and the Trustee may consent to the execution of any Supplemental Lease Agreements by the Authority and the Public University; provided that no such Supplemental Lease Agreement shall be entered into which permits without the consent of the Owners of all of the Bonds then Outstanding (a) an extension of the date of payment of any Lease Payment under Section 4.04 of the Lease Agreement, or (b) a reduction in the amount of any Lease Payment under Section 4.04 of the Lease Agreement.

If at any time the Authority and the Public University shall request the consent of the Trustee to any such proposed Supplemental Lease Agreement, the Trustee shall cause notice of such proposed Supplemental Lease Agreement to be mailed in the same manner as provided by Section 9.02 with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed Supplemental Lease Agreement and shall state that copies of the same are on file at the Principal Office of the Trustee for inspection by all Bondowners.

Copies of any amendments, changes or modification of the Lease Agreement as provided in this Section must be provided to each Rating Agency by the Trustee.

**Section 10.03 Opinions.** Anything to the contrary in Sections 10.01 or 10.02 notwithstanding, concurrently with the entry by the Authority and the Public University into any Supplemental Lease Agreement, there shall have been delivered to the Authority, the Swap Provider and the Trustee an opinion of bond counsel; which shall, in addition to its other elements, opine to the effect that such Supplemental Lease Agreement is permitted under this

Article X and is duly authorized, validly executed and delivered and is legally valid and binding upon the Authority, and an Opinion of Counsel to the effect that such Supplemental Lease Agreement is duly authorized, validly executed and delivered and is legally valid and binding upon the Public University and that the execution and delivery of the Supplemental Lease Agreement will not adversely affect the exclusion of interest on the Series 2020 B Bonds from gross income of the Owners for purposes of federal income taxation.

**ARTICLE XI**  
**SATISFACTION AND DISCHARGE OF INDENTURE**

**Section 11.01 Bonds Deemed To Be Paid.** Any Bond or Bonds shall be deemed to be paid and no longer Outstanding under this Indenture and shall cease to be entitled to any lien, benefit or security under this Indenture if the Authority shall pay or provide for the payment of such Bond or Bonds in any one or more of the following ways:

(a) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on such Bond or Bonds, as and when the same become due and payable;

(b) by delivering and surrendering to the Trustee, for cancellation by it, such Bond or Bonds; or

(c) by depositing with the Trustee, in trust, (i) cash or noncallable Government Obligations or both in such amounts and with maturities which will be, together with other moneys deposited therein and together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, fully sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bond or Bonds at or before their respective maturity dates and to pay the interest thereon as it comes due, and (ii) in the case of Bonds which do not mature or will not be redeemed within 90 days of the deposit referred to in clause (i) above, a verification report of a nationally recognized Independent Certified Public Accountant or a nationally recognized firm providing verification services as to the adequacy of the trust funds to fully pay the Bonds deemed to be paid. For purposes of this subsection (c), Government Obligations shall mean and include only those investments of the type identified in paragraph A of the "List of Investment Obligations" as contained in Exhibit B attached hereto, which shall not be subject to redemption prior to their maturity.

Notwithstanding the foregoing, in the case of any Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (i) or (ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities, proper notice of such redemption shall have been given in accordance with Article III or irrevocable instructions shall have been given to the Trustee to give such notice.

Notwithstanding any provisions of any other Section of this Indenture which may be contrary to this Section, all moneys or Government Obligations set aside and held in trust pursuant to this Section for the payment of Bonds (including redemption premium thereon, if any) shall be held irrevocably in trust for the Owners of such Bonds and applied to and used solely for the payment of the particular Bonds (including redemption premium thereon, if any) with respect to which such moneys and Government Obligations have been so set aside in trust.

**Section 11.02 Satisfaction and Discharge of the Indenture.** If the principal of, redemption premium, if any, and interest on all of the Bonds shall have been paid in accordance with their terms, or provision has been made for such payment as provided in Section 11.01, and provision shall also be made for paying all other sums payable hereunder, including the payment of all Swap Payment Obligations and Swap Termination Payments, if any, any Rebatable

Arbitrage to the United States of America, all amounts due and owing the Bond Insurer and the fees, charges and expenses of the Authority, the Trustee and any Paying Agent, including attorneys' fees and expenses, to the date of retirement of the Bonds, then the right, title and interest of the Trustee in respect hereof shall thereupon cease, determine and be void, and thereupon the Trustee, upon Written Request of the Public University, and upon receipt by the Trustee, the Swap Provider, the Bond Insurer and the Authority of a favorable opinion of bond counsel, which shall, in addition to its other elements, opine that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the Authority, the Swap Provider, the Bond Insurer and the Public University such instruments of satisfaction and discharge or release as shall be reasonably requested to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the Authority, the Public University, the Swap Provider or other Person entitled thereto as their respective interests may appear, any property and revenues at the time subject to this Indenture which may then be in its possession, other than moneys or obligations held by the Trustee for the payment of the principal of and interest and redemption premium, if any, due or to become due on the Bonds.

Upon provision for the payment of all Outstanding Bonds in accordance with this Section, and compliance with the other payment requirements of Section 11.01, and subject to this Section, the Indenture may be discharged in accordance with the provisions hereof, provided that the obligation of the Authority in respect of such Bonds shall nevertheless continue but the Owners thereof shall thereafter be entitled to payment only out of the moneys or Government Obligations deposited with the Trustee as aforesaid.

Provision for payment of the Bonds Outstanding hereunder may not be made as aforesaid nor may this Indenture be discharged if under any circumstances the interest on such Bonds is thereby made subject to federal income taxation. In determining the foregoing, the Trustee may conclusively rely upon a favorable opinion of bond counsel.

**Section 11.03 Payment of Bonds After Discharge.** Notwithstanding the discharge of the lien hereof as in this Article provided, the Trustee shall nevertheless retain such rights, powers and duties hereunder as may be necessary and convenient for the payment of amounts due or to become due on the Bonds and the registration, transfer, exchange and replacement of Bonds as provided herein. Thereupon it shall be the duty of the Trustee to comply with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* with respect to such funds in accordance with the Trustee's escheat policies and procedures, which must not be in conflict with the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 *et seq.* Any such delivery shall be in accordance with the customary practices and procedures of the Trustee and the State escheat laws. Any money held by the Trustee pursuant to this Section 11.03 shall be held uninvested and without any liability for interest.

## ARTICLE XII MISCELLANEOUS PROVISIONS

**Section 12.01 Consents and Other Instruments by Bondowners.** Any consent, request, direction, approval, objection or other instrument required by this Indenture (other than the assignment of any Bond) to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any Person of any such instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by the Public University shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds with respect to which the Trustee has received written notice of such ownership shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Public University.

**Section 12.02 Limitation of Rights Under this Indenture.** With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied by this Indenture or the Bonds is intended or shall be construed to give any Person other than the parties hereto, the Paying Agent, the Bond Registrar, the Swap Provider, the Bond Insurer and the Owners of the Bonds, any right, remedy or claim under or in respect to this Indenture, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Paying Agent, the Bond Registrar, the Swap Provider, the Bond Insurer and the Owners of the Bonds as herein provided. To the extent that this Indenture confers upon or gives or grants to the Swap Provider any right, remedy or claim under or by reason of this Indenture, the Swap Provider is hereby explicitly recognized as being a third-party beneficiary hereunder and may give notice to the Trustee or the Authority or any applicable receiver of the occurrence of an Event of Default hereunder, request the Trustee or receiver to intervene in judicial proceedings that affect the Bonds or any Swap Agreement or the security therefor, or enforce any such right, remedy or claim conferred, given or granted

hereunder or thereunder, and the Trustee or receiver shall accept notice of default from the Swap Provider.

**Section 12.03 Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given to or filed with the Authority, the Trustee, the Swap Provider or the Public University if the same shall be duly mailed by certified or registered mail addressed (provided that notice to the Trustee shall be effective only upon receipt):

(a) To the Authority at:

New Jersey Educational Facilities Authority  
103 College Road East  
Princeton, New Jersey 08540-6612  
Attention: Executive Director

(b) To the Trustee at:

The Bank of New York Mellon  
385 Rifle Camp Road, 3<sup>rd</sup> Floor  
Woodland Park, New Jersey 07024  
Attention: Corporate Trust Administration

(c) To the Public University at:

New Jersey City University  
2039 Kennedy Boulevard  
Jersey City, New Jersey 07305  
Attention: Vice President for Administration & Finance

All notices, demands, directions and requests to the Trustee shall be in writing unless expressly stated herein.

It shall be sufficient service of any notice, request, complaint, demand or other paper permitted or required by this Indenture to be given or filed with the Bondowners if the same is duly mailed by first-class mail, postage prepaid, addressed to each of the Bondowners at the time Outstanding at the addresses shown by the Bond Register. Neither the failure to receive such notice, nor any defect in any notice so mailed, to any particular Bondowner shall affect the sufficiency of such notice with respect to other Bondowners. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondowners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

The Trustee is hereby instructed to give notice to any Rating Agency then maintaining a rating on the Bonds if (i) the Trustee resigns or is removed, or a new Trustee is appointed, (ii) there is a call for the redemption of all Bonds, (iii) all of the Bonds are defeased in accordance with Article XI, or (iv) any amendment is made to this Indenture or the Lease Agreement.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Indenture and delivered using Electronic Means; provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority.

**Section 12.04 Suspension of Mail Service.** If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the Authority shall constitute a sufficient notice.

**Section 12.05 Immunity of Officers, Employees and Members of Authority.** No recourse shall be had for the payment of the principal of or redemption premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer, director, member, employee or agent of the Authority, or of any successor public corporation, as such, either directly or through the Authority or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds.

**Section 12.06 Limitation on Authority Obligations.** Any other term or provision in this Indenture, the Lease Agreement, the Tax Certificate or any other Bond Document to the contrary notwithstanding:

(a) Any and all obligations (including fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the Authority or its members, officers, agents, employees, representatives, advisors or assigns, whether under this Indenture or any of the Bond Documents or elsewhere and whether arising out of or based upon a claim or

claims of tort, contract, misrepresentation, or any other or additional legal theory or theories whatsoever (collectively the "Obligations"), shall in all events be absolutely limited obligations and liabilities, payable solely out of the following, if any, available at the time the Obligation in question is asserted:

(i) Bond proceeds and investments therefrom; and

(ii) Payments derived from the Bonds, the Indenture (including the Trust Estate to the extent provided in this Indenture) and the Lease Agreement (except for the fees and expenses of the Authority and the Authority's right to indemnification under the Lease Agreement under certain circumstances),

The above provisions (i) and (ii) being collectively referred to as the "exclusive sources of the Obligations".

(b) The Obligations shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof other than the Authority (to the limited extent as set forth herein) within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit or taxing power of the State or of any political subdivision thereof other than the Authority (to the limited extent as set forth herein), but shall be payable solely from and out of the exclusive sources of the Obligations and shall otherwise impose no liability whatsoever, primary or otherwise, upon or any charge upon the general credit or taxing power of the State or of any political subdivision thereof other than the Authority (to the limited extent as set forth herein). The Authority has no taxing power.

(c) In no event shall any member, officer, agent, employee, representative or advisor of the Authority, or any successor or assign of any such Person or entity, be liable, personally or otherwise, for any Obligation.

(d) In no event shall this Indenture be construed as:

(i) depriving the Authority of any right or privilege; or

(ii) requiring the Authority or any member, officer, agent, employee, representative or advisor of the Authority to take or omit to take, or to permit or suffer the taking of any action by itself or by anyone else,

which deprivation or requirement would violate or result in the Authority's being in violation of the Act or any other applicable State or federal law.

(e) At no time and in no event will the Public University permit, suffer or allow any of the proceeds of the Bonds to be transferred to any Person in violation of, or to be used in any manner which is prohibited by, the Act or any other State or federal law.

**Section 12.07 Severability.** If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason,

such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Indenture contained shall not affect the remaining portions of this Indenture, or any part thereof.

**Section 12.08 Execution in Counterparts.** This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 12.09 The Swap Provider as Third Party Beneficiary.** In furtherance of the rights granted under Section 12.02 hereof, to the extent that this Indenture confers upon or gives or grants to the Swap Provider any right, remedy or claim under or by reason of this Indenture, the Swap Provider is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy, or claim conferred, given or granted hereunder. In the event that there is no Swap Provider, such terms shall be disregarded in this Indenture.

**Section 12.10 Governing Law.** This Indenture shall be governed exclusively by and construed in accordance with the laws of the State without regard to conflict of laws principles.

**Section 12.11 Provisions Relating to the Bond Insurance Policy.**

(a) Application of this Section. This Section 12.11 shall apply to the Bonds so long as the Bond Insurance Policy shall be in effect and the Bond Insurer is not in default of its obligations under the Bond Insurance Policy and notwithstanding any provisions to the contrary in this Indenture; and provided, the Bond Insurer shall always retain any rights to the extent it has become subrogated to the Holders of any Bonds.

(b) Amendments and Supplements. The Bond Insurer shall be given prior written notice of any amendment or supplement to this Indenture or the Lease Agreement which does not require the consent of the Holders of the Bonds. Any amendment or supplement to this Indenture which requires the consent of the Holders of the Bonds, shall be subject to the prior written consent of the Bond Insurer. Any rating agency then rating the Bonds shall receive notice of any amendment and a copy thereof. Notwithstanding any other provision of this Indenture or the Lease Agreement, in determining whether the rights of Holders of the Bonds will be adversely affected by any action taken pursuant to the terms and provisions thereof, the Trustee shall consider the effect on the Holders of the Bonds as if there were no Bond Insurance Policy. Any provision of this Indenture expressly recognizing or granting rights in or to the Bond Insurer may not be amended in any manner that affects the rights of the Bond Insurer under this Indenture without the prior written consent of the Bond Insurer.

(c) Holder Consents. For purposes of any action under this Indenture with respect to the Bonds requiring the approval or consent of Holders of a percentage of the principal amount of Outstanding Bonds or exercising any voting right or privilege or giving any consent or direction or taking any other action that such Holders are entitled to take pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee, the Bond Insurer, shall be deemed the Holder of 100% of the principal amount of Outstanding Bonds; provided, that, the Bond

Insurer shall be deemed a Holder, together with the actual Holders of the Bonds, with respect to amendments or modifications set forth in Section 9.02 of this Indenture requiring the consent of the Holders of all Bonds Outstanding.

(d) Trustees. The Bond Insurer shall be furnished with written notice of any name change of the Trustee or of the resignation, removal or termination of the Trustee, Bond Registrar or Paying Agent.

(e) Defeasance Provisions. (i) In the event that the principal and/or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Authority, and the assignment and pledge of the Trust Estate under this Indenture and all covenants, agreements and other obligations of the Authority to the registered owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Bonds.

(ii) In addition to the requirements of Section 11.01 hereof, the following shall be conditions shall be required in connection with the defeasance of the Bonds:

(A) An escrow agreement and an opinion of counsel regarding the validity and enforceability of the escrow agreement. Such escrow agreement shall provide that:

(1) Any substitution of securities shall require verification by an independent certified public accountant and the prior written consent of the Bond Insurer;

(2) The Public University will not exercise any optional redemption of Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement, if any, for the refunding bonds, and (ii) as a condition of any such redemption there shall be provided to the Bond Insurer a verification of an independent certified public accountant as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following such redemption; and

(3) The Public University shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of the Bond Insurer.

(f) Reporting Requirements. The Bond Insurer shall be provided with the following:

(i) Notice of any material event pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934, as amended;

(ii) All information furnished pursuant to the Continuing Disclosure Agreement dated as of June 1, 2016, by and between the Public University and the Trustee, shall be simultaneously delivered to the Bond Insurer.

(iii) Such additional information as the Bond Insurer may reasonably request from time to time.

(g) Default Related Provisions.

(i) For all purposes of this Indenture governing events of default and remedies, except the giving of notice of default to Bondholders, the Bond Insurer shall be deemed to be the sole Holder of the Bonds;

(ii) In furtherance thereof and as a term of this Indenture and the Bonds, the Trustee and each Holder of the Bonds appoint the Bond Insurer as their agent and attorney-in-fact with respect to the Bonds and agree that the Bond Insurer may at any time during the continuation of any proceeding by or against the Public University under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Holder of the Bonds delegate and assign to the Bond Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Holder of the Bonds with respect to the Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

(h) Payments Pursuant to the Bond Insurance Policy. So long as the Bond Insurance Policy shall be in effect, the Trustee, the Bond Registrar and the Paying Agent shall observe the following provisions respecting the Bond Insurance Policy and the Bonds:

(i) If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Indenture, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall give notice to the Bond Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy and give notice to the Bond Insurer and the Bond Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal of the Bonds, confirmed in writing to the Bond Insurer and the Bond Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

(ii) The Trustee shall designate any portion of payment of principal on Bonds paid by the Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or

other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Holder of the Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Bond Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations): provided that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Authority on any Bond or the subrogation rights of the Bond Insurer.

(iii) The Trustee shall keep a complete and accurate record of all funds deposited by the Bond Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(iv) Upon payment of a claim under the Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of the Holders of the Bonds referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy in trust on behalf of the Holders of the Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Holders of the Bonds in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections hereof regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority agrees to pay to the Bond Insurer (A) a sum equal to the total of all amounts paid by the Bond Insurer under the Bond Insurance Policy (the "Insurer Advances"): and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (X) the greater of (I) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (Y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Bonds.

(v) Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following an Bond payment date shall promptly be remitted to the Bond Insurer.

(vi) The Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Bonds, become subrogated to the rights of the recipients of such payments in

accordance with the terms of the Bond Insurance Policy. Each obligation of the Authority to the Bond Insurer under this Indenture and the Lease Agreement shall survive discharge or termination of this Indenture and the Lease Agreement.

(vii) The Bond Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Authority (as such terms are defined in the Bond Insurance Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the Bond Insurer has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy) or a claim upon the Bond Insurance Policy.

(i) The Authority hereby agrees to pay or reimburse the Bond Insurer, to the extent permitted by law and solely from funds available under this Indenture and the Lease Agreement, any and all charges, fees, costs and expenses which the Bond Insurer may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Bond Insurance Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture or the Lease Agreement including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Public University or any affiliate thereof) relating to this Indenture or any other Financing Document, any party to this Indenture or any other Financing Document or the transaction contemplated by the Financing Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any Bonds under this Indenture or any other Financing Document, or the pursuit of any remedies under this Indenture or any other Financing Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, or (iv) any amendment, waiver or other action with respect to, or related to, this Indenture or any other Financing Document whether or not executed or completed; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the Bond Insurer spent in connection with the actions described in clauses (ii) - (iv) above. In addition, the Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture or any other Financing Document. The Public University will pay interest on the amounts owed in this paragraph from the date of any payment due or paid, at the per annum rate of interest publicly announced from time to time by JP Morgan Chase Bank, National Association at its principal office in New York, New York as its prime lending rate (any change in such prime rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank, National Association) plus three percent (3%) per annum (the "Reimbursement Rate"). The Reimbursement Rate shall be calculated on the basis of the actual number of days elapsed over a 360-day year. In the event JPMorgan Chase Bank ceases to announce its prime rate publicly, the prime rate shall be the publicly announced prime rate or base lending rate of such national bank, as the Bond Insurer shall specify. The provisions of this paragraph shall survive the redemption, defeasance or termination of the Bonds or the terminations of any Financing Document.

(j) In addition to any and all rights of reimbursement, subrogation and any other rights pursuant hereto or under law or in equity, the Public University agrees to pay or reimburse the Bond Insurer, to the extent permitted by law and solely from funds available under the

Financing Documents, any and all charges, fees, costs, claims, losses, liabilities (including penalties), judgments, demands, damages, and expenses which the Bond Insurer or its officers, directors, shareholders, employees, agents and each Person, if any, who controls the Bond Insurer within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended, may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, of any nature in connection with, in respect of or relating to the transactions contemplated by this Indenture or any other Financing Document by reason of:

(i) any omission or action (other than of or by the Bond Insurer) in connection with the offering, issuance, sale, remarketing or delivery of the Bonds;

(ii) the negligence, bad faith, willful misconduct, misfeasance, malfeasance or theft committed by any director, officer, employee or agent of the Authority or Public University in connection with any transaction arising from or relating to this Indenture or any other Financing Document;

(iii) the violation by the Public University of any law, rule or regulation, or any judgment, order or decree applicable to it;

(iv) the breach by the Public University of any representation, warranty or covenant under this agreement or any other Financing Document or the occurrence, in respect of the Public University, under this Indenture or any other Financing Document of any "event of default" or any event which, with the giving of notice or lapse of time or both, would constitute any "event of default"; or

(v) any untrue statement or alleged untrue statement of a material fact contained in any official statement relating to the Bonds, if any, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such claims arise out of or are based upon any untrue statement or omission in information included in an official statement, if any, and furnished by the Bond Insurer in writing expressly for use therein.

(k) Swap Agreements. Any Swap Agreement entered into in connection with the Bonds shall meet the following conditions: (i) the Swap Agreement must be entered into to manage interest costs related to, or a hedge against (a) assets then held, (b) debt then outstanding, or (c) debt reasonably expected to be issued or incurred within thirty-six months of the proposed interest rate swap, and (ii) the Swap Agreement shall not contain any leverage element or multiplier component greater than 1.0x unless there is a matching hedge arrangement which effectively off-sets the exposure from any such element or component. Unless otherwise consented to in writing by the Bond Insurer, the net settlement, breakage or other termination amount then in effect shall be subordinate to debt service on the Bonds and on any debt on parity with the Bonds. The Authority, on behalf of the Public University, shall not terminate any Swap Agreement relating to the Bonds unless it demonstrates to the satisfaction of Bond Insurer prior to the payment of any such termination amount that (a) the Authority, on behalf of the Public University, has sufficient amounts on hand to make pay the termination amount, and (b) such

payment will not cause the Authority or the Public University to be in default under any Financing Documents, as such agreement may be amended or supplemented, including but not limited to, any monetary obligations thereunder. All counterparties or guarantors to the Swap Agreement must have a rating of at least "AA" and "Aa" by S&P and Moody's, unless otherwise agreed to by the Bond Insurer. If the counterparty or guarantor's rating falls below "A-" or "A3" by either S&P or Moody's, the counterparty or guarantor shall execute a credit support annex to the Swap Agreement, which credit support annex shall be acceptable to Bond Insurer. If the counterparty or the guarantor's long term unsecured rating falls below "Baa3" or "BBB-" by either Moody's or S&P, a replacement counterparty or guarantor, acceptable to the Bond Insurer, shall be required.

(l) The Bond Insurer as Third Party Beneficiary. To the extent that the Financing Documents confer upon or give or grant to the Bond Insurer any right, remedy or claim under or by reason of the Financing Documents, the Bond Insurer is explicitly recognized as being a third party beneficiary thereunder and may enforce any such right, remedy or claim conferred, given or granted thereunder.

(m) No Purchase by Authority or Public University. Without the prior written consent of the Bond Insurer, no Bonds shall be purchased by the Authority or the Public University, or any of their respective affiliates, unless such Bonds are redeemed, defeased or terminated.

**IN WITNESS WHEREOF**, the Authority has caused these presents to be signed in its name and behalf by its duly Authorized Officer, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and behalf by its duly Authorized Officer, all as of the day and year first above written.

**NEW JERSEY EDUCATIONAL FACILITIES  
AUTHORITY**

By: \_\_\_\_\_  
Eric D. Brophy, Esq.  
Executive Director

**THE BANK OF NEW YORK MELLON,  
as Trustee**

By: \_\_\_\_\_  
Vice President

Acknowledged and Accepted:

**NEW JERSEY CITY UNIVERSITY**

By: \_\_\_\_\_  
Aaron Aska, Ed.D.  
Vice President for Administration and Treasury

**EXHIBIT A  
TO TRUST INDENTURE**

**(FORM OF BOND)**

Unless this bond is presented by an authorized representative of The Depository Trust Company to the Authority or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co., or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the Registered Owner hereof, Cede & Co., has an interest herein.

Registered  
No. R-

Registered  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF NEW JERSEY**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
REVENUE REFUNDING BONDS,  
NEW JERSEY CITY UNIVERSITY ISSUE,  
[SERIES 2020 B (TAX-EXEMPT)] [SERIES 2020 C (FEDERALLY TAXABLE)]**

<u>Interest Rate</u> ____%	<u>Maturity Date</u> July 1, 20__	<u>Dated Date</u> May __, 2020	<u>CUSIP</u> _____
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**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL AMOUNT:** \_\_\_\_\_

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**, a public body corporate and politic of the State of New Jersey (herein called the "Authority"), for value received, promises to pay, but solely from the sources hereinafter referred to, to the Registered Owner specified above, or registered assigns, the Principal Amount specified above on the Maturity Date specified above, except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto, and in like manner to pay interest on the portion of said Principal Amount from time to time Outstanding at the interest rate per annum determined as described herein and in the Indenture hereinafter referred to from the Dated Date specified above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date as described in the Trust Indenture dated as of May 1, 2020 (said Trust Indenture, as may be amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Indenture"), between

the Authority and The Bank of New York Mellon, as Trustee (the "Trustee"), until said Principal Amount is paid.

**Method of Payment.** The principal of and interest on this Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and redemption premium, if any, on this Bond shall be payable by check or draft to the Registered Owner at the maturity or redemption date hereof upon presentation and surrender of this Bond at the Principal Office of the Trustee. The interest payable on this Bond on any Interest Payment Date shall be paid by the Trustee to the Registered Owner appearing on the registration books of the Authority (the "Bond Register") maintained by the Trustee, as Bond Registrar, at the close of business on the Record Date next preceding such Interest Payment Date and shall be paid (i) by check or draft of the Trustee mailed on the applicable Interest Payment Date to such Registered Owner at his address as it appears on such Bond Register or at such other address furnished in writing by such Registered Owner to the Trustee or (ii) by electronic transfer in immediately available funds, if the Bonds are held by The Depository Trust Company or another securities depository, or at the written request addressed to the Trustee by any Owner of Bonds in the aggregate principal amount of at least \$1,000,000 such request to be signed by such Owner, containing the name of the bank (which shall be in the continental United States), its address, its ABA routing number, the name and account number to which credit shall be made and an acknowledgment that an electronic transfer fee is payable, and to be filed with the Trustee no later than ten Business Days before the applicable Record Date preceding such Interest Payment Date.

**Authorization.** This Bond is one of a duly authorized series of bonds of the Authority designated "New Jersey Educational Facilities Authority Revenue Refunding Bonds, New Jersey City University Issue, [Series 2020 B (Tax-Exempt)] [Series 2020 C (Federally Taxable)]" in the aggregate principal amount of \$\_\_\_\_\_ (the "Series 2020 \_ Bonds"). The Series 2020 \_ Bonds, together with the Authority's Revenue Refunding Bonds, New Jersey City University Issue, [Series 2020 B (Tax-Exempt)] [Series 2020 C (Federally Taxable)] (collectively with the Series 2020 \_ Bonds, the "Bonds"), are issued for the purpose of providing funds to New Jersey City University (herein called the "Public University") to finance a project (collectively, the "Project") consisting of: (i) the refunding of all or portions of various series of Authority bonds previously issued on behalf of the Public University; and (ii) paying certain costs incidental to the sale and issuance of the Bonds, all as presented, submitted and approved by the Public University's Board of Trustees, all by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State of New Jersey, including particularly the New Jersey Educational Facilities Authority Law, constituting Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented, *N.J.S.A. 18A:72A-1 et seq.*, as amended (the "Act"), and pursuant to a resolution adopted by the Authority on March 24, 2020. The funding will be made pursuant to the Lease and Agreement, dated as of May 1, 2020 (said Lease and Agreement, as may be amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Lease Agreement"), by and between the Authority and the Public University.

**Security.** The Bonds are issued under and are equally and ratably secured and entitled to the protection given by the Indenture pursuant to which the rights of the Authority under the

Lease Agreement (other than its rights to payment of fees and expenses and indemnification) are pledged and assigned by the Authority to the Trustee as security for the Bonds. Reference is hereby made to the Indenture for a description of the property pledged and assigned thereunder, and the provisions, among others, with respect to the nature and extent of the security for the Bonds, and the rights, duties and obligations of the Authority, the Trustee and the Owners of the Bonds, and a description of the terms upon which the Bonds are issued and secured, upon which provision for payment of the Bonds or portions thereof and defeasance of the lien of the Indenture with respect thereto may be made and upon which the Indenture may be deemed satisfied and discharged prior to payment of the Bonds. Capitalized terms not defined herein are used with the meanings given to them in the Indenture.

Pursuant to the Lease Agreement, Lease Payments sufficient for the prompt payment when due of the principal of, redemption premium, if any, and interest on the Bonds are to be paid by the Public University directly to the Trustee for the account of the Authority and deposited in a special account created by the Indenture and designated the "New Jersey Educational Facilities Authority Debt Service Fund, New Jersey City University Series 2020 B/C" and all Lease Payments under the Lease Agreement have been duly pledged and assigned to the Trustee for that purpose.

**Interest Rates.** The Bonds shall bear interest from the most recent Interest Payment Date next preceding the date of such Bonds to which interest has been paid, unless the date of such Bond is an Interest Payment Date, in which case interest shall be payable from such date, or unless the date of such Bond is prior to the first Interest Payment Date of the Bonds, in which case interest shall be payable from the Dated Date of the Bonds, or unless the date of such Bond is between a Record Date, and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. The amount of interest payable with respect to any Bonds on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months.

**Redemption.** The Bonds are subject to optional redemption prior to their stated maturity as provided in the Indenture.

**Limitation on Rights; Acceleration; Modifications.** The Owner of this Bond shall have no right to enforce the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Bonds or the Indenture may be made only to the extent and in the circumstances permitted by the Indenture.

**Special and Limited Obligations.** The Bonds and the interest thereon are special and limited obligations of the Authority payable solely out of Basic Lease Payments derived by the Authority under the Lease Agreement and the Trust Estate and are secured by a pledge and assignment of the Basic Lease Payments and the Trust Estate. The Bonds shall never constitute a debt or liability of the State of New Jersey or of any political subdivision thereof other than the

Authority (to the limited extent as set forth in the Indenture) within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit or the taxing power of the State or any political subdivision thereof other than the Authority (to the limited extent as set forth in the Indenture) but shall be payable solely from the funds provided for in the Lease Agreement and in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to make any appropriation for their payment. The State or any political subdivision thereof other than Authority (to the limited extent as set forth in the Indenture) shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon or any charge upon the general credit or taxing power of the State or of any political subdivision thereof other than the Authority (to the limited extent as set forth in the Indenture). The Authority has no taxing power.

**No Recourse.** No recourse shall be had for the payment of the principal of or redemption premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future officer, director, member, employee or agent of the Authority, or any incorporator, officer, director, member, trustee, employee or agent of any successor corporation or body politic, as such, either directly or through the Authority or any successor corporation or body politic, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, officers, directors, trustees, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Indenture and the issuance of any of the Bonds.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been executed by the Trustee.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF, NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY** has caused this Bond to be executed in its name by the manual or facsimile signature of its Chair, Vice Chair, Executive Director or Deputy Executive Director and attested by the manual or facsimile signature of its Executive Director (provided that this Bond is not executed by the Executive Director), Secretary, an Assistant Secretary or Assistant Treasurer, including those serving in an interim or acting capacity, and its official common seal or a facsimile thereof to be affixed or imprinted hereon, all as of the Dated Date specified above.

(SEAL)

**NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY**

By: \_\_\_\_\_  
Eric D. Brophy, Esq., Executive Director

ATTEST:

\_\_\_\_\_  
Steven P. Nelson, Assistant Secretary

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Series 2020 \_ Bonds described in the within mentioned Indenture.

**THE BANK OF NEW YORK MELLON,  
as Trustee**

By: \_\_\_\_\_  
Authorized Signatory

Date of Authentication: May \_\_, 2020

## **STATEMENT OF INSURANCE**

[Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on the Bonds to U.S. Bank National Association or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Insured Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.]

**(FORM OF ASSIGNMENT)**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

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(Please Print or Typewrite Name, Address and Social Security  
Number or Taxpayer Identification Number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney

to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed By:

---

(Name of Eligible Guarantor Institution as defined by SEC Rule 17Ad-15 (12 CFR 240.17Ad- 15) or any similar rule which the Trustee deems applicable)

By \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT B  
TO TRUST INDENTURE**

**LIST OF INVESTMENT OBLIGATIONS**

*Investment Types*

- A. U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the payment of principal and interest.
- B. Federal Agency or U.S. government sponsored enterprises (GSE) obligations, participations or other instruments.
- C. Bonds or notes issued by any state or municipality.
- D. Negotiable bank certificates of deposit, deposit notes or other deposit obligations issued by a nationally or state chartered bank, credit union or savings association, or by a federally or state-licensed branch of a foreign bank or financial institution.
- E. Commercial paper.
- F. Corporate bonds and medium term notes.
- G. Asset-backed securities.
- H. Investment agreements or guaranteed investment contracts (GICs).
- I. Certificates of deposit of any bank, savings and loan or trust company organized under the laws of the United States or any state thereof, including the trustee or any Holder of the Bonds, provided that such certificates of deposit shall be fully collateralized (with a prior perfected security interest), to the extent they are not insured by the Federal Deposit Insurance Corporation (FDIC), by Investment Obligations described in (A) and (B) above having a market value at all times equal to the uninsured amount of such deposit.
- J. Repurchase agreements that meet the following requirements:
  - a. Must be governed by a written SIFMA Master Repurchase Agreement which specifies securities eligible for purchase and resale, and which provides the unconditional right to liquidate the underlying securities should the counterparty default or fail to provide full timely repayment.
  - b. Counterparty must be a Federal Reserve Bank, a Primary Dealer as designated by the Federal Reserve Bank of New York, or a nationally chartered commercial bank.
  - c. Securities underlying repurchase agreements must be delivered to a third party custodian under a written custodial agreement that may be of deliverable or tri-

party form. Securities must be held in the Authority’s custodial account or in a separate account in the name of the Authority.

- d. Acceptable underlying securities include only securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States, including U.S. Agency-issued mortgage-backed securities.
- e. Underlying securities must have an aggregate current market value, including accrued interest, of at least 102% (or 100% if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential at the close of each business day.

K. Shares in open-end and no-load money market mutual funds that are backed by U.S. government securities, provided such funds are registered under the Investment Company Act of 1940 and operate in accordance with Rule 2a-7.

L. New Jersey Cash Management Fund.

*Collateralization*

All demand deposits, time deposits, and certificates of deposit shall be collateralized for amounts over and above Federal Deposit Insurance Corporation coverage. All collateral shall be permitted investments as set out in the below chart. There shall be a written custodial agreement that, among other things, specifies the circumstances under which collateral may be substituted. The Authority should not accept a pledge of a proportionate interest in a pool of collateral. The market value and accrued interest of collateral should, at least, equal the value of the investment and any accrued interest at all times. The recorded value of collateral backing any investment should be compared with current market values (mark- to-market) at the time of the initial investment and monthly thereafter to be certain that it continues to be at least equal to the value of the investment plus accrued interest. The mark-to-market reviews should use “bid” prices from a constant source.

*Investment Parameters*

Sector Type	Sector Max (%)	Issuer Max (%)	Minimum Ratings Requirement <sup>1</sup>	Max Maturity
US Treasury	100%	N/A	N/A	10 Years
Federal Agency	25%	5%	N/A	10 Years
Municipals	25%	5%	Two Highest LT Rating Categories (AA-/Aa3/AA-)	10 Years
Negotiable CDs	50% in aggregate <sup>2</sup>	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1/F-1; A-/A3/A-)	10 Years
Commercial Paper		5%	Highest ST Rating Category (A-1/P-1/F-1)	270 Days
Corporate Bonds & Medium Term Notes		5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1/F-1; A-/A3/A-)	10 Years
Asset Backed Securities	20%	5%	Highest LT Rating	10 Year Avg. Life

			(AAA/Aaa/AAA)	
Certificates of Deposit	25%	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1/F-1; A-/A3/A-)	10 Years
Repurchase Agreements	20%	5%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the highest ST Rating category (A-1/P-1/F-1). If the counterparty is a Federal Reserve Bank, no rating is required.	90 Days
Government Money Market Funds	100%	25%	Highest rating by all NRSROs who rated the fund (AAAm or equivalent)	N/A
New Jersey Cash Management Fund	100%	N/A	N/A	N/A
<sup>1</sup> Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. In the case of split-rated issuers, the lowest rating shall prevail. ST= Short-term; LT=Long-term. <sup>2</sup> Funds invested in the credit sector may exceed the 50% target only with the written permission of NJEFA and the borrowing institution.				

In addition, the diversification parameters for investment agreements or guaranteed investment contracts ("GICs") are as follows:

- Investment agreements or GICs with any financial institution whose senior long term debt obligations, or whose obligations under such an investment agreement or GIC are guaranteed by a financial institution whose senior long term debt obligations, have a rating (at the time the agreement or contract is entered into) of "Aa3" or higher by Moody's and "AA-" or higher by S&P.