

In the opinion of Stevens & Lee, P.C., Reading, Pennsylvania, and Turner Law, P.C., Philadelphia, Pennsylvania, Co-Bond Counsel, based upon existing laws, regulations and rulings, and assuming, among other matters, the accuracy of certain representations and compliance by the Authority and the College with certain covenants to comply with provisions of the Internal Revenue Code of 1986, as amended (the "Code") and all regulations applicable thereunder, interest on the Series 2019 Bonds is not includable in gross income of the holders of the Series 2019 Bonds under Section 103(a) of the Code. In the further opinion of Co-Bond Counsel, interest on the Series 2019 Bonds is not an item of tax preference for purposes of the federal alternative minimum taxes on individuals; also see "TAX MATTERS" herein for a brief description of some of the other provisions of the Code affecting the purchasers and holders of the Series 2019 Bonds. Co-Bond Counsel expresses no opinion regarding any other federal tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2019 Bonds. Under the laws of the Commonwealth of Pennsylvania, the Series 2019 Bonds and interest on the Series 2019 Bonds shall be free from taxation for State and local purposes within the Commonwealth of Pennsylvania, but this exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied directly on the Series 2019 Bonds or the interest thereon. Under the laws of the Commonwealth of Pennsylvania, profits, gains or income derived from the sale, exchange or other disposition of the Series 2019 Bonds are subject to State and local taxation within the Commonwealth of Pennsylvania. See the information contained herein under the caption "TAX MATTERS".

\$26,905,000

**PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
BRYN MAWR COLLEGE REVENUE BONDS, SERIES 2019**

Dated: Date of Delivery**Due: December 1, as shown on the inside front cover**

The Bryn Mawr College Revenue Bonds, Series 2019 (the "Series 2019 Bonds") will be issued by the Pennsylvania Higher Educational Facilities Authority (the "Authority") under a Trust Indenture dated as of September 1, 2019 (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., Philadelphia, Pennsylvania, as trustee, paying agent and bond registrar (in such capacities, the "Trustee"). The Series 2019 Bonds will be payable from and secured by certain funds held by the Trustee under the Indenture and payments to the Trustee, as assignee of the Authority, under the Loan Agreement (the "Loan Agreement") described herein between the Authority and Bryn Mawr College

BRYN MAWR
COLLEGE

(the "College"). The Series 2019 Bonds are payable solely from the funds held under the Indenture and from payments to be received by the Authority pursuant to the Loan Agreement. The College's obligation under the Loan Agreement to make loan payments is a general obligation of the College. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019 BONDS" herein.

The Series 2019 Bonds are subject to redemption prior to maturity, as set forth in this Official Statement. See "THE SERIES 2019 BONDS – Redemption of the Series 2019 Bonds."

The Series 2019 Bonds will be issued only as fully registered bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2019 Bonds. Purchases of beneficial interests in the Series 2019 Bonds will be made in book-entry form, in denominations of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Series 2019 Bonds purchased. So long as Cede & Co. is the registered Owner, as nominee of DTC, references herein to the Bondholders, Owners or registered Owners shall mean Cede & Co., as aforesaid and shall not mean the Beneficial Owners of the Series 2019 Bonds. See "THE SERIES 2019 BONDS – Book-Entry-Only System" herein.

THE SERIES 2019 BONDS SHALL CONSTITUTE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE TRUST ESTATE AND FROM PAYMENTS TO BE MADE BY THE COLLEGE UNDER THE LOAN AGREEMENT. NEITHER THE GENERAL CREDIT OF THE AUTHORITY NOR THE GENERAL CREDIT NOR TAXING POWER OF THE COMMONWEALTH OF PENNSYLVANIA OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THE SERIES 2019 BONDS, NOR SHALL THE SERIES 2019 BONDS BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR AN OBLIGATION OF THE COMMONWEALTH OF PENNSYLVANIA OR OF ANY POLITICAL SUBDIVISION THEREOF. THE AUTHORITY HAS NO TAXING POWER.

This cover page contains information for reference only. It is a summary of this issue. Investors must read this entire Official Statement, including the Appendices hereto, to obtain information essential to making an informed investment decision.

The Series 2019 Bonds are offered when, as and if issued by the Authority and received by the Underwriter, subject to the approving legal opinion of Stevens & Lee, P.C., Reading, Pennsylvania and Turner Law, P.C., Philadelphia, Pennsylvania, Co-Bond Counsel. Certain legal matters will be passed upon for the College by Ballard Spahr LLP, Philadelphia, Pennsylvania; for the Authority by its counsel, Barley Snyder LLP, Lancaster, Pennsylvania; and for the Underwriter, by its counsel, Dilworth Paxson LLP, Philadelphia, Pennsylvania. It is expected that the Series 2019 Bonds in definitive form will be available for delivery through the facilities of DTC on or about September 5, 2019.

WELLS FARGO SECURITIES

Dated: July 24, 2019

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS
AND CUSIP NUMBERS**

\$26,905,000

**PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Bryn Mawr College Revenue Bonds, Series 2019**

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.†</u> <u>(70917S)</u>
2020	\$ 1,000,000	5.000%	1.090%	104.796	4H3
2021	1,040,000	5.000	1.100	108.599	4J9
2023	240,000	5.000	1.210	115.612	4K6
2024	255,000	5.000	1.270	118.845	4L4
2025	275,000	5.000	1.340	121.833	4M2
2026	295,000	5.000	1.420	124.542	4N0
2027	300,000	2.000	1.530	103.624	4P5
2028	305,000	5.000	1.610	128.991	4Q3
2029	320,000	5.000	1.690	129.605*	4R1
2030	1,490,000	5.000	1.770	128.775*	4S9
2031	1,575,000	5.000	1.860	127.849*	4T7
2032	1,655,000	5.000	1.920	127.236*	4U4
2049	3,135,000	3.000	3.040	99.209	4X8

\$3,605,000 4.000% Term Bond due December 1, 2044, priced at 110.793* to yield 2.730%, CUSIP 70917S4V2†

\$11,415,000 4.000% Term Bond due December 1, 2048, priced at 110.432* to yield 2.770%, CUSIP 70917S4W0†

* Priced to the first optional redemption date of June 1, 2029.

† “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 S&P Global Market Intelligence. The CUSIP numbers listed above are being provided solely for the convenience of holders of the Series 2019 Bonds only at the time of issuance of the Series 2019 Bonds. None of the Authority, the College or the Underwriter or their respective agents or counsel takes responsibility for the accuracy of such CUSIP numbers or at any time in the future.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2019 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 SERIES 2019 BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

The information set forth herein has been obtained from the Pennsylvania Higher Educational Facilities Authority (the "Authority") and Bryn Mawr College (the "College"), and other sources which are believed to be reliable, but the information provided by sources other than the Authority is not guaranteed as to accuracy or completeness by the Authority. The information and expressions of opinions herein are 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 any of the information set forth herein since the date hereof.

The Authority has not prepared or assisted in the preparation of this Official Statement except for the statements under the captions "THE AUTHORITY" and "LITIGATION – The Authority." The Authority has reviewed only the information contained herein under such captions and approved only such information for use within the Official Statement.

The Underwriter has provided the following sentence for inclusion in the Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities law as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or other person has been authorized by the Authority, the Underwriter or the College to give any information or to make any representations with respect to the Series 2019 Bonds, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy any of the Series 2019 Bonds in any jurisdiction in which it is unlawful to make such an offer, solicitation, or sale.

The Series 2019 Bonds are not, and will not be, registered under the Securities Act of 1933, as amended, or under any state securities laws, and the Indenture has not been and will not be qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom. Neither the Securities and Exchange Commission nor any federal, state, municipal, or other governmental agency will pass upon the accuracy, completeness, or adequacy of the Official Statement.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "assumes," and analogous expressions are intended to identify forward-looking statements and such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the amount of revenue collected by the College include, among others, changes in economic conditions and various other events, conditions and circumstances, many of which are beyond the control of the College. Such forward-

looking statements speak only as of the date of this Official Statement. The College disclaims any obligation or undertaking to release publicly any updated or revisions to any forward-looking statement contained herein to reflect any changes in the College's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

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Official Statement

\$26,905,000

PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY Bryn Mawr College Revenue Bonds, Series 2019

INTRODUCTION

Purpose of the Official Statement

The purpose of this Official Statement is to provide certain information in connection with the offering of the Pennsylvania Higher Educational Facilities Authority Bryn Mawr College Revenue Bonds, Series 2019 (the “Series 2019 Bonds”) in the aggregate principal amount of \$26,905,000. The Series 2019 Bonds will be issued pursuant to a Trust Indenture dated as of September 1, 2019 (the “Indenture”) between the Pennsylvania Higher Educational Facilities Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as trustee, paying agent and bond registrar (in such capacities, the “Trustee”). The proceeds of the Series 2019 Bonds, together with other available funds, will be used to pay the costs of the 2019 Project described below to be undertaken on behalf of Bryn Mawr College (the “College”) described below. See APPENDIX C for the definition of capitalized terms used herein and not otherwise defined.

The Authority

The Authority is a body corporate and politic, constituting a public corporation and governmental instrumentality of the Commonwealth, created by The Pennsylvania Higher Educational Facilities Authority Act of 1967 (Act No. 318 of the General Assembly of the Commonwealth of Pennsylvania, approved December 6, 1967, as amended) (the “Act”). The Series 2019 Bonds are being issued under the Act pursuant to a resolution of the Authority adopted on July 18, 2019 (the “Resolution”). For additional information concerning the Authority, see “THE AUTHORITY” herein.

The College

The College is a private, not-for-profit, non-sectarian institution with its main campus located in Bryn Mawr, Pennsylvania. The College has approximately 1,700 students, of whom approximately 1,300 are undergraduate students. See APPENDIX A – “CERTAIN INFORMATION CONCERNING BRYN MAWR COLLEGE.” APPENDIX B contains financial statements of the College for the fiscal years ended May 31, 2018 and May 31, 2017.

The 2019 Project

The Series 2019 Bonds are being issued by the Authority, together with other available funds, to finance a project (the “2019 Project”) consisting of the following: (i) the current refunding of all of the outstanding Bryn Mawr College Revenue Bonds, Series 2010A (the “Series 2010A Bonds”) issued by the Authority and currently outstanding in the aggregate principal amount of \$22,360,000; (ii) the funding of a portion of the costs of the design, acquisition, construction, installation and equipping of (A) a new student life and wellness center; (B) renovations and improvements to the College’s Park Science complex; and (C) various other capital renovations and improvements to the College’s existing buildings and facilities, all located on the College’s campus; and (iii) the payment of certain costs of issuing the Series 2019 Bonds. For additional information concerning the 2019 Project, see “PLAN OF FINANCING” herein.

The proceeds of the Series 2019 Bonds will be loaned to the College for the purposes described above pursuant to a Loan Agreement dated as of September 1, 2019 (the "Loan Agreement"), between the Authority and the College. Under the Loan Agreement, the College will be obligated to make loan payments to the Trustee, as assignee of the Authority, in amounts and at times sufficient, among other things, to pay the principal, redemption price of, and interest on, the Series 2019 Bonds when due.

Security and Sources of Payment for the Series 2019 Bonds

Under the Loan Agreement, the College is obligated to make payments which are sufficient, in the aggregate, to pay when due the principal or redemption price of, and interest on the Series 2019 Bonds. The College's obligation to make such payments is an unsecured, general obligation of the College. Pursuant to the Indenture, the Authority will assign to the Trustee, for the benefit and security of the Owners of the Series 2019 Bonds, substantially all of the rights of the Authority in the Loan Agreement (other than the Reserved Rights, as defined in the Indenture), including its right to receive loan payments payable by the College under the Loan Agreement.

The Series 2019 Bonds are nonrecourse limited obligations of the Authority, payable solely from payments to be made by the College under the Loan Agreement and certain funds held by the Trustee under the Indenture, and not from any other fund or source of the Authority, and are pledged under the Indenture and the Loan Agreement as described therein. Neither the general credit of the Authority nor the general credit nor taxing power of the Commonwealth or of any political subdivision thereof is pledged for the payment of the Series 2019 Bonds, nor shall the Series 2019 Bonds be deemed to be an obligation of the Commonwealth or of any political subdivision of thereof. The Authority has no taxing power. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019 BONDS" herein.

Outstanding Obligations

Immediately after the issuance of the Series 2019 Bonds, the following series of revenue bonds (collectively, the "Prior Bonds") issued for the purpose of financing or refinancing projects on behalf of the College will remain outstanding:

- Bryn Mawr College Revenue Bonds, Series 2010 (the "2010 Bonds"), issued by the Authority in the original aggregate principal amount of \$15,520,000 (\$9,995,000 of which is currently outstanding);
- Bryn Mawr College Revenue Bonds, Series 2012A (the "2012A Bonds"), issued by the Authority in the original aggregate principal amount of \$13,100,000 (\$13,100,000 of which is currently outstanding);
- Bryn Mawr College Revenue Bonds, Series 2014 (the "2014 Bonds"), issued by the Authority in the original aggregate principal amount of \$51,670,000 (\$48,900,000 of which is currently outstanding); and
- Bryn Mawr College Revenue Bonds, Series 2017 (the "2017 Bonds"), issued by Montgomery County Industrial Development Authority ("MCIDA") in the original aggregate principal amount of \$20,335,000 (all of which is currently outstanding).

See APPENDIX A – "CERTAIN INFORMATION REGARDING BRYN MAWR COLLEGE – Debt Service."

The 2010 Bonds were issued pursuant to a Trust Indenture dated as of May 15, 2010 (the “2010 Indenture”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the “2010 Trustee”). The proceeds of the 2010 Bonds were loaned to the College pursuant to a Loan and Security Agreement dated as of May 15, 2010 (the “2010 Loan Agreement”), between the Authority and the College.

The 2012A Bonds were issued pursuant to a Trust Indenture dated as of November 15, 2012 (the “2012A Indenture”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the “2012A Trustee”). The proceeds of the 2012A Bonds were loaned to the College pursuant to a Loan and Security Agreement dated as of November 15, 2012 (the “2012A Loan Agreement”), between the Authority and the College.

The 2014 Bonds were issued pursuant to a Trust Indenture dated as of July 1, 2014 (the “2014 Indenture”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the “2014 Trustee”). The proceeds of the 2014 Bonds were loaned to the College pursuant to a Loan and Security Agreement dated as of July 1, 2014 (the “2014 Loan Agreement”), between the Authority and the College.

The 2017 Bonds were issued pursuant to a Trust Indenture dated as of May 1, 2017 (the “2017 Indenture”), between MCIDA and The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the “2017 Trustee”). The proceeds of the 2017 Bonds were loaned to the College pursuant to a Loan Agreement dated as of May 1, 2017 (the “2017 Loan Agreement”), between MCIDA and the College.

The 2010 Bonds, the 2012A Bonds and 2014 Bonds are Parity Obligations as discussed below. For the purpose of securing the payment of each of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds (but not the 2017 Bonds), the College has pledged and assigned its Unrestricted College Revenues (as hereinafter defined) to the 2010 Trustee, the 2012A Trustee and the 2014 Trustee (but not the 2017 Trustee) pursuant to the 2010 Loan Agreement, the 2012A Loan Agreement and the 2014 Loan Agreement, respectively. Pursuant to the terms of an Intercreditor Agreement dated as of July 1, 2014 (the “Intercreditor Agreement”), the 2010 Trustee, the 2012A Trustee and the 2014 Trustee have agreed to hold the Unrestricted College Revenues for the equal and ratable benefit of the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds (but not the 2017 Bonds) and any additional Parity Obligations hereafter issued and secured by Unrestricted College Revenues. The College does not plan to issue any Parity Obligations secured by a pledge of Unrestricted College Revenues in the future. **Neither the 2017 Bonds nor the Series 2019 Bonds are Parity Obligations or otherwise secured by any pledge of or lien on revenues or other assets of the College. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019 BONDS – Series 2019 Bonds are Unsecured Obligations of the College” and “BONDHOLDERS’ RISKS – No Pledge of College Revenues” herein.**

Bondholders’ Risks

There are risks involved in the purchase of the Series 2019 Bonds. See “BONDHOLDERS’ RISKS” herein.

Definitions and Summaries of Documents

Definitions of certain words and terms used in the Official Statement and summaries of the Indenture and the Loan Agreement are included in APPENDIX C. Such definitions and summaries do not purport to be comprehensive or definitive. All references herein to such documents are qualified in their entirety by reference to the definitive forms of such documents, copies of which may be viewed at

the office of the Trustee in Philadelphia, Pennsylvania, and will be provided to any prospective purchaser requesting the same upon payment by such prospective purchaser of the cost of complying with such request.

THE AUTHORITY

The Authority is a body corporate and politic, constituting a public corporation and governmental instrumentality of the Commonwealth, created by The Pennsylvania Higher Educational Facilities Authority Act of 1967 (Act No. 318 of the General Assembly of the Commonwealth of Pennsylvania, approved December 6, 1967, as amended) (the "Act").

The Authority is authorized under the Act, among other things, to acquire, construct, finance, improve, hold and use any property and any educational facility (as therein defined) and, with respect to a college, to finance projects by making loans, to lease as lessor or lessee, to transfer or sell any educational facility or property, to charge and collect amounts for the payment of expenses of the Authority and for payment of the principal of and interest on its obligations, to issue bonds and other obligations for the purpose of paying the cost of projects, to issue refunding bonds and to pledge all or any of the revenues of the Authority for all or any of such obligations, and to enter into trust indentures providing for the issuance of such obligations and for their payment and security.

Under the Act, the Members of the Authority (the "Members") consist of the Governor of the Commonwealth, the State Treasurer, the Auditor General, the Secretary of the Department of Education, the Secretary of the Department of General Services, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives and the Minority Leader of the Senate. Pursuant to the Act, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate and the Minority Leader of the House of Representatives may designate a member of their respective legislative bodies to act as a member of the Authority in their stead. The Members serve without compensation but are entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members. The powers of the Authority are exercised by the Members. The current Members of the Authority are as follows:

Honorable Thomas W. Wolf Governor of the Commonwealth of Pennsylvania	President
Honorable Wayne Langerholc Jr. Designated by the President Pro Tempore of the Senate	Vice President
Honorable Andrew E. Dinniman Designated by the Minority Leader of the Senate.....	Vice President
Honorable Curtis G. Sonney Designated by the Speaker of the House of Representatives	Vice President
Honorable Joseph M. Torsella State Treasurer	Treasurer
Honorable Curtis M. Topper Secretary of General Services	Secretary

Honorable Anthony M. DeLuca
Designated by the Minority Leader of the House of Representatives Board Member

Honorable Eugene A. DePasquale
Auditor General Board Member

Honorable Pedro A. Rivera
Secretary of Education Board Member

The Authority has issued from time to time other series of revenue bonds and notes for the purpose of financing projects for higher educational institutions in the Commonwealth. None of the revenues of the Authority with respect to any of such revenue bonds and notes are pledged as security for the Series 2019 Bonds and, conversely, such revenue bonds above are not payable from or secured by the revenues of the Authority or other moneys securing the Series 2019 Bonds.

The Authority may in the future issue other series of bonds for the purpose of financing projects for educational institutions in the Commonwealth. Each such series of bonds will be secured by instruments separate and apart from the Indenture securing the Series 2019 Bonds, except for any Additional Bonds issued thereunder.

The following are key staff members of the Authority who are involved in the administration of the financing and projects:

Beverly M. Nawa, Acting Executive Director. Ms. Nawa serves as the Acting Executive Director of both the Authority and the State Public School Building Authority (“SPSBA”). She has been with the Authorities since 2004. Prior to her present position, she served as an Administrative Officer for both Authorities. Ms. Nawa is a graduate of Alvernia University with a bachelor’s degree in business administration.

David Player, Comptroller & Director of Financial Management. Mr. Player serves as the Comptroller & Director of Financial Management of both the Authority and SPSBA. He has been with the Authority and the SPSBA since 1999. Mr. Player is a graduate of The Pennsylvania State University and a Certified Public Accountant.

THE SERIES 2019 BONDS, INCLUDING INTEREST AND PREMIUM, IF ANY, THEREON, SHALL CONSTITUTE LIMITED OBLIGATIONS OF THE AUTHORITY AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF OR A CHARGE AGAINST THE GENERAL CREDIT OR THE TAXING POWER OF ANY OF THEM AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE AUTHORITY OR A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY. THE AUTHORITY HAS NO TAXING POWER. THE SERIES 2019 BONDS AND THE INTEREST AND PREMIUM, IF ANY, THEREON SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE AND FROM PAYMENTS TO BE MADE BY THE COLLEGE UNDER THE LOAN AGREEMENT.

THE 2019 PROJECT

General

The Series 2019 Bonds are being issued by the Authority, together with other available funds, to fund the 2019 Project.

Plan of Refunding

All of the outstanding Series 2010A Bonds will be currently refunded from a portion of the proceeds derived from the sale of the Series 2019 Bonds, which portion will be deposited, together with other funds available therefor and interest earnings thereon, with The Bank of New York Mellon Trust Company, N.A., as trustee for the Series 2010A Bonds, in order to defease the 2010A Bonds to their final maturity date on a gross funded basis.

Plan of Finance

A portion of the proceeds derived from the sale of the Series 2019 Bonds will be used to finance a portion of the costs of the design, acquisition, construction, installation and equipping of (i) a new student life and wellness center; (ii) renovations and improvements to the College's Park Science complex; and (iii) various other capital renovations and improvements to the College's existing buildings and facilities, all located on the College's campus.

Estimated Sources and Uses of Funds

The following sets forth the estimated sources and uses of funds in connection with the financing of the 2019 Project:

Sources of Funds:

Principal Amount of the Series 2019 Bonds	\$26,905,000.00
Plus Net Original Issue Premium	3,422,611.00
Other Available Funds ¹	<u>1,894,981.50</u>
Total Sources of Funds	\$32,222,592.50

Uses of Funds:

Refunding of Series 2010A Bonds	\$22,877,800.00
Deposit to Project Fund	9,000,889.86
Costs of Issuance ²	<u>343,902.64</u>
Total Uses of Funds	\$32,222,592.50

¹ Consists of an equity contribution from the College.

² Includes Underwriter's discount, legal fees, Authority fees, rating agency fees, Trustee and paying agent fees, accountant fees and other miscellaneous expenses related to the issuance of the Series 2019 Bonds.

THE SERIES 2019 BONDS

General

The Series 2019 Bonds will be dated and will bear interest from the dates and at the rates set forth on the inside cover page hereof payable on June 1 and December 1 (each an "Interest Payment Date") of each year, commencing December 1, 2019. The Series 2019 Bonds shall be subject to redemption prior to maturity as stated below. Interest shall be payable on each Interest Payment Date to the registered owner of Series 2019 Bonds as appears on the registration maintained by the Trustee on each Regular Record Date, which is the close of business on the 15th day of the calendar month (whether or not a Business Day) immediately preceding each Interest Payment Date. Interest accruing on the Series 2019 Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months.

The Series 2019 Bonds are issuable only as fully registered bonds in denominations of \$5,000 and any integral multiple thereof. The Authority has established a book-entry-only system of registration for the Series 2019 Bonds (the "Book-Entry System"). Except as otherwise provided in the Indenture, The Depository Trust Company, New York, New York, or its successor as securities depository (the "Securities Depository" or "DTC") (or its nominee) will be the registered owner of the Series 2019 Bonds. By acceptance of a confirmation of purchase, delivery or transfer, each Beneficial Owner (defined herein) of an interest in the Series 2019 Bonds will be deemed to have consented to the Book-Entry System. The Securities Depository (or its nominee), as registered owner of the Series 2019 Bonds, will be the registered owner or holder of the Series 2019 Bonds for all purposes of the Indenture. See "Book-Entry-Only System" below.

So long as the Series 2019 Bonds are held in the Book-Entry System, the principal, premium, if any, and interest on the Series 2019 Bonds will be paid through the facilities of the Securities Depository. Interest on the Series 2019 Bonds is payable by check mailed to the Owner of record; provided that upon the written request of an Owner of record of at least \$1,000,000 aggregate principal amount of Series 2019 Bonds received by the Trustee at least one Business Day prior to the corresponding Regular Record Date, interest payable on such Series 2019 Bonds will be paid by wire transfer, in immediately available funds, to a bank account within the continental United States or by deposit into a bank account maintained with the Trustee, in either case, to the bank account number of such owner specified and entered by The Bank of New York Mellon Trust Company, N.A., as Bond Registrar (the "Bond Registrar") on the Bond Register.

Any interest on any Series 2019 Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the owner of such Series 2019 Bond on the relevant Regular Record Date by virtue of having been such owner, and such Defaulted Interest shall be paid to the Person in whose name the Series 2019 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Bond Registrar and to each Bondholder at his address as it appears in the Bond Register, not fewer than 10 days prior to such Special Record Date.

If the Book-Entry System is discontinued and the Series 2019 Bonds are issued in certificated form, the Series 2019 Bonds may be transferred or exchanged for an equal total amount of Series 2019 Bonds of other authorized denominations upon surrender of such Series 2019 Bonds to the Trustee, in Philadelphia, Pennsylvania, duly endorsed for transfer or accompanied by an assignment executed by the Owner or the Owner's duly authorized attorney and with a guaranty of signature satisfactory to the Trustee. Except as provided in the Indenture, the Bond Registrar will not be required to register the

transfer or exchange of any Series 2019 Bond (i) during the period of fifteen (15) days immediately preceding the date on which a notice of redemption of Series 2019 Bonds is mailed; or (ii) on the date on which Series 2019 Bonds are selected for redemption in whole or in part. Registration of transfers and exchanges shall be made without charge to the Owners, except that the Bond Registrar may require the Owner requesting registration of transfer or exchange to pay any required tax or governmental charge.

Book-Entry-Only System

The Series 2019 Bonds will be available initially only in book-entry form. Purchasers of the Series 2019 Bonds will not receive certificates representing their interest in the Series 2019 Bonds.

The following information concerning DTC and DTC's book-entry only system has been obtained from DTC. The Authority, the Underwriter, the College and the Trustee make no representation as to the accuracy of such information.

DTC will act as securities depository for the Series 2019 Bonds. The Series 2019 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2019 Bond certificate will be issued for each maturity of the Series 2019 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities 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 issues, 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 bond 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 a Standard & Poor's rating of AA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 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 Series 2019 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 Series 2019 Bonds, except in the event that use of the Book-Entry System for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 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 Series 2019 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 Series 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 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.

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.

Redemption notices shall be sent to DTC. If less than all of the Series 2019 Bonds 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 Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and interest on the Series 2019 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 the 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, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Series 2019 Bonds 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 Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2019 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2019 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's Book-Entry System has been obtained from sources that the Authority and the College believe to be reliable, but neither the Authority nor the College takes no responsibility for the accuracy thereof.

Redemption of the Series 2019 Bonds

Optional Redemption. The Series 2019 Bonds maturing on or after December 1, 2029, are subject to redemption at the option of the Authority, upon the direction of the College, in whole or in part at any time on or after June 1, 2029, at a redemption price of 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the redemption date.

Mandatory Redemption. The Series 2019 Bonds maturing December 1, 2044 are subject to mandatory redemption prior to maturity by the Authority in part at random in the principal amounts and on December 1 of the years set forth below, at a redemption price equal to the principal amount of the Series 2019 Bonds to be redeemed, plus accrued interest to the redemption date.

<u>Year</u>	<u>Amount</u>
2040	\$660,000
2041	690,000
2042	720,000
2043	750,000
2044 [†]	785,000

[†] Final Maturity.

The Series 2019 Bonds maturing December 1, 2048 are subject to mandatory redemption prior to maturity by the Authority in part at random in the principal amounts and on December 1 of the years set forth below, at a redemption price equal to the principal amount of the Series 2019 Bonds to be redeemed, plus accrued interest to the redemption date.

<u>Year</u>	<u>Amount</u>
2045	\$2,685,000
2046	2,795,000
2047	2,910,000
2048 [†]	3,025,000

[†] Final Maturity.

In the event that any Series 2019 Bonds subject to mandatory sinking fund redemption are redeemed (other than through mandatory sinking fund redemption pursuant to this section) and are cancelled by the Trustee, the Trustee shall cause the Authority to receive a credit against its mandatory sinking fund redemption obligations with respect to such Series 2019 Bonds of the same maturity in the aggregate principal amount of Series 2019 Bonds so redeemed, such credits to be given in such order of sinking fund redemption amounts as may be directed in writing by the College. Also, at its option, the College may deliver to the Trustee for cancellation Series 2019 Bonds purchased by the College. Such Series 2019 Bonds so purchased, delivered and cancelled shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund redemption obligations of the Authority with respect to Series 2019 Bonds of the same maturity in such order of maturity as may be directed in writing by the College, and the principal amount of Series 2019 Bonds to be redeemed by mandatory sinking fund redemption shall be accordingly reduced. Anything herein to the contrary notwithstanding, the

Authority and the College shall not receive credits against its mandatory sinking fund redemption obligations in respect of which the Trustee has given notice of redemption to Registered Owners prior to the accrual of such credits.

Extraordinary Optional Redemption. The Series 2019 Bonds are subject to extraordinary optional redemption in whole or in part at the option of the Authority, upon the written direction of the College, on any date prior to maturity, at a redemption price of 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the redemption date, in the event of condemnation, damage or destruction of any material properties of the College, out of proceeds of insurance, condemnation awards and the proceeds of conveyances in lieu of condemnations deposited with or held by the Trustee for such purpose.

The Authority shall direct the Trustee to call Bonds for optional redemption or extraordinary optional redemption only when it shall have been notified by the College to do so. Notice of any optional redemption or extraordinary optional redemption to the Trustee shall specify the principal amount of Series 2019 Bonds to be redeemed and the redemption date. The Authority will give the notice to the Trustee at least 15 days prior to the day on which the Trustee is required to give notice of such optional redemption or extraordinary optional redemption to the Bondholders. The Trustee may conclusively rely upon and shall be protected in acting in accordance with the direction of the Authority without investigation or inquiry into the validity or accuracy of such notice.

Notice of Redemption. The notice of the call for redemption of Series 2019 Bonds shall identify (i) the complete official name of the issue, (ii) the Series 2019 Bonds or portions thereof to be redeemed by designation, letters, CUSIP numbers, numbers or other distinguishing marks, interest rate, maturity date and principal amount, (iii) the redemption price to be paid, (iv) the date fixed for redemption, (v) the place or places, by name and address, where the amounts due upon redemption are payable and (vi) the name and telephone number of the person to whom inquiries regarding the redemption may be directed; provided, however, that the failure to identify a CUSIP number for said Series 2019 Bonds in the redemption notice, or the inclusion of an incorrect CUSIP number, shall not affect the validity of such redemption notice. The notice shall be given by the Trustee on behalf of the Authority at the expense of the College by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days, but no more than 60 days, prior to the date fixed for redemption, to the owner of each Series 2019 Bond subject to redemption in whole or in part at the owner's address shown on the Bond Register on the Business Day preceding that mailing. Failure to receive notice as provided herein, or any defect in that notice, as to any Series 2019 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2019 Bond.

In addition to the foregoing, the Trustee shall take the following actions with respect to such redemption notice, but no defect in the following actions or any failure to take the same shall defeat the effectiveness of the foregoing redemption notice: (a) at least 31 days prior to the date fixed for redemption, such redemption notice shall be given by (i) registered or certified mail, postage prepaid, (ii) legible facsimile transmission, or (iii) overnight delivery service, to DTC at the address specified in the Indenture; (b) at least 31 days before the date fixed for redemption, such redemption notice shall be given by the Trustee to the Municipal Securities Rulemaking Board ("MSRB") through its the Electronic Municipal Market Access system ("EMMA") as provided at <https://emma.msrb.org>, or any similar system that is acceptable to, or as may be prescribed, by MSRB (or, if such system is no longer in existence, to such other information service of national recognition that disseminates redemption information as is specified in writing by the College to the Trustee); or, in accordance with then current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other services, as the Authority may designate from time to time in writing to the Trustee; and (c) in the event that the Book-Entry System has been terminated as described in the Indenture, a second redemption notice shall be sent in the

same manner described in the first paragraph of this subsection not more than 60 days after the redemption date to the owner of any redeemed Series 2019 Bond which has not been presented for payment on the date of mailing such second notice. If the Book-Entry System is in effect, a second redemption notice shall not be required. Failure by the Trustee to provide any notice described in this paragraph shall not result in any liability to the Trustee.

If at the time of mailing of notice of any optional redemption or extraordinary optional redemption, the Authority shall not have deposited with the Trustee moneys sufficient to redeem all the Series 2019 Bonds called for redemption, such notice may state that it is conditional in that it is subject to the deposit of the sufficient moneys with the Trustee not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Partial Redemption. Any Series 2019 Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Series 2019 Bonds called for redemption in the notice given with respect thereto (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee duly executed by, the owner thereof or his attorney duly authorized in writing) and the Authority shall execute and the Trustee shall authenticate and deliver to the owner of such Series 2019 Bond without service charge, a new Series 2019 Bond or Series 2019 Bonds, of any authorized denomination as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2019 Bond so surrendered.

Selection of Series 2019 Bonds Called for Redemption. If less than all the Series 2019 Bonds are called for optional redemption or extraordinary optional redemption, the particular Series 2019 Bonds or portions thereof to be redeemed shall be selected from the maturities designated by the College, or if not so designated, by any method determined by the Trustee to be fair and reasonable. If less than all Series 2019 Bonds of a single maturity are to be redeemed, the selection of Series 2019 Bonds within such maturity, or portions thereof in authorized denominations, to be redeemed shall be made by lot by the Trustee in any manner which the Trustee may determine. The Trustee shall treat any Series 2019 Bond of a denomination greater than the minimum authorized denomination as representing that number of separate Series 2019 Bonds each of that minimum authorized denomination as can be obtained by dividing the actual principal amount of such Series 2019 Bond by that minimum authorized denomination; provided that no Series 2019 Bond shall be redeemed in part if it results in the unredeemed portion of the Series 2019 Bond being in a principal amount other than an authorized denomination.

Effect of Redemption. If (a) unconditional notice of redemption has been duly given or duly waived by the Holders of all Series 2019 Bonds called for redemption or (b) conditional notice of redemption has been so given or waived and the redemption moneys have been duly deposited with the Trustee, then in either such case the Series 2019 Bonds called for redemption shall be payable on the redemption date at the applicable redemption price. Payment of the redemption price together with accrued interest shall be made by the Trustee, out of Revenues (as defined herein) or other funds deposited for that purpose, to the holders of the Series 2019 Bonds called for redemption upon surrender of such Series 2019 Bonds and upon payment in full of the redemption price, interest shall cease to accrue on such Series 2019 Bonds.

Mandatory Purchase in Lieu of Redemption. Each Holder or Beneficial Owner, by purchase and acceptance of any Series 2019 Bond, irrevocably grants to the College the option to purchase such Series 2019 Bond at any time such Series 2019 Bond is subject to optional redemption as described in the Indenture and in this Official Statement. Such Series 2019 Bond is to be purchased at a purchase price equal to the then applicable Redemption Price of such Series 2019 Bond. If the College determines to purchase any Series 2019 Bond in lieu of allowing it to be redeemed, it will so notify the Trustee, in writing, prior to the Trustee canceling such Series 2019 Bond and on the date fixed for purchase of any

Series 2019 Bond in lieu of redemption as described herein, the College shall pay the purchase price of such Series 2019 Bond, plus accrued interest, to the Trustee in immediately available funds, and the Trustee shall pay the same to the Holders or the Series 2019 Bonds being purchased against delivery thereof. No purchase of any Series 2019 Bond in lieu of redemption as described herein shall operate to extinguish the indebtedness of the College evidenced by such Series 2019 Bond. No Holder or Beneficial Owner may elect to retain a Series 2019 Bond subject to mandatory purchase in lieu of redemption.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019 BONDS

Limited Obligations

THE SERIES 2019 BONDS SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION, INCLUDING, WITHOUT LIMITATION, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND DO NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE AUTHORITY, THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER SHALL THE SERIES 2019 BONDS NOR THE INTEREST THEREON BE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY. THE AUTHORITY HAS NO TAXING POWER. NO BREACH BY THE AUTHORITY OF THE INDENTURE OR OF ANY PROVISION OR CONDITION THEREIN OR IN THE SERIES 2019 BONDS OR OF ANY AGREEMENT EXECUTED IN CONNECTION WITH THE SERIES 2019 BONDS SHALL RESULT IN THE IMPOSITION OF ANY PECUNIARY LIABILITY UPON THE AUTHORITY OR THE COMMONWEALTH, ANY POLITICAL SUBDIVISION OR AGENCY OF THE COMMONWEALTH, THE COLLEGE, ANY CHARGE UPON THE GENERAL CREDIT OF THE AUTHORITY OR ANY CHARGE UPON THE GENERAL CREDIT OR AGAINST THE TAXING POWER OF THE COMMONWEALTH, OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE COMMONWEALTH. THE LIABILITY OF THE AUTHORITY UNDER THE INDENTURE AND THE SERIES 2019 BONDS, OR ANY PROVISION OR CONDITION THEREOF, OR OF ANY AGREEMENT THEREIN OR IN THE SERIES 2019 BONDS CONTAINED, OR OF ANY WARRANTY THEREIN OR IN THE SERIES 2019 BONDS INCLUDED, OR FOR ANY BREACH OR DEFAULT BY THE AUTHORITY OF ANY OF THE FOREGOING, SHALL BE LIMITED SOLELY AND EXCLUSIVELY TO THE REVENUES AND OTHER FUNDS PLEDGED TO THE TRUSTEE UNDER THE INDENTURE. THE AUTHORITY SHALL NOT BE REQUIRED TO EXECUTE OR PERFORM ANY OF ITS DUTIES, OBLIGATIONS, POWERS, OR COVENANTS UNDER THE INDENTURE OR THE SERIES 2019 BONDS EXCEPT TO THE EXTENT THE REVENUES AND OTHER FUNDS PLEDGED TO THE TRUSTEE UNDER THE INDENTURE ARE AVAILABLE THEREFOR. NO PRESENT OR FUTURE DIRECTOR, OFFICER, MEMBER, EMPLOYEE OR AGENT OF THE AUTHORITY SHALL BE PERSONALLY LIABLE BY REASON OF THE ISSUANCE OF SUCH SERIES 2019 BONDS OR THE EXECUTION OF THE INDENTURE, AND NO COVENANT, AGREEMENT OR OBLIGATION CONTAINED IN ANY SERIES 2019 BOND OR IN THE INDENTURE SHALL BE DEEMED TO BE A COVENANT, AGREEMENT OR OBLIGATION OF ANY PRESENT OR FUTURE DIRECTOR, OFFICER, MEMBER, EMPLOYEE OR AGENT OF THE AUTHORITY IN HIS OR HER INDIVIDUAL CAPACITY.

The Indenture

In order to secure the payment of the principal of and redemption premium, if any, and interest on the Series 2019 Bonds, the Authority is assigning to the Trustee, under the Indenture, all its right, title and interest in (but not the obligations) of the Authority under and pursuant to the terms of the Loan Agreement, all loan payments and all other payments, revenues and receipts receivable by the Authority

under the Loan Agreement (other than the Reserved Rights); and all of the right, title and interest of the Authority in and to all Funds and Accounts established under the Indenture and all moneys and investments now or hereafter held in the Indenture and all present and future Revenues. "Revenues" means (a) all amounts payable to the Trustee with respect to the principal or redemption price of, or interest on, the Series 2019 Bonds (i) upon deposit in the Bond Fund from the proceeds of the Series 2019 Bonds or of obligations issued by the Authority to refund the Series 2019 Bonds or (ii) by the College under the Loan Agreement; (b) any proceeds of Series 2019 Bonds originally deposited with the Trustee for the payment of interest accrued on the Series 2019 Bonds or otherwise; and (c) investment income with respect to any moneys held by the Trustee in the Bond Fund, the Project Fund and the Costs of Issuance Fund. See APPENDIX C hereto for a description of the Indenture.

The Loan Agreement

Under the Loan Agreement, the College is required to make loan payments to the Trustee in amounts sufficient to pay when due the principal or redemption price of, and interest on the Series 2019 Bonds and to redeem Series 2019 Bonds then outstanding if the College exercises its right to redeem Series 2019 Bonds under any provision of the Indenture or if any Series 2019 Bonds are required to be redeemed under any provision of the Indenture, and to make certain other payments. The Loan Agreement provides that the College shall pay without abatement, diminution or deduction (whether for taxes, loss of use, in whole or in part, of the Project Facilities or otherwise) all such amounts regardless of any cause or circumstance whatsoever, which may now exist or may, hereafter arise, including, without limitation, any defense, set-off, recoupment or counterclaim which the College may have or assert against the Authority, the Trustee, any Bondholder or any other Person.

Series 2019 Bonds are Unsecured Obligations of the College

The College's obligation under the Loan Agreement to make loan payments is a general obligation of the College and is not secured by any pledge of or mortgage or other lien on revenues or assets of the College. Each of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds (but not the 2017 Bonds or the Series 2019 Bonds) is, however, equally and ratably secured by the pledge of "Unrestricted College Revenues," as such term is defined in each loan agreement executed in connection with 2010 Bonds, the 2012A Bonds and the 2014 Bonds. Pursuant to the terms of the Intercreditor Agreement, following an event of default under the 2010 Bonds, the 2012A Bonds or the 2014 Bonds (but not the 2017 Bonds or the Series 2019 Bonds), the trustees for such series of Prior Bonds are entitled to hold the Unrestricted College Revenues for the equal and ratable benefit of the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds and any Parity Obligations issued by the College secured by a similar pledge of Unrestricted College Revenues. The College does not expect to issue any Parity Obligations secured by a pledge of Unrestricted College Revenues in the future. See "BONDHOLDERS' RISKS – No Pledge of College Revenues" herein.

No Recourse Against Members of the Authority

No recourse shall be had for any claim based on the Indenture or the Series 2019 Bonds, including but not limited to the payment of the principal or redemption price of, or interest on, the Series 2019 Bonds, against the Authority or any member, officer, agent or employee, past, present or future, of the Authority or of any successor body, as such, either directly or through the Authority or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise. The obligations and liabilities of the Authority arising under the Indenture shall be payable solely from the Revenues.

BONDHOLDERS' RISKS

General

The Series 2019 Bonds are special limited obligations of the Authority payable solely from amounts payable by the College under the Loan Agreement. Future revenues and expenses of the College are subject to change, and no representation or assurance can be given to the effect that the College will be able to generate sufficient revenues to meet its obligations, including its obligations to make payments under the Loan Agreement. The paragraphs below discuss certain Bondholders' risks but are not intended to be a complete enumeration of all of the risks associated with the Series 2019 Bonds and the College. Neither the Underwriter nor the Authority has made any independent investigation of the extent to which any of these risk factors may have an adverse impact on the revenues of the College.

Uncertainty of College Revenues and Expenses

There are a number of factors affecting institutions of higher education, including the College, that could have an adverse effect on the College's financial position and its ability to make the payments required under the Loan Agreement. Without intending to limit the generality of the foregoing, these factors include: competition from other educational institutions; an economic downturn, locally or in the regions served by the College; shortfalls in sources of College revenue other than tuition and fees, such as fundraising campaigns and other general donor contributions, grants, or appropriations from governmental agencies (including changes in federally guaranteed student financial aid programs); a decrease in student loan opportunities, as may impact enrollment; investment losses in endowment and other funds; increasing costs of compliance with governmental regulations, including accommodations for handicapped or special needs students, and costs of compliance with the changes in such regulations; future legislation, regulatory, and judicial or administrative determinations affecting colleges and universities and their exemptions from various taxes; and future economic and other conditions which are unpredictable.

Fluctuations in Market Value of Investments

Earnings on investments have historically provided the College an important source of cash flow and capital appreciation to support its programs and services, to finance capital expenditure investments and to build cash reserves. Historically, the market value of the investments has fluctuated and, in some instances, the fluctuations have been quite significant. No assurances can be given that the market value of the investments of the College will grow or even remain at current levels. There is risk that such market value will decline.

Competition

Competition among institutions of higher education is intense internationally, nationally and regionally. Among a number of factors, universities and colleges compete based on location, tuition rates or the net cost of attendance, degree offerings, and academic reputation. To the extent that competitors have or achieve an advantage with respect to any of these or other factors, the College could be adversely affected. In addition, competitive pressures could result in tuition reductions or the inability to raise tuition, which could cause an adverse effect on the College's unrestricted net assets.

Potential for Additional Legislation or Regulation

In recent years, the activities of non-profit tax-exempt corporations have been subjected to increasing scrutiny by federal, state and local legislative and administrative agencies (including the

United States Congress, the Internal Revenue Service (the “IRS”), the Pennsylvania General Assembly and local taxing authorities). Various proposals either have been considered previously or are presently being considered at the federal, state and local level which would restrict the definition of tax-exempt or non-profit status, impose new restrictions of the activities of tax-exempt, non-profit corporations, and/or tax or otherwise burden the activities of such corporations (including proposals to broaden or strengthen federal and local tax law provisions respecting unrelated business income of non-profit corporations).

Covenant to Maintain Tax-Exempt Status of the Series 2019 Bonds

The tax-exempt status of the Series 2019 Bonds is based on the continued compliance by the Authority and the College with certain covenants contained in the Indenture, the Loan Agreement, and certain other documents executed by the Authority and the College. These covenants are aimed at satisfying applicable requirements of the Code and relate generally to use of the proceeds of the Series 2019 Bonds, maintenance of the status of the College as an organization meeting the requirements of Section 501(c)(3) of the Code, arbitrage limitations, rebate of certain excess investment earnings to the federal government and restrictions on the amount of issuance costs financed with the proceeds of the Series 2019 Bonds. Failure to comply with such covenants could cause interest on the Series 2019 Bonds to become subject to federal income taxation retroactive to the date of issuance of the Series 2019 Bonds.

Enforceability of Remedies

Bondholders of the Series 2019 Bonds are unsecured creditors of the College. The remedies available to such Bondholders upon an event of default under the Indenture and Loan Agreement are in many respects dependent upon judicial action which may be subject to discretion or delay. Under current Pennsylvania law, involuntary petitions for relief under Title 11 of the United States Code, as amended (the “Bankruptcy Code”) are not permitted. In addition, under existing law and judicial decisions, including specifically the Bankruptcy Code, the remedies (including, without limitation, specific performance) specified in the Indenture and Loan Agreement may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the original delivery of the Series 2019 Bonds will be qualified as to enforceability of the various legal instruments (including the Indenture and Loan Agreement) by a number of limitations, including those imposed by the bankruptcy, reorganization, insolvency or other similar laws affecting creditors’ rights and by the application of equitable principles.

Potential Effects of Bankruptcy

Under existing law, if the College were to file a petition for relief under the Bankruptcy Code, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the College and its property. If the bankruptcy court so ordered, the College’s property, including its revenues, could be used for the benefit of the College despite the claims of its creditors (including the Trustee).

In a bankruptcy proceeding, the College could file a plan for the adjustment of its debts which modifies the rights of creditors generally or the rights of any class of creditors – secured or unsecured. The plan, if and when confirmed by the court, would bind all creditors who had notice or knowledge of the plan and discharge all claims against the debtor provided for in the plan. No plan may be confirmed unless, among other conditions, the plan is in the best interest of creditors, is feasible and has been accepted by each class of claims impaired thereunder.

Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the plan are cast in its

favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly.

In case of financial difficulties, the College may also commence state court receivership proceedings. Involuntary filings under the Bankruptcy Code are not permitted under current Pennsylvania law.

There can be no assurance that Bondholders or Beneficial Owners will receive all or any amount as payment with respect to the Series 2019 Bonds under any plan or court order resulting from the bankruptcy, receivership or other similar court action.

No Pledge of College Revenues

The College's obligations under the Loan Agreement will be unsecured, general obligations of the College and the College has not pledged any lien on or security interest in the revenues or assets of the College to the Holders of the Series 2019 Bonds. Further, the Series 2019 Bonds are not secured by a mortgage on any real property of the College.

In the loan agreements executed in connection with the issuance of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds, the College has previously pledged a lien on and security interest in its "Unsecured College Revenues" (as such term is defined in such prior loan agreements) on an equal and ratable basis for the benefit of the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds. In order to perfect such security interests by the filing of financing statements, the College has covenanted to cause financing statements relating to such pledges to be filed in the appropriate filing offices. To the extent the security interest pledged to the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds can be perfected through the filing of financing statements, the security interest pledged to the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds may be considered to be perfected and such holders may be treated as secured creditors of the College.

Pursuant to the terms of the Intercreditor Agreement, following an event of default under the loan agreement or the documents entered into in connection with the 2010 Bonds, the 2012A Bonds and the 2014 Bonds, the Trustee will hold Unrestricted College Revenues for the equal and ratable benefit of the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds then outstanding.

The existence of the pledge of and security in Unrestricted College Revenues for benefit of the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds does not prevent the expenditure, deposit or commingling of the Unrestricted College Revenues by the College so long as all required payments under the loan agreements relating to the 2010 Bonds, the 2012A Bonds and the 2014 Bonds are made when due. In the event of a failure to make payments when due or an event of default with respect to the 2010 Bonds, the 2012A Bonds and the 2014 Bonds shall have occurred and be continuing, the trustees for the 2010 Bonds, the 2012A Bonds and the 2014 Bonds shall have and may exercise all of their statutory rights as secured parties, and the College has covenanted thereafter to pay directly to such trustees, or permit such trustees to collect for the equal and ratable benefit of the owners of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds, all Unrestricted College Revenues to the extent necessary to cure the payment default.

The effectiveness of the pledge of Unrestricted College Revenues for the benefit of the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds is limited since a security interest in money generally cannot be perfected by the filing of financing statements under the Pennsylvania Uniform Commercial Code ("UCC"). Rather, such a security interest is perfected by taking possession of the

subject funds. The moneys constituting Unrestricted College Revenues received by the College from time to time are not required to be transferred to or held by the trustees for the 2010 Bonds, the 2012A Bonds and the 2014 Bonds, and may be spent by the College or commingled with its other funds. Under the circumstances, the pledge of Unrestricted College Revenues may not be perfected under the UCC.

To the extent that a security interest can be perfected in the Unrestricted College Revenues by the filing of financing statements, the College has covenanted with the holders of the 2010 Bonds, the 2012A Bonds and the 2014 Bonds to take such action. The security interest in the Unrestricted College Revenues may not be enforceable against third parties unless such Unrestricted College Revenues are actually transferred to the trustees for the 2010 Bonds, the 2012A Bonds and the 2014 Bonds or are subject to exceptions under the UCC as enacted in the Commonwealth. Under current law, such security interest may be further limited by the following: (1) statutory liens; (2) rights arising in favor of the United States of America or any agency thereof; (3) present or future prohibitions against assignment contained in any Pennsylvania or federal statutes or regulations; (4) constructive trusts, equitable liens or other rights impressed or conferred by any Pennsylvania or federal court in the exercise of its equitable jurisdiction; (5) federal bankruptcy laws or state laws dealing with fraudulent conveyances affecting assignments of revenues and assets; and (6) any defect in the filing of, or any failure to file, appropriate continuation statements pursuant to the UCC.

Other Risk Factors Relating to the Finances and Operations of the College

In the future, the following factors, among others, may adversely affect the operations of the College to an extent that cannot be determined at this time.

1. Changes in the demand for higher education in general or for programs offered by the College in particular.
2. Cost and availability of energy.
3. Future interest rates, which could prevent borrowing for needed capital expenditures.
4. A decrease in student loan funds or other aid that provides many students with the opportunity to pursue higher education. See APPENDIX A – “Student Financial Aid.”
5. An increase in the costs of health care benefits, retirement plan, or other benefit packages offered by the College to its employees and retirees. See APPENDIX A – “Retirement Benefits” for a discussion of the costs of the College’s pension plans.
6. A significant decrease in the value of the College’s investments caused by market or other factors. See APPENDIX A – “Endowment and Other Investment Assets” for a discussion of the College’s investments.
7. Unknown litigation, regulatory actions or other similar claims regarding the College or any of its affiliates. See APPENDIX A – “Legal Matters.”
8. A reduction in charitable pledges and other fundraising support of the College. See APPENDIX A – “Gifts, Contributions and Grants” for a description of fundraising activities at the College.
9. Employee strikes and other adverse labor actions that could result in a substantial reduction in revenues or increases in costs.

10. Increased costs and decreased availability of liability or property or other form of insurance.

11. The occurrence of natural disasters, including floods and hurricanes, which might damage the facilities of the College, interrupt service to the facilities or otherwise impair the operation and ability of the facilities to produce revenue.

TAX MATTERS

Opinions of Co-Bond Counsel

In the opinion of Stevens & Lee, P.C., Reading, Pennsylvania, and Turner Law, P.C., Philadelphia, Pennsylvania, Co-Bond Counsel, based upon existing laws, regulations and rulings, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2019 Bonds is not includable in gross income for federal income tax purposes under Section 103(a) of the Code. Co-Bond Counsel is of the further opinion that interest on the Series 2019 Bonds is not a specific preference item for purposes of the federal alternative minimum taxes on individuals.

Co-Bond Counsel is also of the opinion that, under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), the Series 2019 Bonds and interest on the Series 2019 Bonds shall be free from taxation for State and local purposes within the Commonwealth, but this exemption does not extend to gift, estate, succession or inheritance taxes, or any other taxes not levied directly on the Series 2019 Bonds or the interest thereon. Under the laws of the Commonwealth, profits, gains, or income derived from the sale, exchange or other disposition of the Series 2019 Bonds are subject to State and local taxation within the Commonwealth.

General

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2019 Bonds. The Authority and the College have made certain representations and covenanted to comply with certain restrictions designed to ensure that interest on the Series 2019 Bonds will not be included in federal gross income. Inaccuracy of these representations and failure to comply with these covenants may result in interest on the Series 2019 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2019 Bonds. The opinions of Co-Bond Counsel assume the accuracy of these representations and compliance with these covenants. Co-Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring), or any other matters coming to Co-Bond Counsel's attention after the date of issuance of the Series 2019 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2019 Bonds.

In addition, Co-Bond Counsel has assumed that the proceeds of the Series 2019 Bonds will be expended as required by and described in the Loan Agreement, the Indenture and the Nonarbitrage Certificate and Compliance Agreement and the other relevant documents, agreements, instruments and certificates executed and delivered in connection with the issuance of the Series 2019 Bonds (collectively, the "Bond Documents"). Finally, Co-Bond Counsel has assumed that each party to the Bond Documents will carry out all obligations imposed on such party by the Bond Documents in accordance with the terms thereof and that all representations and certifications contained in the Bond Documents are accurate, true and complete.

Certain requirements and procedures contained or referred to in the Indenture, the Loan Agreement, the Nonarbitrage Certificate and Compliance Agreement and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2019 Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in those documents. Co-Bond Counsel expresses no opinion as to any Series 2019 Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Stevens & Lee, P.C. and Turner Law, P.C.

Although Co-Bond Counsel is of the opinion that interest on the Series 2019 Bonds is not includable in gross income for federal income tax purposes and is exempt from certain state taxes as described above, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2019 Bonds may otherwise affect a Beneficial Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Co-Bond Counsel expresses no opinion regarding any such other tax consequences.

The Series 2019 Bonds maturing December 1, 2049 have been offered at a discount ("original issue discount") equal generally to the difference between the public offering price and the principal amount. For Federal income tax purposes, original issue discount on a Series 2019 Bond accrues periodically over the term of the Series 2019 Bond as interest with the same tax exemption and alternative minimum tax status as regular interest. The accrual of original issue discount increases the holder's tax basis in the Series 2019 Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Holders should consult their tax advisers for an explanation of the accrual rules.

The Series 2019 Bonds maturing December 1, 2020 to and including December 1, 2032 and the Series 2019 Term Bonds maturing December 1, 2044 and December 1, 2048 have been offered at a premium ("original issue premium") over their principal amount. For Federal income tax purposes, original issue premium is amortizable periodically over the term of a Series 2019 Bond through reductions in the holder's tax basis for the Series 2019 Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the Series 2019 Bond rather than creating a deductible expense or loss. Holders should consult their tax advisers for an explanation of the amortization rules.

Future legislation, if enacted into law, or clarification of the Code may cause interest on the Series 2019 Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislation or clarification of the Code may also affect the market price for, or marketability of, the Series 2019 Bonds. Prospective purchasers of the Series 2019 Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation, as to which Co-Bond Counsel expresses no opinion.

The opinion of Co-Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Co-Bond Counsel's judgment as to the proper treatment of the Series 2019 Bonds for federal income tax purposes. It is not binding on the IRS or the courts.

Co-Bond Counsel's engagement with respect to the Series 2019 Bonds ends with the issuance of the Series 2019 Bonds.

The proposed form of opinion of Co-Bond Counsel is included as APPENDIX D to this Official Statement.

LEGAL MATTERS

Legal matters incident to the authorization, issuance, and sale of the Series 2019 Bonds will be passed upon by Stevens & Lee, P.C., Reading, Pennsylvania and Turner Law, P.C., Philadelphia, Pennsylvania, Co-Bond Counsel. The proposed form of Co-Bond Counsel's opinion with respect to the Series 2019 Bonds is included in APPENDIX D hereto. Certain legal matters will be passed upon for the Authority by its counsel, Barley Snyder LLP, Lancaster, Pennsylvania; for the College by its counsel, Ballard Spahr LLP, Philadelphia, Pennsylvania; and for the Underwriter by its counsel, Dilworth Paxson LLP, Philadelphia, Pennsylvania.

INDEPENDENT ACCOUNTANTS

The financial statements of the College as of May 31, 2018 and May 31, 2017 and for each of the two years in the period ended May 31, 2018, included in APPENDIX B to this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report appearing herein.

RATINGS

Moody's Investors Service, Inc. ("Moody's") has assigned the Series 2019 Bonds a long-term municipal bond rating of "Aa2." S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") has assigned the Series 2019 Bonds a long-term municipal bond rating of "AA+." Any explanation of the significance of any ratings may only be obtained from the rating agency furnishing the same.

The College has furnished to the rating agencies certain information and material concerning the Series 2019 Bonds and itself. Generally, rating agencies base their ratings on this information and materials and on investigations, studies and assumptions made by the rating agencies themselves. There is no assurance that the ratings initially assigned to any of the Series 2019 Bonds will be maintained for any given period of time or that such ratings may not be revised downward or withdrawn entirely by a rating agency if, in its judgment, circumstances so warrant. Any downward change in or the withdrawal of any such rating might have an adverse effect on the market price or marketability of the Series 2019 Bonds to which it applies.

UNDERWRITING

Pursuant to the provisions of a bond purchase agreement among the Authority, the College and Wells Fargo Bank, National Association (the "Underwriter"), the Underwriter has agreed, subject to certain conditions, to purchase the Series 2019 Bonds from the Authority at a purchase price of \$30,240,889.86 (reflecting the par amount, less an Underwriter's discount of \$86,721.14, plus net original issue premium of \$3,422,611.00). The Underwriter will be obligated to purchase all of the Series 2019 Bonds if any are purchased. The public offering prices may be changed, from time to time, by the Underwriter. The Series 2019 Bonds may be offered and sold to certain dealers (including the Underwriter and other dealers depositing the Series 2019 Bonds into investment trusts) at prices lower than such public offering prices.

The bond purchase agreement for the Series 2019 Bonds requires the College to indemnify the Authority and the Underwriter against certain liabilities relating to the Official Statement.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo

Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Products Group (“WFBNA”), the underwriter of Series 2019 Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the Series 2019 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2019 Bonds with WFA. WFBNA also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the Series 2019 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

The Underwriter may offer and sell the Series 2019 Bonds to certain dealers (including dealer banks and dealers depositing Series 2019 Bonds into investment trusts) and others at prices lower than the public offering prices. Such initial public offering prices may be changed from time to time by the Underwriter.

FINANCIAL ADVISOR

The College has retained PFM Financial Advisors LLC (“PFM”) as financial advisor in connection with the structuring and offering of the Series 2019 Bonds. PFM is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. PFM is an independent advisory firm and does not engage in the business of underwriting, trading or distributing municipal securities or other public securities.

LITIGATION

The Authority

There is no litigation of any nature pending or, to the Authority’s knowledge, threatened against the Authority at the date of this Official Statement to restrain or enjoin the issuance, sale, execution or delivery of the Series 2019 Bonds, or in any way contesting or affecting the validity of the Series 2019 Bonds or any proceedings of the Authority taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or the security provided for the payment of the Series 2019 Bonds or the existence or powers of the Authority.

The College

There are certain legal actions pending or threatened against the College, which have arisen in the ordinary course of the College’s business. In the opinion of College’s management, any adverse decisions in such litigation will be adequately insured or will not have a material adverse effect on the College’s current business, financial position or operations. See “Legal Matters” in APPENDIX A hereto.

CONTINUING DISCLOSURE UNDERTAKING

In connection with the issuance of the Series 2019 Bonds, the College will execute a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") pursuant to which the College will covenant, in compliance with the provisions of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC"), to provide the following annual financial information and operating data (collectively, the "Annual Report") by December 15 following the end of each fiscal year of the College and notices of certain specified events required by the Rule:

- (i) a copy of its audited annual financial statements prepared in accordance with generally accepted accounting principles; and
- (ii) to the extent not included in the financial statements delivered pursuant to (i) above, an update of the information set forth in the following subsections of "APPENDIX A — CERTAIN INFORMATION CONCERNING BRYN MAWR COLLEGE" to the Official Statement: the table under the caption "Student Applications, Admissions, and Enrollments;" the table under the caption "Student Fees;" the table under the caption "Student Financial Aid;" the tables captioned "Statement of Financial Position" and "Statement of Activities" under the caption "Accounting Matters;" the table under the caption "Endowment and Other Investment Assets;" the table under the caption "Net Assets;" and the table under the caption "Gifts, Contributions and Grants."

Such information will be filed with the MSRB through its EMMA system (<https://emma.msrb.org>) ("EMMA"). The form of the Continuing Disclosure Agreement is attached hereto as APPENDIX E.

See <https://emma.msrb.org> for a complete history of the College's continuing disclosure filings.

During the past five years, the College filed late, filed only in part, did not include all outstanding CUSIP numbers, or presented information in a format different than the format required, certain audited financial statements and/or annual reports and notices of failure to file audited financial statements and/or annual reports. All of such filings were required to be filed pursuant to continuing disclosure agreements (collectively, the "Prior Undertakings") entered into by the College with respect to the Prior Bonds, as well as the Authority's Bryn Mawr College Revenue Bonds, Series of 2007, which were refunded with proceeds of the 2017 Bonds.

Set forth below is a summary of each instance in the past five years in which the College filed its audited financial statements and its annual financial and operating information to EMMA after the relevant deadlines or re-filed information in the format required by the Prior Undertakings:

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FY Ended	Filing Deadline	Audited Financial Statements Filing Date	Annual Report Filing Date**
May 31, 2018	November 27, 2018	November 7, 2018	November 7, 2018 and July 18, 2019
May 31, 2017	November 27, 2017	November 21, 2017	November 21, 2017 and July 18, 2019
May 31, 2016	October 28, 2016*	November 7, 2016	November 7, 2016 and April 27, 2017
May 31, 2015	October 28, 2015*	On Time	October 23, 2015, and April 27, 2017
May 31, 2014	October 28, 2014*	On Time	October 16, 2014, November 7, 2016 and April 27, 2017

* The due date noted for the annual financial statements and annual financial and operating information was based upon the disclosure in the Official Statement related to the Series 2007 Bonds, which stated that the due date for the College's audited financial statements and its annual financial and operating information was 150 days after the end of each fiscal year, although the Prior Undertaking relating to the Series 2007 Bonds set forth the deadline for such filing as 200 days after the end of each fiscal year. The Series 2007 Bonds were refunded in whole with a portion of the proceeds of the 2017 Bonds.

** The first date listed for each fiscal year is the date such annual report was originally filed. Subsequent dates are the dates on which corrective reports were filed which included certain operating data, such as endowment investment asset allocation, gifts, contributions and grants, historical operating results and governance, which were not included in the initial reports or were included in a format inconsistent with the requirements of the Prior Undertakings.

The College has updated its annual continuing disclosure policies and implemented procedures to incorporate all data gathering and filing requirements set forth in its Prior Undertakings and the Continuing Disclosure Agreement to help ensure timely filing of complete audited financial statements and the annual financial and operating information and requisite material event notices.

The Authority is not a party to the Continuing Disclosure Agreement, and is not required to provide disclosure regarding its financial condition because, among other things, its financial condition is not material to an investment in the Series 2019 Bonds. In addition, the Authority has no responsibility for the Continuing Disclosure Agreement or the College's compliance with the Continuing Disclosure Agreement or for the information provided by the College thereunder.

The Continuing Disclosure Agreement shall terminate upon payment or provision for payment in full of the Series 2019 Bonds.

MISCELLANEOUS

This Official Statement has been duly approved by the College, and solely as to and for purposes of distribution by the Authority. The Authority and the College have authorized its distribution in

connection with the offering of the Series 2019 Bonds. This Official Statement is not to be construed as a contract or agreement between the Authority or the College and the purchasers or holders of any Series 2019 Bonds.

All of the summaries of the provisions of the Act, the Indenture, the Loan Agreement, the Continuing Disclosure Agreement and of the Series 2019 Bonds set forth herein are only brief outlines of certain provisions thereof and are made subject to all of the detailed provisions thereof, to which reference is hereby made for further information, and do not purport to be complete statements of any or all such provisions of such document.

The Series 2019 Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

Information concerning the College has been provided by the College. All estimates, projections, and assumptions herein have been made on the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates, projections, or assumptions are correct or will be realized. So far as any statements herein involve matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. The Authority and the College have authorized the execution and distribution of this Official Statement. The Authority has not assisted in the preparation of this Official Statement, except for the statements under the sections captioned "INTRODUCTION – The Authority," "THE AUTHORITY" and "LITIGATION – The Authority" herein and, except for those sections, the Authority is not responsible for any statements made in this Official Statement. Except for the authorization, execution, and delivery of documents required to effect the issuance of the Series 2019 Bonds, the Authority assumes no responsibility for the disclosures set forth in this Official Statement.

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**PENNSYLVANIA HIGHER EDUCATIONAL
FACILITIES AUTHORITY**

By: /s/ Beverly M. Nawa
Name: Beverly M. Nawa
Title: Acting Executive Director

Approved:

BRYN MAWR COLLEGE

By: /s/ Kari Fazio
Name: Kari Fazio
Title: Chief Financial Officer and Treasurer

APPENDIX A
CERTAIN INFORMATION CONCERNING
BRYN MAWR COLLEGE

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In addition to the information provided in the Official Statement, including each of the appendices attached thereto, with respect to the Pennsylvania Higher Educational Facilities Authority Bryn Mawr College Revenue Bonds, Series 2019 (the "Series 2019 Bonds"), the College (as defined herein) has provided the following description of the College and certain relevant operating data with respect thereto. A complete review of this Appendix A, together with the body of the Official Statement and all other appendices attached thereto, is essential to the making of an informed investment decision by any purchaser of the Series 2019 Bonds. In the making of an informed investment decision relating to the Series 2019 Bonds, a potential purchaser should not conclude that the presentation of information in this Appendix A, versus presentation of same in the body of the Official Statement, denotes that the information so provided in this Appendix A is of less relevance or importance than the information set forth in the body of the Official Statement.

The College has not authorized anyone to give any information or to make any representations not contained in the Official Statement or supplemental thereto, and if given or made, such other information or representations must not be relied upon as having been authorized. The delivery by the College of the information contained herein shall not, under any circumstances, create any implication that there has been no material change in the affairs of the College since the date of the Official Statement. All capitalized terms used herein and not otherwise expressly defined herein shall have the respective meanings set forth in the Official Statement.

Information included in this Appendix A includes forward-looking statements about the future that are necessarily subject to various risks and uncertainties (the "Forward-Looking Statements"). These Forward-Looking Statements are (i) based on the beliefs and assumptions of management of the College and on information currently available to such management; and (ii) often identifiable by words such as "estimates," "expects," "expected," "plans," "believes" and similar expressions.

Events that could cause future results to differ materially from those expressed in or implied by Forward-Looking Statements or historical experience include the impact or outcome of many factors that are described throughout this Appendix A and the rest of the Official Statement. Although the ultimate impact of such factors is uncertain, they may cause future performance to differ materially from results or outcomes that are currently sought or expected by the College. See also, "BONDHOLDERS' RISKS" in the front part of the Official Statement.

Unless otherwise noted, all information provided in this Appendix A, including the information in the tables, has been provided by the College, some of which has been derived from the audited financial statements of the College. 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.

History

In 1885, Bryn Mawr College (“Bryn Mawr” or the “College”), a Pennsylvania nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, was established by the will of Joseph W. Taylor, a physician who wanted to create a college “for the advanced education of females.” The College began as a Quaker institution but by 1893 was nondenominational, prioritizing excellence in scholarship over religious affiliation in the appointment of faculty and admission of students. Bryn Mawr’s founding mission was to offer women a more rigorous education than was currently available. It provided both undergraduate and graduate courses of study from the outset, being the first women’s college to offer a Ph.D., and among the first college of any kind to offer a Ph.D. in Social Work.

In 1915, the Graduate School of Social Work and Social Research was established. Since 1931, graduate enrollment has been co-educational. Bryn Mawr’s residential Undergraduate College continues to admit only women.

Within the decades following the establishment of the Graduate School of Social Work and Social Research, the first formal cooperative arrangements among Bryn Mawr, Haverford and Swarthmore Colleges were established. Bryn Mawr is a member, with Haverford and Swarthmore Colleges, of the Tri-College Consortium. The College is also a member of the Quaker Consortium with Haverford, Swarthmore and the University of Pennsylvania.

Accreditation and Memberships

Bryn Mawr is accredited by the Middle States Commission on Higher Education (“MSCHE”). The College’s accreditation was reaffirmed on November 19, 2015. The College is actively working on the Self-Study Report for MSCHE’s reaccreditation application in preparation for the evaluation visit scheduled for 2019-2020. The Graduate School of Social Work and Social Research is fully accredited by the Council on Social Work Education. The most recent reaffirmation was issued July 2016 for eight years ending June 2024.

The College is a member of the American Council on Education, the American Association of Colleges and Universities, the Consortium on Financing Higher Education and the National Association of College and University Business Officers among others.

Governance and Administration

The government of the College is vested in the College’s Board of Trustees (the “Board of Trustees”). The College’s By-Laws provide that the Board of Trustees shall be comprised of not less than 21 members, with the President of the College and the President of the Alumnae Association serving as *ex officio* members. With the exception of the officers of the Board of Trustees, members of the College’s Board of Trustees serve for five-year terms. Generally, no Trustee may serve longer than two five-year terms without an interval of at least one year. Officers may be reappointed indefinitely for additional one-year terms. The Board of Trustees is required to meet at least three times per year. The Executive Committee of the Board of Trustees is authorized to act on behalf of the full Board between meetings.

The Trustees of the Board, the year in which their current term commenced, principal affiliation and place of residence are as follows:

Name	Beginning of Term	Occupation and Residence
Catherine Allegra	2015	Global Head, Markit on Demand; Boulder, CO
Christy Allen ⁽³⁾	2018	General Counsel, Department of General Services, State of Tennessee; Nashville, TN
Cynthia A. Archer ⁽¹⁾⁽²⁾	2001	Retired Executive Vice President and Chief Marketing Officer, Sunoco, Inc.; Villanova, PA
Sandy Baum ⁽²⁾	2012	Nonresident Fellow, The Urban Institute, and Professor Emerita of Economics, Skidmore College; Boca Raton, FL
Stephanie L. Brown ⁽³⁾	2014	Attorney, Of Counsel, Markun Zusman Frenier and Compton; Boston, MA
Mary L. Clark	2011	Professor of Law and Interim Provost, American University; Washington, DC
Cecelia A. Conrad ⁽¹⁾⁽²⁾	2014	Managing Director, MacArthur Fellows Program, MacArthur Foundation; Chicago, IL
Susan Jin Davis ⁽³⁾	2012	Chief Sustainability Officer, Comcast Corp.; Kennett Square, PA
Cheryl R. Holland ⁽¹⁾⁽²⁾	2012	President, Abacus Planning Group; Columbia, SC
Jing-Yea Amy Hsu ⁽²⁾	2018	Global Chief Executive Officer, Reliable Source Industrial; Taipei, Taiwan
Denise Lee Hurley ⁽¹⁾⁽²⁾	2001	Retired, Historic Preservation Consultant; New York, NY
Kiki Jamieson ⁽³⁾	2017	President, Fund for New Jersey, Princeton, NJ
Justine Jentes ⁽¹⁾	2007	Community Engagement Manager, Exelon Corporation; Chicago, IL
Eileen P. Kavanagh ⁽¹⁾	2011	Partner, LitchfieldCavo LLP; Lynnfield, MA
Antonia L. Kerle ⁽¹⁾	2017	Public Policy, Economics and Politics Consultant, The Economist Intelligence Unit; London, UK
Karen Kerr ⁽²⁾	2018	Retired, Executive Managing Director, Equity Investing, GE Ventures; Chicago, IL
Jeffrey I. Kohn ⁽³⁾	2017	Managing Partner, New York, O'Melveny & Meyers LLP; Chappaqua, NY
Amy T. Loftus ⁽¹⁾⁽²⁾	2011	General Manager, Slalom Consulting LLC; Malvern, PA

Name	Beginning of Term	Occupation and Residence
Ann Logan, Board Chair ⁽¹⁾⁽²⁾⁽³⁾	2009	Retired, Executive Vice President Fannie Mae; Chevy Chase, MD
Ana Maria Lopez, M.D.	2015	Professor, Sidney Kimmel Cancer Center Division Director, and Vice Chair Department of Medical Oncology, Jefferson Health; Philadelphia, PA
Susan Leigh MacLaurin ⁽¹⁾	2003	Executive Vice President Corporate Communications, Quadreal Property Group; Vancouver, BC, Canada
Patrick T. McCarthy	2012	Retired, President and Chief Executive Officer, The Annie E. Casey Foundation; Baltimore, MD
Barry Mills ⁽²⁾	2018	President Emeritus, Bowdoin College; Boston, MA
Margaret A. Sarkela ⁽³⁾	2013	Retired, Executive Director, Reach Prep; New York, NY
Janet L. Steinmayer ⁽¹⁾	2004	President, Lesley University; Cambridge, MA
Saskia Subramanian President of the Alumnae Association	2016	Sociologist, University of California Los Angeles Center for Culture and Health; Palos Verdes Estates, CA
Severa von Wentzel	2016	Retired, Teaching Resources Consultant, Médecins Sans Frontières; London, UK
Teresa Wallace	2016	Retired, Guidance Counselor, Abington High School; Bala Cynwyd, PA
Elizabeth Vogel Warren	2013	Consulting Curator, American Folk Art Museum; New York, NY
Nanar Tabrizi Yoseloff	2014	Writer, Self-Employed; New York, NY

⁽¹⁾ Executive Committee

⁽²⁾ Finance Committee

⁽³⁾ Audit Committee

The College is administered on a day-to-day basis by the President, other officers of the College, and six other senior staff members. The President, an *ex officio* member of the Board of Trustees, directs the general affairs of the College and is responsible to the Board of Trustees. All other officers of the College are appointed by the President. In addition to the President, the other non-trustee officers of the College are Mary Osirim, Provost; Kari Fazio, Chief Financial Officer/Treasurer and Chief Administrative Officer; Ruth Lindeborg, Secretary of the College; and Samuel B. Magdovitz, College Counsel.

Following are brief resumes of Bryn Mawr's officers:

KIMBERLY WRIGHT CASSIDY, President of the College, became the College's ninth president in February 2014. Dr. Cassidy received her bachelor's degree from Swarthmore College and her master's degree and doctorate in Psychology from the University of Pennsylvania. Dr. Cassidy joined the College

faculty in 1993 and served as Chair of the Psychology Department from 2004-2007, as Provost from 2007-2013, and as Interim President from July 2013 to February 2014. Early in her presidency Dr. Cassidy collaborated with the Board and campus community to develop a strategic vision for the undergraduate college and to enhance graduate programs. Throughout her tenure, Dr. Cassidy has been instrumental in leading the College's commitment to curricular innovation, to integrating digital approaches in teaching and learning, and advancing programs to more closely connect liberal arts studies to career paths and graduate pursuits. Dr. Cassidy continues to teach at the undergraduate level.

MARY JOHNSON OSIRIM, Provost of the College since March 2015, received her bachelor's degree from Harvard-Radcliffe, her master's degree from The London School of Economics and Political Science and her doctorate from Harvard University. Dr. Osirim joined Bryn Mawr as an Instructor of Sociology in 1985 and served as the Chair of Sociology from 1998-2001 and 2008-2010, and was appointed Dean of Graduate Studies from 2011-2013, and Interim Provost 2013-2015. In addition, Dr. Osirim served as co-director of the College's Center for International Studies and its Center for Ethnicities, Communities, and Social Policy (now the Center for Social Sciences), and as director of its Africana Studies Program. She also served as Faculty Diversity Liaison at the College and is a member of the Diversity Leadership Group. She has served on the board of the Middle States Commission on Higher Education.

KARI FAZIO, Chief Financial Officer/Treasurer and Chief Administrative Officer of the College, joined the College in October, 2014. Ms. Fazio earned her bachelor's degree from Georgetown University and her M.P.A. from the School of International and Public Affairs at Columbia University. Ms. Fazio's responsibilities include oversight for the accounting, investment, debt and budgeting functions at the College, as well as facilities management, dining services, human resources, insurance, campus safety, post office and the bookstore. Prior to joining the College, Ms. Fazio was the Associate Vice President for Finance and Business Operations at Lafayette College in Easton, PA, after having worked in the public finance investment banking groups at Wells Fargo Securities and PNC Capital Markets, LLC, in small business development for the Peace Corps, and in the Office of Budget and Program Evaluation for the City of Philadelphia.

RUTH LINDEBORG, Secretary of the College, received her A.B. from Bryn Mawr, M.A. from the University of Michigan, and Ph.D. from the University of Pennsylvania. Dr. Lindeborg represents the President and the College on a wide range of issues, serves as the principal liaison for external constituencies and is responsible for facilitating the work of the College's Board of Trustees. Dr. Lindeborg's broad experience in higher education has included leadership roles in development and undergraduate admissions at Bryn Mawr as well as a faculty appointment at The Ohio State University, where she taught comparative post-colonial literature. Earlier in her career she was an assistant to the provost at Temple University.

SAMUEL B. MAGDOVITZ, College Counsel, joined the College as College Counsel in 1995. Mr. Magdovitz graduated from Cornell University in 1977 and received his J.D. from Yale University in 1980. Mr. Magdovitz serves as the College's chief legal officer and provides general legal counsel to the President, the College's other executive officers, and Board of Trustees. The College Counsel advises on the legal ramifications of College policy and decision-making and performs the traditional functions associated with in-house counsel, including: assisting in the negotiation of contracts, interpreting and ensuring compliance with the statutes and regulations of the federal and Pennsylvania governments, and providing advice on human resources matters. In addition, the College Counsel may engage outside law firms, and coordinates and supervises their work. Prior to joining Bryn Mawr, Mr. Magdovitz worked as a law clerk for an appellate judge, as an associate at a large Philadelphia law firm, as associate director of the Juvenile Law Center, and as executive director of the Legal Aid Society.

Location and Facilities

Bryn Mawr's campus comprises approximately 135 acres in Lower Merion Township, Montgomery County, Pennsylvania, approximately 11 miles west of downtown Philadelphia. The campus houses just over 40 buildings, many of which were influenced by the architecture of Oxford University and constitute some of the earliest examples of the Collegiate Gothic style in the U.S. The campus facilities, totaling approximately 1.3 million square feet, include 15 academic and student support facilities, 11 administrative buildings, 11 dormitories, of which two have dining halls, three libraries, an athletic center and playing fields.

The College is listed on the National Register of Historic Places. Cope & Stewardson introduced the Collegiate Gothic style at Bryn Mawr. During the first half of the 20th century, campus development was influenced by Calvert Vaux, Addison Hutton, Frederick Law Olmsted, Ralph Adams Cram, and Thomas & Martin. Louis Kahn was the architect for the 1960's construction of the Erdman dormitory and dining hall. Twentieth century campus developments include a modern library and gymnasium, a dormitory, and data center. In 1997, the architectural firm Venturi, Scott Brown & Associates, Inc. developed a master plan for the College. The College maintains a program to improve facilities through renovations, reuse and additions versus constructing new structures.

Since 2005, the College has completed nine major capital projects with an aggregate investment of approximately \$78 million. The capital projects include an \$18 million renovation and addition to Goodhart Hall, the College's arts and theater center, a \$13 million construction of a new residence complex, an \$8 million renovation of the College's athletic facilities, including a new artificial turf athletic field, and the \$21 million initial phase of the Park Science complex renovation, which includes a 10,000 square foot addition, the redesign of the science library, classrooms, and lab space, and modifications to the HVAC infrastructure.

Over the next several years, the College plans on completing an additional \$19 million in renovations to the Park Science complex as well as construction of a new student life and wellness center, which will be financed in part with the 2019 Bonds.

Undergraduate Program

Bryn Mawr offers more than 39 majors and 53 minors and concentrations. Newer majors and minors include Biochemistry, Molecular Biology, International Studies, Linguistics and Languages, Museum Studies, and Environmental Studies. The top five majors declared by Bryn Mawr students in 2018 were Psychology, Math, English, Sociology and Political Science. Bryn Mawr's curriculum is augmented by cooperative instructional arrangements with Haverford College, Swarthmore College and the University of Pennsylvania, offering a combined catalogue of more than 3,300 courses along with several dual-degree programs.

Dual-degrees, such as the AB/MA, AB/BS, or AB/JD, are available through partnerships with the University of Pennsylvania (Engineering, City and Regional Planning, Education and Teacher Certification, Bioethics), the University of Rochester (Optics), Zhejiang University in Hangzhou, China (Chinese Studies), Boston University (Public Health), Cal Tech (Engineering and Applied Science), Columbia University (Engineering), and University of Indiana (Law).

Bryn Mawr's curriculum is designed for breadth of learning and training. This is accomplished through partnerships with peer institutions, experiential learning, guest lecturers and co-curricular activities. During the 2010 academic year, Bryn Mawr launched the 360° Program, an interdisciplinary and interactive experience comprised of two or three courses clustered in one semester and focused on a single theme. The

College has a strong Praxis Program that provides experiential, community-based learning combining theory with fieldwork. In 2013, Bryn Mawr created the Career and Civic Engagement Center, an endowed center that combines experiential learning, career planning and civic engagement to help students forge connections between their college work and the world beyond Bryn Mawr. Tri-Co Philly was launched in Spring 2019. In an effort to connect students and coursework to the City of Philadelphia, Bryn Mawr, Haverford and Swarthmore Colleges cooperatively offer urban-focused courses in Philadelphia. During the summer, the College operates a language program in France and an intensive Russian language and culture program on campus. The College also sponsors various programs to bring scholars and teachers to the campus for public lectures, classes, and informal meetings with students. The College offers numerous cultural, social, and civic opportunities and a full program of athletic activities and instruction, including 12 varsity sports and a wellness program.

Bryn Mawr students were among the first at any college to institute self-governance. All students are members of the Self-Government Association and are subject to the College's academic and social honor codes.

To receive an A.B. degree from the College, students must complete 32 units of credit and must show proficiency in English composition, application of quantitative skills, and one foreign language. Every student must complete six full-time semesters and earn a minimum of 24 academic units while in residence at Bryn Mawr. The College offers a number of residence options, with special interest housing that includes an environmental co-op and the Enid Cook '31 Residence Hall for students of the African and Latina diasporas.

Graduate Programs

The Graduate School of Arts and Sciences offers Master of Arts and Doctor of Philosophy degrees in six fields of study: Archaeology, Chemistry, Classics, History of Art, Mathematics, and Physics.

Students at the Graduate School of Social Work and Social Research may pursue Master or Doctor of Philosophy degrees in Social Service. The school and Thomas Jefferson University have partnered to offer dual degrees in social work (M.S.S.) and public health (M.P.H.). Within the school are the Center for Child and Family Wellbeing, Center for Professional Development and the Nonprofit Executive Leadership Institute.

Since 1972, the College has offered a post-baccalaureate premedical program for career changers. The 12-month program offers qualified women and men premedical courses in preparation for medical or dental school. Bryn Mawr's medical school acceptance rate has consistently been greater than 98%.

All of the College's graduate programs are co-educational.

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Student Applications, Admissions, and Enrollments

Fall 2019 undergraduate applications and admitted undergraduates totaled 3,332 and 1,102, respectively. The following table shows undergraduate and graduate applications, acceptances, new enrollment and total enrollment as of the Fall semester for the past five academic years:

	<u>Fall 2014</u>	<u>Fall 2015</u>	<u>Fall 2016</u>	<u>Fall 2017</u>	<u>Fall 2018</u>
Applications:					
Undergraduate (First-Year)	2,706	2,890	3,012	2,936	3,166
Graduate School of Arts and Sciences	134	115	93	117	100
Graduate School of Social Work & Social Research	168	157	164	109	154
Admitted:					
Undergraduate (First-Year)	1,095	1,113	1,203	1,116	1,079
Undergraduate Percentage Admitted to Applied (First-Year)	40.5%	38.5%	39.9%	38.0%	34.1%
Graduate School of Arts and Sciences	29	30	24	27	20
Graduate School of Social Work & Social Research	128	123	130	97	131
New Enrollment:					
Undergraduate (First-Year)	351	385	407	354	391
Undergraduate Percentage Enrolled to Admitted (First-Year)	32.1%	34.6%	33.8%	31.7%	36.2%
Graduate School of Arts and Sciences	12	12	12	10	12
Graduate School of Social Work & Social Research	84	76	81	67	94
Total Enrollment:					
Undergraduate Full-Time (excludes students studying off campus)	1,291	1,332	1,361	1,325	1,350
Undergraduate Part-Time	17	14	20	9	10
Undergraduate Fiscal Full-Time Equivalents	1,385	1,413	1,432	1,405	1,441
Graduate and Postbaccalaureate Full-Time	338	284	276	261	282
Graduate and Postbaccalaureate Part-Time	63	62	51	45	48
Graduate and Postbaccalaureate Fiscal Full-Time Equivalents	284	240	243	224	234

Geographic Diversity

Bryn Mawr's undergraduate and graduate students come to campus from all over the world. Bryn Mawr's undergraduate students currently represent 49 U.S. states, districts, territories and 42 foreign countries. Twenty-two percent of the undergraduate population are international students. The top five states represented by Bryn Mawr's undergraduate students are Pennsylvania (12%), New York (10%), New Jersey (8%), California (8%) and Massachusetts (7%).

Scholastic Aptitude Test (SAT)

Bryn Mawr does not require SAT and ACT standardized test scores for applicants who are U.S. citizens or permanent residents. SAT and ACT test scores are required for non-U.S. citizens. The College's test-optional policy took effect in Fall 2015. The following table is a five-year history of students' average SAT scores:

	<u>Fall 2014</u>	<u>Fall 2015</u>	<u>Fall 2016</u>	<u>Fall 2017*</u>	<u>Fall 2018*</u>
Math	650	660	660	720	710
Verbal	660	670	670	700	700

*Scores reflect the new SAT test's math median and reading/writing median.

Student Fees

The following table details tuition, fees and room and board costs for full-time, undergraduate students for the upcoming academic year and prior five academic periods.

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Tuition	\$ 44,470	\$ 46,030	\$ 47,640	\$ 49,310	\$ 51,130	\$ 53,180
College Fees	1,070	1,110	1,150	1,190	1,230	1,260
Room & Board	<u>14,350</u>	<u>14,850</u>	<u>15,370</u>	<u>15,910</u>	<u>16,500</u>	<u>17,100</u>
	\$ 59,890	\$ 61,990	\$ 64,160	\$ 66,410	\$ 68,860	\$ 71,540

Undergraduate Competition

The College competes nationally with many other colleges and universities not only for qualified applicants but also for the matriculation of persons who have been granted admission. The College believes that the competition is based primarily on the perceived quality of education offered, cost and the availability of financial aid.

The following table compares the College's current year tuition and fees to peer institutions' 2019-2020 academic year tuition, fees and room and board (without consideration of financial aid).

	<u>2019-2020</u>
<u>Peer Institution</u>	<u>Tuition, Fees, Room and Board</u>
Barnard College	\$ 75,524
Trinity College	\$ 74,400
Amherest College	\$ 73,950
Oberlin College	\$ 73,694
Haverford College	\$ 73,468
Wellesley College	\$ 73,148
Smith College	\$ 72,354
Williams College	\$ 72,270
Middlebury College	\$ 72,248
Pomona College	\$ 71,980
Carleton College	\$ 71,769
Bowdoin College	\$ 71,710
Bryn Mawr College	\$ 71,540
Swarthmore College	\$ 70,744
Wesleyan College	\$ 69,910
Mount Holyoke College	\$ 67,578

Source: Obtained from the respective institution's website.

Student Financial Aid

Financial aid packages at Bryn Mawr consist of scholarships, loans and on-campus job opportunities. Such assistance is designed to supplement the contribution that a student and family make towards the payment of tuition and other expenses. The following table shows the College's student financial aid assistance programs for all students (both graduate and undergraduate) for the last five academic years:

	Academic Year				
	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
Pennsylvania and Other State Programs	\$ 570,322	\$ 627,562	\$ 564,445	\$ 500,499	\$ 465,694
Federal and Private Assistance	5,432,063	5,206,505	5,706,077	6,180,638	5,974,313
Stafford Student Loan Programs	7,546,029	7,230,096	6,567,416	6,437,881	6,119,145
<u>College Grants and Loans</u>	<u>32,631,424</u>	<u>33,130,147</u>	<u>33,686,485</u>	<u>37,403,013</u>	<u>38,270,556</u>
Total	\$46,179,838	\$46,194,311	\$46,524,423	\$50,522,031	\$50,829,708

Faculty and Staff

The College's current employee head count totals approximately 776 in the following capacities:

Faculty, Full-time:	
Full Professor	49
Associate Professor	37
Assistant Professor	43
Instructors and Lecturers	27
Faculty, Part-time:	<u>37</u>
Total Faculty	193
Staff:	<u>583</u>
Total Faculty and Staff	776

The College has a faculty of men and women comprised of both full-time and part-time members. Fifty-five percent of the College's full-time faculty members are tenured. Ninety-seven percent of the College's full-time faculty members possess a doctorate or terminal degree in their field.

The faculty and staff of the College are not represented by any union. The administration believes that its employee relations are satisfactory.

Retirement Benefits

Eligible faculty, administration, and staff are provided retirement benefits under the College's 403(b) defined contribution retirement program. Participants' contributions are permitted but not required. The College contributes an amount equal to 10% of each participant's gross eligible salary on an ongoing basis. There are no unfunded benefits.

Insurance Matters

The institution's insurance program is reviewed annually and is designed to insure the College against the risks of injury, damage, loss, and liability and to provide coverage for other risks related to operation of the College. Insurance policies held by the College include, but are not limited to, Property,

General Liability, Automobile, Workers Compensation, Educator's Legal Liability, Fiduciary Liability, Cyber, and Travel.

Accounting Matters

The College presents its financial statements on the accrual basis in accordance with generally acceptable accounting principles in the United States. The financial statements consist of the College's statements of financial position, statements of activities, statements of cash flow and related notes to the financial statements. The College's financial statements as of May 31, 2018 and 2017 are included as Appendix B to the Official Statement.

Presented below is a summary derived from the College's audited Statement of Financial Position and Statement of Activities as of May 31 for the last five fiscal years. The amounts presented in the Statement of Activities are the cumulative total for each year (aggregate of Unrestricted, Temporarily Restricted, and Permanently Restricted net asset expenditures).

Statement of Financial Position (in thousands)	Fiscal Years				
	2013-14	2014-15	2015-16	2016-17	2017-18
Assets					
Cash	\$ 10,820	\$ 15,847	\$ 23,358	\$ 33,573	\$ 49,146
Short-term investments	5,271	5,062	5,105	5,154	5,239
Accounts receivable, net	6,188	5,290	5,179	4,383	5,873
Other assets	895	2,052	2,375	2,594	1,640
Contributions receivable, net	6,758	8,051	8,224	8,056	22,339
Student loans receivable, net	3,160	3,090	3,305	3,129	3,002
Deposits with trustees of debt obligations	1,700	21,922	15,234	8,958	2,601
Plant and equipment, net	193,854	195,938	194,919	194,626	196,149
Long term investments	881,448	908,934	841,946	892,810	939,850
Total Assets	\$ 1,110,094	\$ 1,166,186	\$ 1,099,645	\$ 1,153,283	\$ 1,225,839
Liabilities and Net Assets					
Liabilities					
Accounts payable	\$ 3,360	\$ 5,106	\$ 3,624	\$ 4,022	\$ 5,954
Accrued expenses	5,276	5,482	6,446	5,848	6,516
Student deposits	2,155	2,310	2,151	1,660	1,773
Deferred revenue	2,250	2,670	2,429	2,184	2,418
Annuity obligations	7,952	7,869	7,096	7,534	7,291
Debt	106,502	136,725	133,663	129,992	125,366
Other long-term liabilities	2,417	2,454	2,575	2,638	2,769
Advances - US government student loans	1,778	1,579	1,656	1,463	984
Total Liabilities	\$ 131,690	\$ 164,195	\$ 159,640	\$ 155,341	\$ 153,071
Net Assets					
Unrestricted	\$ 483,813	\$ 481,757	\$ 452,257	\$ 481,014	\$ 520,730
Temporarily restricted	272,853	268,278	231,228	254,654	273,265
Permanently restricted	221,738	251,956	256,520	262,274	278,773
Total Net Assets	\$ 978,404	\$ 1,001,991	\$ 940,005	\$ 997,942	\$ 1,072,768
Total Liabilities and Net Assets	\$ 1,110,094	\$ 1,166,186	\$ 1,099,645	\$ 1,153,283	\$ 1,225,839

Statement of Activities (in thousands)

	Fiscal Years				
	2013-14	2014-15	2015-16	2016-17	2017-18
Operating revenues:					
Tuition and fees, net of discount	\$ 39,037	\$ 40,431	\$ 41,515	\$ 41,656	\$ 42,393
Private contributions	9,348	7,591	10,910	11,203	26,113
Government grants	9,560	7,863	8,140	7,637	7,745
Endowment payout under spending formula	34,760	37,189	39,979	43,431	45,818
Other	5,637	4,808	4,692	4,922	5,033
Auxiliary enterprises, net of discount	20,292	20,332	22,282	23,528	22,859
Interest income	1,046	1,248	1,148	960	1,107
Total operating revenues	\$ 119,680	\$ 119,462	\$ 128,666	\$ 133,337	\$ 151,068
Operating expenses:					
Instruction	\$ 45,018	\$ 43,642	\$ 44,259	\$ 44,601	\$ 45,888
Research	1,883	2,490	3,561	3,421	2,989
Public service	2,014	1,902	1,929	1,920	1,852
Academic support	15,050	16,058	16,403	16,908	16,256
Student services	11,339	12,735	12,687	12,463	12,297
Institutional support	22,471	20,614	21,916	22,217	21,118
Scholarships and fellowships	3,627	4,124	4,167	4,367	4,382
Auxiliary enterprises	15,903	16,301	17,266	17,872	17,293
Total operating expenses	\$ 117,304	\$ 117,866	\$ 122,188	\$ 123,769	\$ 122,074
Net changes from operations	\$ 2,376	\$ 1,596	\$ 6,478	\$ 9,568	\$ 28,994
Non-operating items:					
Private contributions	\$ 18,526	\$ 28,327	\$ 7,489	\$ 8,922	\$ 27,395
Actuarial changes, interest, payments, maturities of annuities	(900)	(999)	(297)	(1,502)	(866)
Other	(167)	(1,350)	(1,329)	(100)	589
Realized and unrealized gains (losses) on investments, net of amount appropriated for endowment payout	74,309	(3,987)	(74,327)	41,049	18,714
Net changes from non-operating activities	\$ 91,768	\$ 21,991	\$ (68,464)	\$ 48,369	\$ 45,832
Change in net assets	\$ 94,144	\$ 23,587	\$ (61,986)	\$ 57,937	\$ 74,826
Net assets at beginning of year	884,260	978,404	1,001,991	940,005	997,942
Net assets at end of year	\$ 978,404	\$ 1,001,991	\$ 940,005	\$ 997,942	\$ 1,072,768

Budgetary Matters

The College's five-year financial model is the basis for the development of annual operating and capital budgets. The model enables the College to view the financial impact of changes in key variables such as enrollment, tuition rate increases, endowment total return and spending rates, salaries and benefits, size of faculty and staff, level of student financial aid, and various expense components. As a matter of practice, the College constructs an annual operating budget in which projected expenditures plus provisions for (i) debt service on long-term debt, (ii) physical plant renewals and replacements, and (iii) planned contingencies are balanced by an equivalent or greater amount of projected revenues. The College's two largest revenue sources of operating revenue are net tuition and fees and private contributions and endowment income.

Endowment and Other Investment Assets

The market value of the College's endowment and other investment assets as of May 31 for the years indicated in the table on the following page are in thousands.

Endowment assets consist of cash and investments. Total endowment spending must be within a band of 5.5% and 4.5% of the trailing 3-year average of the endowment market value. Quasi-endowment

assets, at the discretion of the Board of Trustees, can be utilized by the College, if necessary, for operating expenditures. Assets contributed to the College as an endowment are not able to be used for operations.

(in thousands)	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Endowment	\$ 447,121	\$ 475,353	\$ 441,975	\$ 467,981	\$ 491,757
Quasi-Endowment	394,099	395,699	366,366	388,309	411,720
Annuities, Trusts and Other	<u>35,413</u>	<u>33,272</u>	<u>28,845</u>	<u>31,344</u>	<u>30,515</u>
	\$ 876,633	\$ 904,324	\$ 837,186	\$ 887,634	\$ 933,992

The oversight of the College's endowment investment rests with the Investment Subcommittee of the Board of Trustees. The College employs Cambridge Associates for a range of services including return reporting, due diligence on current and prospective managers, and recommendations for investments and redemptions. The College's endowment investment asset allocation targets are:

Asset Class	Target Allocations
Global Equity	63.0%
Real Assets	10.0%
Diversifying Strategies	16.0%
Fixed Income	10.0%
Cash	1.0%

Net Assets

The College's endowment assets and other investments are included as part of the College's net assets in its financial statements. By the nature of restrictions placed on some funds by donors, certain net assets are expendable while others are not. Expendable net assets (unrestricted and temporarily restricted net assets less net investment in plant) is a non-GAAP metric measuring available resources for operations and debt. The following table reflects the College's total net assets and expendable net assets as of May 31 for the last five fiscal years (in thousands).

(in thousands)	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Net Assets	\$ 978,404	\$ 1,001,991	\$ 940,005	\$ 997,942	\$ 1,072,768
Less Permanently Restricted Net Assets	(221,738)	(251,956)	(256,520)	(262,274)	(278,773)
Less Net Investment in Plant	<u>(92,040)</u>	<u>(82,720)</u>	<u>(76,203)</u>	<u>(69,195)</u>	<u>(68,015)</u>
Expendable Net Assets	\$ 664,626	\$ 667,315	\$ 607,282	\$ 666,473	\$ 725,980

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Gifts, Contributions and Grants

The following table reflects the College's gifts, contributions and grants, both restricted and unrestricted, as of May 31 of the past five fiscal years (amounts are in thousands):

(in thousands)		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Unrestricted	Operating	\$ 5,093	\$ 5,402	\$ 5,394	\$ 6,372	\$ 6,493
	Endowment	13,559	2,681	407	2,968	11,405
	Plant	0	0	0	0	0
	Pledges	70	(339)	423	595	122
	Total unrestricted	\$ 18,722	\$ 7,744	\$ 6,224	\$ 9,935	\$ 18,020
Restricted	Operating	\$ 4,657	\$ 2,351	\$ 4,863	\$ 3,723	\$ 2,472
	Endowment	5,569	24,307	6,094	6,755	13,232
	Plant	496	516	1,514	466	5,628
	Pledges	(1,570)	1,000	(296)	(754)	14,156
	Total restricted	\$ 9,152	\$ 28,174	\$ 12,175	\$ 10,190	\$ 35,488
Total gifts, contributions and grants		\$ 27,874	\$ 35,918	\$ 18,399	\$ 20,125	\$ 53,508

Fundraising Campaign and Capital Plans

The College publicly launched its current comprehensive fundraising campaign, Defy Expectation, in September 2016. The campaign goal is \$250 million, of which more than half was raised during the quiet phase of the campaign. The College expects to conclude the campaign by the end of fiscal year 2020. Campaign proceeds will support students, faculty resources, maintaining campus facilities, and increasing Bryn Mawr's annual fund.

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Debt Service

The College currently has five bond issues outstanding in the aggregate principal amount of \$114,690,000. All of the outstanding Series 2010A Bonds, which consist of a bullet maturity due in 2020, are being refinanced with a portion of the Series 2019 Bonds.

Principal payments (including mandatory sinking fund redemptions) and interest for the Series 2019 Bonds and existing debt obligations of the College for each fiscal year ending May 31 is shown on the following table.

Year Ending June 1	Prior Bonds ¹			Aggregate Debt Service After Series 2019 Bonds ²				
	Principal	Interest	Total Debt Service of Prior Bonds ²	Remaining Existing Debt Service	Series 2019 Bonds Principal	Series 2019 Bonds Interest	Total Debt Service ³	
2020	\$24,300,000	\$4,514,838	\$28,814,838	\$5,937,038		\$830,031	\$6,767,068	
2021	2,030,000	3,901,600	5,931,600	5,931,600	\$1,000,000	1,098,350	8,029,950	
2022	2,135,000	3,806,556	5,941,556	5,941,556	1,040,000	1,047,350	8,028,906	
2023	15,325,000	3,448,988	18,773,988	18,773,988		1,021,350	19,795,338	
2024	2,325,000	3,086,063	5,411,063	5,411,063	240,000	1,015,350	6,666,413	
2025	2,425,000	2,980,025	5,405,025	5,405,025	255,000	1,002,975	6,663,000	
2026	2,530,000	2,868,150	5,398,150	5,398,150	275,000	989,725	6,662,875	
2027	2,645,000	2,750,619	5,395,619	5,395,619	295,000	975,475	6,666,094	
2028	2,770,000	2,626,300	5,396,300	5,396,300	300,000	965,100	6,661,400	
2029	2,900,000	2,503,488	5,403,488	5,403,488	305,000	954,475	6,662,963	
2030	3,020,000	2,389,300	5,409,300	5,409,300	320,000	938,850	6,668,150	
2031	1,985,000	2,296,481	4,281,481	4,281,481	1,490,000	893,600	6,665,081	
2032	2,055,000	2,220,731	4,275,731	4,275,731	1,575,000	816,975	6,667,706	
2033	2,135,000	2,142,169	4,277,169	4,277,169	1,655,000	736,225	6,668,394	
2034	5,960,000	1,964,213	7,924,213	7,924,213		694,850	8,619,063	
2035	6,210,000	1,716,731	7,926,731	7,926,731		694,850	8,621,581	
2036	6,440,000	1,476,838	7,916,838	7,916,838		694,850	8,611,688	
2037	6,720,000	1,178,500	7,898,500	7,898,500		694,850	8,593,350	
2038	7,035,000	848,875	7,883,875	7,883,875		694,850	8,578,725	
2039	2,745,000	618,625	3,363,625	3,363,625		694,850	4,058,475	
2040	2,885,000	477,875	3,362,875	3,362,875		694,850	4,057,725	
2041	1,470,000	369,000	1,839,000	1,839,000	660,000	681,650	3,180,650	
2042	1,540,000	293,750	1,833,750	1,833,750	690,000	654,650	3,178,400	
2043	1,620,000	214,750	1,834,750	1,834,750	720,000	626,450	3,181,200	
2044	1,700,000	131,750	1,831,750	1,831,750	750,000	597,050	3,178,800	
2045	1,785,000	44,625	1,829,625	1,829,625	785,000	566,350	3,180,975	
2046					2,685,000	496,950	3,181,950	
2047					2,795,000	387,350	3,182,350	
2048					2,910,000	273,250	3,183,250	
2049					3,025,000	154,550	3,179,550	
2050					3,135,000	47,025	3,182,025	
Total ³	\$114,690,000	\$50,870,838	\$165,560,838	\$142,683,038	\$26,905,000	\$22,635,056	\$192,223,093	

¹ Includes debt service for the Series 2010 Bonds, Series 2010A Bonds, Series 2012A Bonds, Series 2014 Bonds and Series 2017 Bonds. Proceeds of the Series 2019 Bonds will be used to refund the Series 2010A Bonds.

² Includes debt service for the Series 2010 Bonds, Series 2010A Bonds (paid prior to closing of the Series 2019 Bonds), Series 2012A Bonds, Series 2014 Bonds, Series 2017 Bonds and Series 2019 Bonds.

³ Totals may not match due to rounding.

Legal Matters

Various claims incidental to the operation of the College are pending or threatened. The College believes all pending and threatened claims would be adequately covered by existing insurance, if such

claims were resolved adversely to the College. To the extent any adverse determination, judgment or settlement in connection with such claims would not be fully covered by insurance, the College does not believe the aggregate amounts of such uninsured exposure would be material.

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APPENDIX B

**FINANCIAL STATEMENTS OF THE COLLEGE FOR THE FISCAL YEARS ENDED
MAY 31, 2018 AND MAY 31, 2017**

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Bryn Mawr College

Financial Statements

May 31, 2018 and 2017

Bryn Mawr College
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May 31, 2018 and 2017

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Report of Independent Auditors

To the Board of Trustees of Bryn Mawr College

We have audited the accompanying financial statements of Bryn Mawr College, which comprise the statements of financial position as of May 31, 2018 and 2017, and the related statements of activities and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to Bryn Mawr College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bryn Mawr College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bryn Mawr College as of May 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

October 8, 2018

Bryn Mawr College
Statements of Financial Position
May 31, 2018 and 2017
(in thousands)

	May 2018	May 2017
Assets:		
Cash & cash equivalents	\$ 49,146	\$ 33,573
Short term investments	5,239	5,154
Accounts receivable (less allowance of \$465 in 2018 & \$337 in 2017)	5,873	4,383
Other current assets	1,640	2,594
Contributions receivable (less allowance of \$3 in 2018 & \$8 in 2017)	22,339	8,056
Student loans receivable (less allowance of \$1,758 in 2018 & \$1,593 in 2017)	3,002	3,129
Deposits with trustees of debt obligations	2,601	8,958
Plant and equipment, net of accumulated depreciation	196,149	194,626
Long term investments	939,850	892,810
Total assets	\$ 1,225,839	\$ 1,153,283
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 5,954	\$ 4,022
Accrued expenses	6,516	5,848
Student deposits	1,773	1,660
Deferred revenue	2,418	2,184
Annuity obligations	7,291	7,534
Debt	125,366	129,992
Other long-term liabilities	2,769	2,638
Advances from US government for student loans	984	1,463
Total liabilities	153,071	155,341
Net assets:		
Unrestricted	520,730	481,014
Temporarily restricted	273,265	254,654
Permanently restricted	278,773	262,274
Total net assets	1,072,768	997,942
Total liabilities and net assets	\$ 1,225,839	\$ 1,153,283

The accompanying notes are an integral part of these financial statements.

Bryn Mawr College
Statement of Activities
Year Ended May 31, 2018
(with comparative totals for 2017, in thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2018	Total 2017
Operating revenues:					
Tuition and fees, net of discount of \$35,847	\$ 42,393	\$ -	\$ -	\$ 42,393	\$ 41,656
Private contributions	6,615	19,498		26,113	11,203
Government grants	7,745			7,745	7,637
Endowment payout under spending formula	21,953	23,865		45,818	43,431
Other	5,033			5,033	4,922
Auxiliary enterprises, net of discount of \$1,160	22,859			22,859	23,528
Interest income on cash and short-term investments	1,107			1,107	960
Satisfaction of program restrictions	29,881	(29,881)		-	-
Total operating revenues	137,586	13,482	-	151,068	133,337
Operating expenses:					
Instruction	45,888			45,888	44,601
Research	2,989			2,989	3,421
Public service	1,851			1,851	1,920
Academic support	16,256			16,256	16,908
Student services	12,297			12,297	12,463
Institutional support	21,118			21,118	22,217
Scholarships and fellowships	4,382			4,382	4,367
Auxiliary enterprises	17,293			17,293	17,872
Total operating expenses	122,074	-	-	122,074	123,769
Net changes from operations	15,512	13,482	-	28,994	9,568
Non-operating items:					
Private contributions	11,405	31	15,959	27,395	8,922
Actuarial changes, interest and payments	(515)	(100)	(251)	(866)	(1,502)
Release from restriction	4,362	(4,340)	(22)	-	-
Other	589	-	-	589	(100)
Realized and unrealized gains (losses) on investments, net of \$42,464 appropriated for endowment spending payout	8,363	9,538	813	18,714	41,049
Net changes from non-operating activities	24,204	5,129	16,499	45,832	48,369
Change in net assets	39,716	18,611	16,499	74,826	57,937
Net assets at beginning of year	481,014	254,654	262,274	997,942	940,005
Net assets at end of year	\$ 520,730	\$ 273,265	\$ 278,773	\$ 1,072,768	\$ 997,942

The accompanying notes are an integral part of these financial statements.

Bryn Mawr College
Statement of Activities
Year Ended May 31, 2017
(in thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2017
Operating revenues:				
Tuition and fees, net of discount of \$35,541	\$ 41,656	\$ -	\$ -	\$ 41,656
Private contributions	6,967	4,236		11,203
Government grants	7,637			7,637
Endowment payout under spending formula	20,846	22,585		43,431
Other	4,922			4,922
Auxiliary enterprises, net of discount of \$1,024	23,528			23,528
Interest income on cash and short-term investments	960			960
Satisfaction of program restrictions	24,387	(24,387)		-
Total operating revenues	130,903	2,434	-	133,337
Operating expenses:				
Instruction	44,601			44,601
Research	3,421			3,421
Public service	1,920			1,920
Academic support	16,908			16,908
Student services	12,463			12,463
Institutional support	22,217			22,217
Scholarships and fellowships	4,367			4,367
Auxiliary enterprises	17,872			17,872
Total operating expenses	123,769	-	-	123,769
Net changes from operations	7,134	2,434	-	9,568
Non-operating items:				
Private contributions	2,968	651	5,303	8,922
Actuarial changes, interest and payments	(869)	(222)	(411)	(1,502)
Release from restrictions	1,283	(1,148)	(135)	-
Other	(100)	-	-	(100)
Realized and unrealized gains (losses) on investments, net of \$41,673 appropriated for endowment spending payout	18,341	21,711	997	41,049
Net changes from non-operating activities	21,623	20,993	5,754	48,369
Change in net assets	28,757	23,427	5,754	57,937
Net assets at beginning of year	452,257	231,228	256,520	940,005
Net assets at end of year	\$ 481,014	\$ 254,655	\$ 262,274	\$ 997,942

The accompanying notes are an integral part of these financial statements.

Bryn Mawr College
Statements of Cash Flows
Years Ended May 31, 2018 and 2017
(in thousands)

	2018	2017
Cash flows from operating activities		
Change in net assets	\$ 74,826	\$ 57,937
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	12,316	12,166
Loss on disposal of equipment	238	53
Asset Impairment	-	-
Provision for losses on accounts/loans receivable	295	116
Contributions restricted/designated for long-term investment	(24,637)	(9,723)
Net realized and unrealized (gains)/losses on investments	(61,132)	(82,577)
Other non-operating losses	-	-
Change in net present value of annuities	(243)	438
Change in asset retirement obligation	132	96
Changes in operating assets and liabilities:		
Accounts receivable, inventory and prepaid expenses	(665)	605
Accounts payable, accruals, deferred revenue and deposits	1,135	(968)
Contributions receivable	(14,279)	162
Other	-	-
Net cash used in operating activities	(12,014)	(21,695)
Cash flows from investing activities		
Proceeds from sale of investments	121,814	124,267
Purchase of long-term investments	(107,125)	(92,187)
Payments on student loans and employee mortgages	851	1,647
Student loans and employee mortgages advanced	(1,576)	(2,025)
Purchase of property, plant and equipment	(13,097)	(12,693)
Decrease(increase) in deposits held by trustees of debt obligations	6,356	6,276
Net cash provided by investing activities	7,223	25,285
Cash flows from financing activities		
Contributions restricted or designated for long-term investment	24,637	9,723
Proceeds from long-term borrowing	22,249	-
Debt issuance costs/premium	(1,008)	-
Repayment of debt	(25,035)	(2,905)
Government advance for loans	(479)	(193)
Net cash provided by financing activities	20,364	6,625
Net increase in cash and cash equivalents	15,573	10,215
Cash and cash equivalents at beginning of year	33,573	23,358
Cash and cash equivalents at end of year	\$ 49,146	\$ 33,573
Supplemental data for financing activities:		
Non-cash gifts-in-kind	\$ 10	\$ 3
Interest paid	5,422	5,639
Construction related payables	2,448	637

The accompanying notes are an integral part of these financial statements.

Bryn Mawr College
Notes to the Financial Statements
May 31, 2018 and 2017
(Dollars in thousands)

1. Organization

Bryn Mawr College (the College) is a private institution of higher education founded in 1885 and located in Bryn Mawr, Pennsylvania on an historic and picturesque suburban campus less than ten miles from the downtown center of Philadelphia.

The Undergraduate College offers a four-year, residential experience to approximately 1,450 women representing 48 different states, districts and territories and 58 different countries with an expansive, customizable liberal arts curriculum of over 37 majors and 41 minors. Bryn Mawr was the first women's college to offer graduate education through the Ph.D., defying the limitations imposed on women's intellectual achievement at other institutions of the time. The College continues its support of master and doctoral programs via its Graduate School of Arts and Sciences and its Graduate School of Social Work and Social Research. Both graduate schools are coeducational and their full-time equivalent enrollment was 276 in academic year 2017-2018.

2. Summary of Significant Accounting Policies

Basis of Presentation

The College's financial statements have been prepared on an accrual basis and in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Net assets are classified as unrestricted, temporarily restricted or permanently restricted based on the existence or absence of donor-imposed restrictions as follows:

Permanently restricted: Net assets subject to donor-imposed stipulations that they be maintained permanently by the College. These donor-imposed restrictions neither expire by the passage of time nor can they be otherwise removed by the College. Generally, the donors of these assets permit the College to spend all or part of the investment return of these assets.

Temporarily restricted: Net assets whose use by the College is subject to donor-imposed restrictions that can be fulfilled by actions of the College in compliance with those restrictions or by the passage of time. Realized and unrealized gains and losses on the permanently restricted endowment and current spendable contributions (non-endowment) with donor-imposed restrictions are reported as temporarily restricted. Such net assets are reclassified to unrestricted net assets when the donor-imposed restrictions have been met.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Trustees ("Quasi Endowment") or may otherwise be limited by contractual agreements with outside parties.

Expenses are reported as decreases in unrestricted net assets. Expirations or changes in donor-imposed stipulations are reported as satisfaction of program restrictions and treated as reclassifications between the applicable classes of net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Bryn Mawr College
Notes to the Financial Statements
May 31, 2018 and 2017
(Dollars in thousands)

Cash and Cash Equivalents

Cash and other investments with a maturity of three months or less at the time of purchase are reported as cash equivalents. Cash and cash equivalents representing assets of the endowment and similar funds are included in long-term investments.

Contributions Receivable

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received at their net present value, less an allowance for estimated uncollectible amounts.

Fair Value of Financial Instruments

The College's investments and other financial instruments are reported at fair value. Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. Investments are then classified and disclosed in one of the following categories based on the lowest level input that is significant to the fair value measurement in its entirety:

- Level I – Quoted prices in active markets for identical assets or liabilities, at the reporting date, without adjustment. Market price is data generally obtained from relevant exchange or dealer markets.
- Level II – Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date.
- Level III – Pricing inputs are unobservable for the investment and includes situations where a) there is minimal, if any, market activity for the investment and b) the inputs used in determination of fair value require significant management judgment or estimation.

Inputs broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. The College considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the College's perceived risk of that instrument.

Assets and liabilities are disclosed in the Notes to Financial Statements within the hierarchy based on the lowest (or least observable) input that is significant to the measurement. The College's assessment of the significance of an input requires judgment, which may affect the valuation and categorization within the fair value hierarchy.

The College performs additional procedures including due diligence reviews on its investments in investment companies and other procedures with respect to the capital account or net asset value (NAV) provided to ensure conformity with US Generally Accepted Accounting Principles (GAAP). The College has assessed factors including, but not limited to, managers' compliance with the Fair Value Measurement standard, price transparency and valuation procedures in place, the ability to redeem NAV at the measurement date and existence of certain redemption restrictions at the measurement date.

Bryn Mawr College
Notes to the Financial Statements
May 31, 2018 and 2017
(Dollars in thousands)

Cash and Equivalents

The carrying amount approximates fair value because of the short maturity of these instruments.

Short-Term Investments

Short-term investments include cash equivalents and fixed income mutual funds with maturities between three and twelve months. These short-term investments are valued using observable market data to the degree that they can be valued based on quoted market prices in active markets.

Equity Funds

Equity investments consist of separate accounts, daily traded mutual funds, commingled funds and limited partnerships. Securities held in separate accounts and daily traded mutual funds are generally valued based on quoted market prices in active markets obtained from exchange or dealer markets for identical assets with no valuation adjustment applied. Commingled funds and limited partnership interests are valued at NAV.

Real Assets

Real assets primarily represent real estate, commodity and energy related interests held through limited partnerships. The fund managers invest primarily in private investments for which there is no readily determinable market value. The fund manager may value the underlying private investments based on an appraised value, discounted cash flow, industry comparables or some other method. These investments are valued at NAV and adjusted for subsequent cash flow activity if applicable.

Private Equity

Investments in private equity are in the form of limited partnership interests. The fund managers invest primarily in private investments for which there is no readily determinable market value. The fund manager may value the underlying private investments based on an appraised value, discounted cash flow, industry comparables or some other method. These limited partnership investments are valued at NAV and adjusted for subsequent cash flow activity if applicable.

Hedge Funds

Investments in hedge funds, also known as marketable alternatives, represent multi-strategy, global and US equity interests. The fund manager may value the underlying private investments based on an appraised value, discounted cash flow, industry comparables or some other method. These investments are valued at NAV and adjusted for subsequent cash flow activity if applicable.

Trust and Split Interest Agreements

Split interest agreements represent a variety of funds including pooled growth, pooled income, charitable gift annuity, charitable remainder unitrust and annuity trusts and income trusts. Where the College is trustee, liabilities associated with third party interests are reported on the Statement of Financial Position at fair value. Discount rates range between 3-6%. The College is the beneficiary of Trusts held by others. These are income trusts where the College will receive income payments in perpetuity or a defined term as defined in the trust. Beneficial interest in perpetual trusts represent resources neither in the possession of nor under the control of the College, but held and administered by outside fiscal agents, with the College deriving income from such funds. The trusts are recorded at their respective fair values which are reported periodically to the College by the outside fiscal agent.

Bryn Mawr College
Notes to the Financial Statements
May 31, 2018 and 2017
(Dollars in thousands)

Mortgages

The College's Mortgage Loan program is currently available to faculty who meet certain eligibility requirements and permits long-term monthly amortizing first mortgage loans of up to 85% of the appraised value (subject to a cap) for homes which are within a specified distance of campus. Mortgages are to be paid off in full within six months of termination of employment for any reason. The interest rate on such mortgage loans is locked for the term of the mortgage using the long-term monthly Applicable Federal Rate published by the Internal Revenue Service. Mortgage payments are by payroll deduction. Currently, there are no associated allowances for the receivables held under this program. The College has limited the number of faculty mortgages it issues to five during each calendar year.

Student Loan Receivables

Determination of the fair value of student loan receivables, which are primarily federally-sponsored student loans with U.S. Government mandated interest rates and repayment terms subject to significant restrictions as to their transfer and disposition, could not be made without incurring excessive costs. These receivables are reported at cost.

Endowment Investment and Spending Policies and Objectives

The College's endowment is comprised of approximately 1,350 individual funds established for a variety of reasons, including donor restrictions as well as funds designated by the Board to function as endowments (i.e. the quasi-endowment). Bryn Mawr's investment policy goal is primarily to maintain the purchasing power of the endowment and secondarily, to increase the portion of the College's operating budget that comes from endowment over time. The College utilizes a highly diversified investment portfolio to reduce the risk and increase the return over a full market cycle.

In determining the annual spending amount, Bryn Mawr College's policy uses a constant growth factor in combination with incremental spending from new gifts and a market-value-based collar. The spending amount for a given fiscal year is calculated using a 4.5% increase over the prior fiscal year's spending amount plus 5% of new gifts that were received in the most recently closed fiscal year. The draw amount is then tested against the set collar: a floor or minimum draw amount of 4.5% of the trailing three-year average of the fiscal year-end market values and a ceiling or maximum draw amount of 5.5% of the same trailing three-year average of the fiscal year-end market values.

Commonwealth of Pennsylvania law (Act 141) permits the College to allocate to income each year a portion of endowment net realized gains. In accordance with the law, the College spends between 2% and 7% of the fair market value of the endowment funds, averaged over a period of three or more preceding years.

New Accounting Standards

In May 2014, the FASB issued a standard of Revenue from Contracts with Customers. This standard implements a single framework for recognition of all revenue earned from customers. This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied. Qualitative and quantitative disclosures are required to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The standard is

Bryn Mawr College
Notes to the Financial Statements
May 31, 2018 and 2017
(Dollars in thousands)

effective for fiscal years beginning after December 15, 2017. Management is evaluating the impact this will have on the financial statements beginning in Fiscal Year 2019.

In February 2016, the FASB issued a standard on Leases. This standard requires lessees to recognize assets and liabilities for the rights and obligations created by leases with terms in excess of 12 months. The recognition, measurement and presentation of expenses and cash flows arising from a lease will primarily depend on its classification as a finance or operating lease. The accounting by lessors remains largely unchanged. This standard is effective for fiscal years beginning after December 15, 2018. Management is evaluating the impact this will have on the financial statements beginning in Fiscal Year 2020.

In August 2016, the FASB issued a standard on the Presentation of Financial Statements of Not-for-Profit Entities. The new guidance requires improved presentation and disclosures to help not-for-profits provide more relevant information about their resources to donors, grantors, creditors and other users. The standard is effective for fiscal years beginning after December 15, 2017. College management is evaluating the impact this will have on the consolidated financial statements beginning in Fiscal Year 2019.

In June 2018, the FASB issued an amendment to the Topic 958, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This standard provides specific guidance on evaluating whether gifts and grants should be accounted for as contributions (nonreciprocal) or as exchange (reciprocal) transactions and whether a contribution is conditional. This standard will be applied for fiscal years beginning after June 15, 2018. The College will adopt this standard for the Fiscal Year 2020 and does not expect this standard will have a material impact on the private gift and government grants recognized in the Statement of Activities.

Plant and Equipment

Plant assets are stated at cost less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, as follows: building shell (60 years); building systems, renovations and land improvements (20-25 years); information systems, equipment and furnishings (5-10 years); and library books (20 years). Depreciation expense is allocated to functional categories in the statement of operations based on building square footage. Expenditures for new construction, major renovations, equipment, and library acquisitions are capitalized. Gains or losses on the sale or retirement of plant assets are recorded in the year of disposition.

Works of art, special collections and similar assets have been capitalized at their estimated fair value at the date of acquisition, based upon appraisals or similar valuations. Such assets are not depreciated.

Long-lived assets to be held and used are reviewed for impairments whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable.

Deferred Revenue

Revenues received prior to the end of the fiscal year which relate to the following fiscal year are recorded and reflected in student deposits and deferred revenue.

Deposit with Trustees

Deposits with the trustee associated with the College's debt obligations are invested in cash, money market and various government securities according to the requirements established by the associated bond agreements.

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Fund Raising Expenses

Direct expenses for fundraising were \$4,540 in 2018 and \$5,005 in 2017.

Tax Status

The College has been granted tax-exempt status as a non-profit organization under Section 501(c) (3) of the Internal Revenue Code, and accordingly, files annually federal tax Form 990 (Return of Organization Exempt from Income Tax). The College also files federal tax Form 990-T (Exempt Organizations Business Income Tax Return). The College monitors and evaluates its activities for unrelated business income.

The Tax Cuts and Jobs Act (the "Act") was enacted on December 22, 2017. The Act impacts the College in several ways, including a new excise tax on net investment income, increases to unrelated business taxable income (UBTI) by the amount of certain fringe benefits for which a deduction is not allowed, changes to the net operating loss rules, repeal of the alternative minimum tax (AMT), and the computation of UBTI separately for each unrelated trade or business. Further, the Act reduces the US federal corporate tax rate and federal corporate unrelated business income tax rate from 35% to 21% and eliminates the ability to advance refund tax-exempt debt. The overall impact of the Act remains uncertain, and the full impact of the Act will not be known until further regulatory guidance is provided to assist the College with calculating income and excise tax liabilities. The College continues to evaluate the impact of tax reform on the organization.

Other Assets

Other assets include prepaid expenses and inventory which is valued at the lower of cost or market.

Reclassifications

Certain amounts in the prior year may have been reclassified to conform to the current year presentation.

3. Contributions Receivable

Contributions receivable consisted of the following at May 31. The discount rates applied to new pledges was 4.3% at May 31, 2018 and 2017.

	2018	2017
Contributions receivable in:		
Less than one year	\$ 87	\$ 113
One to five years	25,614	8,945
More than five years	1	3
	25,702	9,061
Less allowance for doubtful contributions	(3)	(8)
Less discount to present value	(3,360)	(997)
Contributions receivable	<u>\$ 22,339</u>	<u>\$ 8,056</u>

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4. Property, Plant and Equipment

At May 31 property, plant and equipment consisted of the following:

	2018	2017
Land and land improvements	\$ 7,783	\$ 7,696
Buildings and fixed equipment	303,827	300,536
Information systems	5,960	5,834
Equipment and library books	50,387	49,962
Fine arts and special collections	5,705	5,455
Construction in progress	15,934	5,443
	389,596	374,926
Accumulated depreciation	(193,447)	(180,300)
Net property, plant, and equipment	\$ 196,149	\$ 194,626

Depreciation expense was \$13,207 and \$12,933 at May 31, 2018 and 2017, respectively.

5. Long Term Investments

Endowment and similar funds are classified as long-term investments and include the College's permanent endowment funds, term endowment funds, and quasi-endowment funds. Quasi-endowment funds have been established by the Board of Trustees for the same purposes as endowment funds; however, quasi-endowment funds may be expended in their entirety at the discretion of the Board.

Annuity, life income, and trust agreements are also classified as long-term investments. The College pays periodically either the income earned or a fixed percentage of the assets to the beneficiary designated by the donor. Upon termination of an annuity, life income, or trust agreement the College's remainder interest in the assets is available for use by the College as restricted by the donor or designated by the Board of Trustees. The College has recorded an accrued liability and deferred revenue of \$7,291 at May 31, 2018 and \$7,534 at May 31, 2017 representing gift annuities payable and pooled income fund liabilities.

Long-term investments include outstanding balances on residential mortgages held for eligible employees. The outstanding balances amounted to \$5,858 and \$5,176 as of May 31, 2018 and 2017, respectively. The mortgage portfolio's 3.7% average interest rate approximates the market rates and the assets are fully collateralized with a zero deficiency and default rate. Also included is a payable balance related to a sale of investments of \$516 and (\$430) as of May 31, 2018 and 2017, respectively.

Certain investments that are measured at fair value using the net asset value per share or its equivalent (NAV) as a practical expedient for fair value have been categorized separately.

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A summary of investments, measured at fair value in accordance with the *Fair Value Measurements* standard on a recurring basis, as of May 31, 2018 and 2017, is as follows:

	2018			NAV	Total
	Level I	Level II	Level III		
Endowment					
Cash and cash equivalents	\$ 32,401	\$ -	\$ -	\$ -	\$ 32,401
Equity funds					
Domestic	76,821	11,758	-	-	88,579
Global	-	227,901	-	-	227,901
Fixed Income funds (domestic)	-	72,876	-	-	72,876
Real Assets	-	-	-	106,896	106,896
Private Equity					
Buyout	-	-	-	14,826	14,826
Venture capital	-	-	-	68,654	68,654
Other	-	-	-	105,766	105,766
Hedge funds					
Global equity	-	-	-	30,392	30,392
Developed international	-	-	-	14,812	14,812
Multi-strategy	-	-	-	108,752	108,752
U.S. equity (long/short and event driven)	-	-	-	25,381	25,381
Total endowment	\$ 109,222	\$ 312,535	\$ -	\$ 475,479	\$ 897,236
Trusts	12,222	-	24,534	-	36,756
Residential mortgages	-	5,858	-	-	5,858
Subtotal Long Term Investments	\$ 121,444	\$ 318,393	\$ 24,534	475,479	939,850
Short Term Investments (Fixed Income)	420	4,819	-	-	5,239
Total Investments	\$ 121,864	\$ 323,212	\$ 24,534	\$ 475,479	\$ 945,089

	2017			NAV	Total
	Level I	Level II	Level III		
Endowment					
Cash and cash equivalents	\$ 40,939	\$ -	\$ -	\$ -	\$ 40,939
Equity funds					
Domestic	67,182	8,701	-	-	75,883
Global	-	201,120	-	-	201,120
Fixed Income funds (domestic)	-	72,972	-	-	72,972
Real Assets	-	-	-	107,455	107,455
Private Equity					
Buyout	-	-	-	11,466	11,466
Venture capital	-	-	-	69,448	69,448
Other	-	-	-	86,229	86,229
Hedge funds					
Global equity	-	-	-	16,764	16,764
Developed international	-	-	-	12,767	12,767
Multi-strategy	-	-	-	131,236	131,236
U.S. equity (long/short and event driven)	-	-	-	26,464	26,464
Total endowment	\$ 108,121	\$ 282,793	\$ -	\$ 461,829	\$ 852,743
Trusts	12,016	-	22,875	-	34,891
Residential mortgages	-	5,176	-	-	5,176
Subtotal Long Term Investments	\$ 120,137	\$ 287,969	\$ 22,875	\$ 461,829	\$ 892,810
Short Term Investments (Fixed Income)	238	4,916	-	-	5,154
Total Investments	\$ 120,375	\$ 292,885	\$ 22,875	\$ 461,829	\$ 897,964

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Changes to the reported amounts of investments measured at fair value on a recurring basis listing Level III (unobservable) inputs as of May 31 are as follows:

	<u>Trusts</u>		<u>Trusts</u>
Balance, May 31, 2017	\$ 22,875	Balance, May 31, 2016	\$ 22,486
Purchases, sales and settlements	1,089	Purchases, sales and settlements	(405)
Net interest, dividends, fees	139	Net interest, dividends, fees	128
Net distributions	(369)	Net distributions	(355)
Net change in realized/unrealized gains (losses)	800	Net change in realized/unrealized gains (losses)	1,021
Balance, May 31, 2018	<u>\$ 24,534</u>	Balance, May 31, 2017	<u>\$ 22,875</u>

Transfers between leveled assets are based on the actual date of the event which caused the transfer. As of May 31, 2018 and 2017 there were no transfers between Levels I, II, or III.

The realized and unrealized gains and losses of the Level III investments for fiscal years 2018 and 2017 are included in realized and unrealized gains (losses) on investments in the Non-operating section of the Statement of Activities. Realized and unrealized gains (losses) of \$800 and \$1,021 are attributable to the trusts for 2018 and 2017 respectively.

Deposits with trustees of debt obligations of \$2,601 and \$8,958 as of May 31, 2018 and 2017, respectively, are considered Level II investments.

Liquidity risk is the risk that the College will not be able to meet its obligations due to restrictions on ability to redeem investments. The College has made investments in various long-lived partnerships and, in other cases, has entered into contractual agreements that limit its ability to initiate redemptions due to notice periods, lock-ups, side-pocket investments and investment periods. Of the College's investments, approximately 52%, or \$488,417, are redeemable within 6 months and approximately 58%, or \$549,091, are redeemable within one year. The College closely monitors liquidity and has approximately \$30,000 available in credit lines.

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Details on current redemption terms and restrictions by asset class and type of investment are provided below. Standard redemption notices are between 30 and 60 days.

Liquidity of Investments	Value
1 to 7 days	
Cash and cash equivalents	\$ 32,401
Equity (domestic & international)	94,488
Fixed income (domestic)	5,239
	<u>132,128</u>
1 week and 1 month	
Equity (domestic and international)	57,458
Fixed income (domestic)	72,876
Hedge funds	
Developed international	14,781
	<u>145,115</u>
1 to 3 months	
Equity (domestic and international)	164,535
Hedge funds	
Multi-strategy	2,174
U.S. equity (long/short and event driven)	888
	<u>167,597</u>
3 to 6 months	
Hedge funds	
Multi-strategy	29,993
U.S. equity (long/short and event driven)	13,584
	<u>43,577</u>
6 months to 1 year	
Hedge funds	
Global equity (long/short)	1,436
Multi-strategy	59,238
	<u>60,724</u>
Greater than 1 year	
Hedge funds	
Global equity (long/short)	15,740
Multi-strategy	30,562
U.S. equity (long/short and event driven)	10,909
Developed international	31
Real assets	106,896
Residential mortgages	5,858
Private equity	189,246
Trusts	36,756
	<u>395,998</u>
Total	<u>\$ 945,089</u>

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Investment activity for 2018 and 2017 is as follows:

	Endowment & Similar Funds	Gift Annuities And Trusts	Trusts Held By Others	2018	2017
Investments at beginning of year	\$ 852,743	\$ 28,042	\$ 6,848	\$ 887,633	\$ 837,186
Contributions restricted by donor	11,572	1,729	-	13,301	6,867
Contributions designated for long-term investment	11,336	-	-	11,336	2,856
Payout returned to long-term investment	519	-	-	519	473
Other increases	4,048	-	-	4,048	1,255
	880,218	29,771	6,848	916,837	848,637
Investment returns net of expenses of \$9,071 in 2018 and \$8,254 in 2017					
Investment dividends and interest	3,357	-	-	3,357	1,787
Realized/unrealized gains/(losses)	59,479	1,475	217	61,171	82,693
	62,836	1,475	217	64,528	84,480
Endowment spending payout	(45,818)	-	-	(45,818)	(43,431)
	17,018	1,475	217	18,710	41,049
Annuity and trust income	-	278	-	278	277
Payments to annuitants and trust expenses	-	(1,386)	-	(1,386)	(1,340)
Maturities of annuities	-	(447)	-	(447)	(989)
Investments at end of year	\$ 897,236	\$ 29,691	\$ 7,065	\$ 933,992	\$ 887,634

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6. Debt

Long-term debt, net of unamortized issuance costs, discounts, or premiums at May 31, consisted of the following:

	Maturity Date	Coupon Rates	2018	2017
Montgomery County Industrial Development Authority				
College Revenue Bonds, Series 2017	12/1/2037	3.25-5%	\$ 21,776	\$ -
Pennsylvania Higher Educational Facilities Authority				
College Revenue Bonds, Series 2014	12/1/2044	3.0-5.0%	54,643	55,924
Pennsylvania Higher Educational Facilities Authority				
College Revenue Bonds, Series 2012A	12/1/2022	4.00%	13,988	14,210
Pennsylvania Higher Educational Facilities Authority				
College Revenue Bonds, Series 2010A	12/1/2019	4.0-5.0%	24,165	25,580
Pennsylvania Higher Educational Facilities Authority				
College Revenue Bonds, Series 2010	12/1/2029	3.0-5.0%	10,794	11,496
Pennsylvania Higher Educational Facilities Authority				
College Revenue Bonds, Series 2007	12/1/2037	5.00%	-	22,782
			<u>\$ 125,366</u>	<u>\$ 129,992</u>

Principal payments on long-term debt are as follows:

	Series 2017	Series 2014	Series 2012A	Series 2010A	Series 2010	Total
2019	\$ -	\$ 1,145	\$ -	\$ 1,105	\$ 715	\$ 2,965
2020	-	1,195	-	22,360	745	24,300
2021	-	1,250	-	-	780	2,030
2022	-	1,320	-	-	815	2,135
2023	-	1,385	13,100	-	840	15,325
Thereafter	20,335	43,750	-	-	6,815	70,900
Total principal payments						117,655
Net bond premiums, discount, and issuance costs						7,711
Total outstanding debt						<u>\$ 125,366</u>

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The long-term debt includes various tax-exempt bond issues. All of the bonds bear interest at fixed rates that were determined on their original sale date. Interest is payable semi-annually. The bonds were issued by the Pennsylvania Higher Educational Facilities Authority or by the Montgomery County Industrial Development Authority, as noted on the schedule above, pursuant to indentures with bond trustees. The proceeds were loaned to the College via loan agreements. For the purpose of securing the payments to bondholders, the College pledged in these agreements its unrestricted revenues. In addition, under the terms of the agreements, the College is required to comply with various financial covenants. The College was in compliance with such covenants as of May 31, 2018 and May 31, 2017.

In May 2010, the College issued the Series 2010 bonds primarily to currently refinance the Series 1999 bond issue.

In November 2010, the College issued the Series 2010A bonds primarily to refinance a portion of the Series 2002 bond issue.

In November 2012, the College issued the Series 2012A bonds primarily to currently refinance the remainder of the Series 2002 bond issue. There was also approximately \$5,000 of proceeds used for the construction, improvement, renovation and equipping of various College facilities.

In July 2014, the College issued the Series 2014 bonds to refinance a portion of the Series 2012 bond issue and to fund various construction, improvement, renovation and equipping projects expected to include the renovation and expansion of a student residential facility and the College's primary science facility. The Series 2014 Bonds legally defeased \$21,780 of the outstanding Series 2012 Bonds.

In June 2017, the College issued the Series 2017 bonds primarily to currently refinance the Series 2007 bond issue.

7. Net Assets

Net assets at May 31, 2018 consisted of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Current funds	\$ 9,647	\$ 25,798	\$ -	\$ 35,445
Loan funds	538	77	-	615
Endowment and similar funds				
True endowment	-	234,566	257,191	491,757
Quasi-endowment	407,342	4,378	-	411,720
Term endowment	-	1,794	-	1,794
Annuities and trusts	3,056	4,827	21,582	29,465
Plant funds				
Unexpended plant	32,132	-	-	32,132
Capital projects	-	1,825	-	1,825
Net investment in plant	68,015	-	-	68,015
Total	\$ 520,730	\$ 273,265	\$ 278,773	\$ 1,072,768

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Net assets at May 31, 2017 consisted of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Current funds	\$ 1,420	\$ 13,910	\$ -	\$ 15,330
Loan funds	538	108	-	646
Endowment and similar funds				
True endowment	-	225,307	242,674	467,981
Quasi-endowment	380,650	7,659	-	388,309
Term endowment	-	1,731	-	1,731
Annuities and trusts	2,959	4,798	19,600	27,357
Plant funds				
Unexpended plant	26,252	-	-	26,252
Capital projects	-	1,141	-	1,141
Net investment in plant	69,195	-	-	69,195
Total	\$ 481,014	\$ 254,654	\$ 262,274	\$ 997,942

Changes to the reported amount of the College's endowment net assets as of May 31 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, May 31, 2017	\$ 380,650	\$ 234,697	\$ 242,674	\$ 858,021
Investment return:				
Investment income	1,509	1,844	4	3,357
Net appreciation/(depreciation), realized and unrealized	26,756	32,705	18	59,479
Total investment return	28,265	34,549	22	62,836
New gifts	11,305	31	14,329	25,665
Appropriation of endowment assets for spending	(20,646)	(25,172)	-	(45,818)
Transfers	7,768	(3,368)	167	4,567
Net assets, May 31, 2018	\$ 407,342	\$ 240,737	\$ 257,192	\$ 905,271

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	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, May 31, 2016	\$ 359,850	\$ 212,410	\$ 237,718	\$ 809,978
Investment return:				
Investment income	806	979	-	1,785
Net appreciation/(depreciation), realized and unrealized	36,182	44,317	14	80,513
Total investment return	36,988	45,296	14	82,298
New gifts	2,197	651	4,599	7,447
Appropriation of endowment assets for spending	(19,604)	(23,827)	-	(43,431)
Transfers	1,219	167	343	1,729
Net assets, May 31, 2017	\$ 380,650	\$ 234,697	\$ 242,674	\$ 858,021

The aggregate amount of all donor-related endowment funds for which the fair value of assets at May 31 is less than the level required by donor stipulations was \$180 in 2018 and \$565 in 2017.

8. Employee Retirement Benefits

Eligible faculty, administration, and staff are provided retirement benefits under the College's defined contribution retirement program administered by Transamerica Retirement Solutions. The participants' contributions, which are permitted but not required, are fully vested, and the College funds its contributions to the plan on an ongoing basis. There are no unfunded benefits. The College's expense for the program was \$4,694 in 2018 and \$4,775 in 2017.

9. Commitments and Contingencies

Certain of the College's long-term investments involve future cash commitments which total approximately \$183,464 at May 31, 2018.

The College has outstanding construction contracts totaling approximately \$20,840. Completion of these projects is estimated to extend through December 2020.

The College is a defendant in various legal actions. While the final amount of these claims cannot be determined at this time, management does not expect that the resolution of the outstanding claims and litigation will have a material adverse effect upon the College's financial position.

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10. Expenses by Natural Classifications

Expenses were incurred in the following categories for the years ended May 31:

	2018	2017
Salaries and wages	52,894	52,790
Benefits	17,451	18,066
Scholarships and fellowships	4,382	4,367
Services and contracting	15,189	16,212
Supplies and minor equipment	4,428	3,596
Travel and entertainment	3,350	4,003
Auxiliaries' cost of goods sold	2,878	3,069
Utilities	2,308	2,409
Insurance	732	737
Depreciation	13,207	12,933
Interest	5,255	5,587
Total	122,074	123,769

11. Line of Credit

The College has access to lines of credit with two banks, with varying terms, through which \$15,000 may be borrowed from each bank. One line of credit commitment is currently scheduled to expire on June 30, 2019, and the other on February 1, 2021. As of May 31, 2018 and May 31, 2017 there was no outstanding balance on either line of credit.

12. Subsequent Events

The College evaluated subsequent events after the balance sheet date of May 31, 2018 through its issuance date of October 8, 2018. No subsequent events were noted during this period.

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APPENDIX C

SUMMARY OF LEGAL DOCUMENTS

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DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF TRUST INDENTURE AND LOAN AGREEMENT

The following is a brief summary of certain definitions and provisions of the Indenture and the Loan Agreement. This summary should not be regarded as a full statement of the documents or of the portions summarized. Reference is made to the Loan Agreement and the Indenture, copies of which are on file at the corporate trust office of the Trustee in Philadelphia, Pennsylvania, for a complete statement of the provisions thereof.

DEFINITIONS OF CERTAIN TERMS

The following are definitions of certain terms used in the summaries of the Indenture and the Loan Agreement.

“Administrative Expenses” means all expenses of the Authority which are properly chargeable as administrative expenses under generally accepted accounting principles, including, without limitation, (a) fees and expenses of the Trustee, including annual fees and the fees, costs and expenses of its Counsel; and (b) fees and expenses of the Authority reasonably necessary and fairly attributable directly or indirectly to the Bonds, the Project, this Loan Agreement, the Indenture and the administration of all thereof, including, without limiting the generality of the foregoing, fees and expenses of the Authority’s employees, consultants, Certified Public Accountant, Counsel and other professional advisors.

“Arbitrage Certificate” means, collectively, the Nonarbitrage Certificate and Compliance Agreement executed by the Authority and the Confirmation Certificate executed by the College, each in connection with, and dated the date of issuance of, the Bonds.

“Authority” means The Pennsylvania Higher Educational Facilities Authority.

“Bond Counsel” means an attorney-at-law or a firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America, and, except as otherwise provided in the Indenture, selected by the College and not unsatisfactory to the Trustee or the Authority.

“Bond Fund” means the trust fund so designated which is established pursuant to the Indenture.

“Bondholder” or **“Holder”** or **“Holder of Bonds”** or **“Owner”** or **“Owner of Bonds”** or **“registered owner”** of Bonds means the registered owner of any Bond.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday, or (ii) a day on which banking institutions in Philadelphia, Pennsylvania, New York, New York or in the city in which the Designated Office of the Trustee is located, are authorized or required by law or executive order to close, or (iii) a day on which the New York Stock Exchange or the Securities Depository is closed.

“Certified Public Accountant” means an independent accounting firm which is appointed by the College for the purpose of examining and reporting on or passing on questions relating to its financial statements, and has all certifications necessary for the performance of such services.

“Code” means the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, include all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

“Costs of Issuance Fund” means the trust fund so designated which is established pursuant to the Indenture.

“College Board” means the then legally constituted governing body vested with the power of management of the College, or duly authorized committee thereof.

“College Representative” means the President or the Chief Financial Officer of the College.

“Counsel” means an attorney-at-law or law firm (which may be internal or external counsel for the College or counsel for the Authority) not unsatisfactory to the Trustee and the Authority.

“Designated Office” means: (1) in the case of the Trustee, the office, designated as provided in the Indenture, from which payments of principal, premium (if any) and interest are made and where Bonds may be surrendered for payment upon acceleration or at maturity; and (2) in the case of the Trustee or the Bond Registrar, the office, designated as provided in the Indenture, where Bonds may be delivered for transfer or exchange.

“Government Obligations” means any of the following securities, if and to the extent the same are non-callable and not subject to redemption other than at the option of the owners, at the time legal for investment of funds held under the Indenture: direct obligations of, or obligations the full and timely payment of the principal of and interest on which is unconditionally guaranteed by, the United States of America, including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and including a receipt, certificate or any other evidence of an ownership interest in an aforementioned obligation, or in specified portions thereof (which may consist of specified portions of interest thereon).

“Indenture” means the Trust Indenture dated as of May 1, 2017 from the Authority to the Trustee.

“Loan Agreement” means the Loan Agreement dated as of May 1, 2017 between the Authority and College.

“Moody’s” means, as long as the Bonds are rated by Moody’s, Moody’s Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated in writing by the College.

“Outstanding” in connection with the Bonds, means, as of the time in question, all Bonds authenticated and delivered under the Indenture, except:

- (i) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment or redemption at or prior to that time;
- (ii) Bonds paid pursuant to the Indenture;
- (iii) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the Indenture; and
- (iv) Bonds in substitution for which other Bonds have been authenticated under the Indenture.

In determining whether the owners of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Indenture, Bonds which are held by or on behalf of the College (unless all of the Outstanding Bonds are then owned by the College) shall be disregarded for the purpose of any such determination, except that in determining whether the Trustee shall be protected in relying upon any such approval or consent of an owner, only Bonds that a Responsible Officer of the Trustee actually knows to be owned by or on behalf of the College shall be disregarded.

“Permitted Investments” means any of the following securities, if and to the extent the same are at the time legal for investment of the funds held under the Indenture:

- (i) Government Obligations.
- (ii) Bonds, debentures, notes, participation certificates or other evidences of indebtedness issued, or the principal of and interest on which are unconditionally guaranteed, by the Federal National Mortgage Association, the Bank for Cooperatives, or the Federal Intermediate Credit Bank, the Federal Home Loan Bank System, the Federal Land Banks, the Government National Mortgage Association or any other agency or instrumentality of or corporation wholly owned by the United States of America when such obligations are backed by the full faith and credit of the United States.
- (iii) Obligations of any state of the United States or any political subdivision thereof, which is rated at the time of purchase “Aaa/AAA” by Moody’s or general obligations of any state of the United States with a rating at the time of purchase of at least “A2/A” or higher by Moody’s.

(iv) "Pre-refunded Municipal Obligations" which means any obligations of any state of the United States or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in such irrevocable instructions; and which are rated at the time of purchase, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or any successors thereto; or which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (i) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a firm of nationally recognized independent public accountants or other experts in escrow fund cash flow verification, to pay principal of and interest and redemption premium, if any, on the obligations described in this paragraph on the maturity date or dates or redemption date or dates specified in the irrevocable instructions referred to above, as appropriate.

(v) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America: Senior debt obligations rated at the time of purchase "Aaa" by Moody's issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC); obligations of the Resolution Funding Corporation (REFCORP); senior debt obligations of the Federal Home Loan Bank System.

(vi) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and which matures not more than 270 calendar days after the date of purchase.

(vii) Shares or interests in money market mutual funds, including without limitation, any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from such funds for services rendered, (ii) the Trustee charges and collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to the Indenture may at times duplicate those provided to such funds by the Trustee or its affiliates, and which are rated in the highest rating category by Moody's or S&P, at the time of investment.

(viii) Guaranteed investment contracts, repurchase agreements and/or investment agreements.

(ix) U.S. dollar denominated time and demand deposit accounts, federal funds, trust funds, trust accounts, certificates of deposit and banker's acceptances with domestic commercial banks, including the Trustee and any of its affiliates which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank).

(x) trust funds, trust accounts, certificates of deposit, time deposit agreements, demand deposits or other comparable banking arrangements, whether negotiable or nonnegotiable, issued by any bank, trust company or national banking association (including the Trustee and any of its affiliates), provided that such investments must be (i) fully insured by the Federal Deposit Insurance Corporation, or (ii) secured, to the extent not insured by the Federal Deposit Insurance Corporation, as required by applicable law or (iii) issued by an institution whose unsecured, long term senior debt obligations are, at the time of such issuance, rated by S&P and Moody's in either of their respective two highest rating categories (disregarding qualifications of such categories by symbols as "+" or "-").

“Person” means an individual, a corporation, a partnership, an association, a limited liability company, a joint stock company, a joint venture, a trust, any unincorporated organization, a governmental unit or agency, a political subdivision or instrumentality thereof, a municipality or a municipal authority, or any other group or organization of individuals.

“Project Costs” means costs of the Project permitted under the Act, including, but not limited to, the following:

(a) Costs incurred in acquisition, construction, renovation, installation, equipment or improvement of the 2019 Capital Improvements and the other portions of the Project, including costs incurred in respect of the 2019 Capital Improvements and the other portions of the Project for preliminary planning and studies; architectural, engineering, accounting, consulting, legal and other professional fees and expenses; labor, services and materials;

(b) Fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of the Bonds, including without limitation bond discount, printing expense, title insurance, recording fees and the initial fees and expenses of the Trustee and the Authority;

(c) Payment of interest on the Bonds and fees of the Trustee accruing during the period when the 2019 Capital Improvements are under construction;

(d) Any other costs, expenses, fees and charges properly chargeable to the cost of acquisition, construction, installation, equipment or improvement of the Project; and

(e) Costs and expenses involved in repaying any Person that provided interim financing to the College in order to pay any of the costs described in clauses (a) through (d) above in connection with the Project.

“Project Facilities” means those facilities of the College financed or refinanced by the Bonds.

“Project Facilities” means those facilities of the College financed or refinanced by the Bonds, including the 2019 Capital Improvements.

“Project Fund” means the fund so designated which is established pursuant to the Indenture.

“Ratings Service” means Moody’s, if Moody’s has issued a rating of the Bonds at the request of the College, and S&P, if S&P has issued a rating of the Bonds at the request of the College.

“Regulatory Body” means any federal, state or local government, department, agency, authority or instrumentality (other than the Authority acting in its capacity as lender pursuant to the Loan Agreement) and any other public or private body, including accrediting organizations, having regulatory jurisdiction and authority over the College, the Project or the operations of the College.

“Reserved Rights” means (a) all of the Authority’s rights to receive Administrative Expenses and to indemnification under the Indenture and the Loan Agreement and amounts required to be deposited and rebated to the federal government; (b) the right of the Authority to receive notices and to make any determination and to grant any approval, direction or consent to anything in the Indenture and the Loan Agreement expressly requiring the determination, consent, direction or approval of the Authority; (c) any and all rights, remedies and limitations of liability of the Authority set forth in the Indenture, the Loan Agreement or the Bonds regarding (1) the negotiability, registration and transfer of the Bonds, (2) the loss or destruction of the Bonds, (3) the limited liability of the Authority as provided in the Act, the Indenture, the Loan Agreement and the Bonds, (4) the maintenance of insurance by the College, (5) no liability of the Authority to third parties, and (6) no warranties of suitability or merchantability by the Authority; (d) all rights of the Authority in connection with any amendment to or modification of the Indenture, the Loan Agreement or the Bonds; and (e) the right of the Authority to enforce remedies (within any limitations provided for in the Indenture or the Loan Agreement) with respect to the Administrative Expenses or indemnification of the Authority.

“Responsible Officer” means, when used with respect to the Trustee, any vice president, assistant vice president, senior associate or other officer of the Trustee within the Designated Office having direct responsibility for the administration of the Indenture.

“Revenues” means (a) all amounts payable to the Trustee with respect to the principal or redemption price of, or interest on, the Bonds (i) upon deposit in the Bond Fund from the proceeds of the Bonds or of obligations issued by the Authority to refund the Bonds or (ii) by the College under the Loan Agreement; (b) any proceeds of Bonds originally deposited with the Trustee for the payment of interest accrued on the Bonds or otherwise; and (c) investment income with respect to any moneys held by the Trustee in the Bond Fund, the Project Fund and the Costs of Issuance Fund.

“S&P” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, its successors and assigns, and, if such rating agency shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the College.

“Securities Depository” means initially The Depository Trust Company (“DTC”), New York, New York, and its successors and assigns, or a successor clearing agency designated under the Indenture and its successors and assigns.

“Trust Estate” has the meaning given to such term under the heading “THE INDENTURE – Pledge of Revenues”.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., as trustee under the Indenture, and its successors as trustee thereunder.

THE LOAN AGREEMENT

General

The Loan Agreement provides for the financing by the Authority of the Project and a loan of the proceeds of the Bonds from the Authority to the College. The proceeds of the Bonds are to be paid over to the Trustee for application in accordance with the terms of the Indenture. In the Loan Agreement, the College approves the terms and conditions of the Indenture and the Bonds, and the terms and conditions under which the Bonds are issued, sold and delivered.

Payments by the College

Loan Payments. In consideration of and in repayment of the loan from the Authority, the College will make, as loan payments, payments that correspond, as to amounts and due dates, to the principal of, and interest on, the Bonds.

No Set-off. The obligation of the College to make the payments required by the Loan Agreement is absolute and unconditional and a general obligation of the College; the full faith and credit of the College are pledged to the payment of all sums due under the Loan Agreement. The College will pay without abatement, diminution or deduction (whether for taxes, loss of use, in whole or in part, of the Project Facilities or otherwise) all such amounts regardless of any cause or circumstance whatsoever, present or future, including, without limitation, any defense, set-off, recoupment or counterclaim which the College may have or assert against the Authority, the Trustee, any Bondholder or any other Person. Except to the extent described in this paragraph, nothing contained in the Loan Agreement shall be construed to prevent or restrict the College from asserting any rights it may have under the Loan Agreement, or under any provision of law, against the Authority or the Trustee or any other Person in a separate proceeding.

Other Payments by College. The College will pay the following additional amounts, when due:

(a) any costs of issuance in respect of the Bonds in excess of the amount of such costs which may be paid from proceeds of the Bonds pursuant to the Code; and

(b) at any time upon requisition therefor, all other Administrative Expenses and any other expenses of the Authority incurred at the request or with the consent of the College in connection with the Project.

In addition, the College shall pay directly to the Trustee, on behalf of the Authority, when due, the Trustee fees, expenses and disbursements as provided in the Indenture. The foregoing sums will be paid directly to the parties entitled thereto.

Assignment of Loan Agreement to Trustee

The Authority assigns to the Trustee the Loan Agreement, all amounts payable under the Loan Agreement (other than the Authority's right to be reimbursed for Administrative Expenses and its right to indemnification by the College), to be held and applied pursuant to the provisions of the Indenture. The College: (a) consents to such assignment; (b) agrees to pay directly to the Trustee all amounts payable under the Loan Agreement (except any Administrative Expenses of the Authority and any indemnification payments to the Authority); and (c) agrees that the Trustee may exercise all rights granted to the Authority under the Loan Agreement.

College Covenants

Corporate Existence. The College covenants that, except as provided under the provisions of the Loan Agreement described under the subheading "– Merger of Consolidation" below, it will preserve and maintain its existence as a not-for-profit corporation under the laws of the Commonwealth, and preserve and maintain its authority to operate its facilities in the Commonwealth.

Merger or Consolidation. The College covenants that during the term of the Loan Agreement it will not consolidate with, transfer all or substantially all of its assets to, or merge into any other Person, unless the following conditions are met: (a) the successor or transferee expressly assumes in writing the full and faithful performance of the College's duties and obligations under the Loan Agreement to the same extent as if such successor corporation had been the original party under the Loan Agreement; (b) immediately after such consolidation, merger or transfer, the Authority and the Trustee receive a certificate of a College Representative to the effect that the College or such successor or transferee shall not be in default in the performance or observance of any duties, obligations or covenants of the Loan Agreement; and (c) the Authority and the Trustee receive an opinion or opinions of Bond Counsel to the effect that the merger, transfer or consolidation will not adversely affect the validity of any Bonds or adversely affect the exclusion from gross income of interest on the Bonds for purposes of federal income taxation.

Inspection of Facilities. The College will permit the Trustee and the Authority and any duly authorized agent of the Trustee and the Authority at all reasonable times and at such reasonable intervals so as not to interfere with the operation of the College to enter upon, examine and inspect the Project Facilities.

Preservation of Tax-Exempt Status. The College agrees for the benefit of the Authority, the Trustee and the Holders of the Bonds, that throughout the term of the Loan Agreement:

(a) Notwithstanding any provision in the Loan Agreement or Indenture to the contrary, it will not take any action or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue (including, without limitation, any action or circumstance which would result in the revocation or modification of its status as an organization described in Section 501(c)(3) of the Code), if such action or circumstance would

adversely affect the validity of the Bonds or cause the interest on the Bonds to be included in the gross income of the Holders thereof for purposes of federal income taxation.

(b) Neither it nor any Person related to it within the meaning of Section 147(a)(2) of the Code, pursuant to an arrangement, formal or informal, shall purchase bonds of the Authority in an amount related to the total amount payable under and secured by the Loan Agreement.

(c) It shall not carry on or permit to be carried on in the Project Facilities or any other property now or hereafter owned by the College (or with the College revenues, the proceeds of Bonds, or the proceeds of any loan refinanced with the proceeds of Bonds), any trade or business the conduct of which would cause the interest on the Bonds to be included in the gross income of the Holders thereof for purposes of federal income taxation.

(d) It will cooperate with the Authority in the preparation and filing of any information, report or other document with respect to the Bonds which may at any time be required, in the judgment of the Authority, to be filed with the Internal Revenue Service pursuant to Section 149(e) of the Code and any regulations thereunder.

(e) The College agrees to comply with the provisions of the Arbitrage Certificate; provided however, that the College shall not be required to comply with the provisions of the Arbitrage Certificate if it causes to be delivered to the Authority and the Trustee an opinion of Bond Counsel that such noncompliance will not adversely affect the exclusion from gross income of the interest on any Bonds for purposes of federal income taxation.

(f) No more than five percent of the net proceeds of the Bonds (less Bond proceeds used to finance costs of issuance) will be used to finance or refinance costs of facilities included in the Project Facilities used or to be used (i) in unrelated trades or businesses (within the meaning of Section 513(a) of the Code) of an organization described in Section 501(c)(3) of the Code, or (ii) in the trade or business of a Person other than an organization described in Section 501(c)(3) of the Code or a governmental entity. The College will not use the Project Facilities, or permit the Project Facilities to be used, in whole or in part, by any Person (including, without limitation, any lessee) in a manner which would result in a violation of this clause (f).

Compliance with Laws. Except as otherwise provided in the Loan Agreement, the College shall, throughout the term of the Loan Agreement and at no expense to the Authority, promptly comply in all material respects or cause compliance in all material respects with all laws, ordinances, orders, rules, regulations and requirements of any Regulatory Body which may be applicable to the Project Facilities or to the repair and alteration of the Loan Agreement, or to the use or manner of use of the Project Facilities.

Taxes, Charges and Assessments. The College covenants and agrees, subject to the provisions of the Loan Agreement, to pay or cause to be paid (before the same shall become delinquent):

(a) all taxes and charges on account of the use, occupancy or operation of the Project Facilities, or the income therefrom, including, but not limited to, all sales, use, occupation, real and personal property taxes, all permit and inspection fees, occupation and license fees and all water, gas, electric light, power or other utility charges assessed or charged on or against the Project Facilities or on account of the College's use or occupancy of the Loan Agreement or the activities conducted thereon or therein; and

(b) all taxes, assessments and impositions, general and special, ordinary and extraordinary, of every name and kind, which shall be taxed, levied, imposed or assessed during the term of the Loan Agreement upon all or any part of the Project Facilities, or the interest of the Authority and of the College or either of them in and to the Project, or upon the Authority's and the College's interest, or the interest of either of them, in the Loan Agreement or the loan payments payable under the Loan Agreement.

Bonds Not to Become Arbitrage Bonds. As provided in the Indenture, the Trustee will invest moneys held by the Trustee in the funds and accounts established under the Indenture as directed by a College Representative. The Authority and the College covenant with each other and with the Holders of the Bonds that, notwithstanding any provision of the Loan Agreement or any other instrument to the contrary, they will neither make or instruct the Trustee to make any investment or other use of the proceeds of the Bonds, nor take or omit to take any other action which would cause the Bonds to be arbitrage bonds under Section 148(a) of the Code, and that they will comply with the requirements of the Code throughout the term of the Bonds.

The provisions described in the preceding paragraph may be modified or may be deleted from the Loan Agreement, upon receipt by the Trustee and the Authority of an opinion of Bond Counsel that such modification or deletion will not adversely affect the exclusion from gross income of interest on any Bonds for purposes of federal income taxation.

Events of Default

Each of the following shall constitute an Event of Default under the Loan Agreement:

(a) if the College fails to make any payment required to pay principal of and interest on the Bonds under the Loan Agreement when the same shall become due and payable thereunder; or

(b) if the College fails to make any other payment or deposit required under the Loan Agreement within 30 days of the due date thereof; or

(c) if the College fails to perform any of its other covenants, conditions or provisions under the Loan Agreement and such failure continues for 60 days after the Authority or the Trustee gives the College written notice thereof; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which

by their nature cannot reasonably be done, taken or remedied, as the case may be, within such 60-day period, no Event of Default shall be deemed to have occurred or to exist if, and so long as, the College shall commence such performance within such 60-day period and shall diligently and continuously prosecute the same to completion; or

(d) if the College admits in writing its inability to pay its debts generally as they become due, or proposes or makes an assignment for the benefit of creditors or a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the College or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangements of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the College and if such is not vacated, dismissed or stayed on appeal within 60 days; or

(e) if for any reason any of the Bonds shall be declared due and payable by acceleration in accordance with the terms of the Indenture; or

(f) the College shall default in the payment of any indebtedness (other than amounts due under the Loan Agreement) with a principal amount in excess of \$1,000,000, and any period of grace with respect thereto shall have expired.

Remedies

If acceleration of the principal amount of the Bonds has been declared pursuant to the Indenture, the Trustee shall declare all loan payments to be immediately due and payable, whereupon the same shall become immediately due and payable. In addition, if an Event of Default under the Loan Agreement has occurred and is continuing, the Authority (or the Trustee as its assignee) may, at its option, in addition to its other rights and remedies as may be provided in the Loan Agreement or may exist at the time at law or in equity, exercise any one or more of the following remedies:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Authority, and require the College to carry out any agreements with or for the benefit of the Bondholders and to perform its duties under the Act or the Loan Agreement; or

(b) by action or suit in equity require the College to account as if it were the trustee of an express trust for the Authority; or

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Authority; or

(d) upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and the Bondholders, to have appointed a receiver or receivers of the Trust Estate, with such powers as the court making such appointment shall confer; or

(e) upon notice to the College, to accelerate the due dates of all sums due or to become due under the Loan Agreement.

In order to entitle the Authority (or the Trustee as its assignee) to exercise any remedy reserved to it in Loan Agreement concerning Events of Default and remedies, it shall not be necessary to give any notice, other than such notice as may be therein expressly required. Such rights and remedies as are given the Authority thereunder shall also extend to the Trustee. For so long as any Bonds remain Outstanding under the Indenture, and except with respect to the College's obligations in respect of the Authority's rights to notices, payments of fees and expenses and indemnification rights and the College's obligations to comply with the Act, the Trustee, as the assignee of the Authority, shall have the sole right to exercise rights and remedies against the College upon the occurrence of any Event of Default under the Loan Agreement, and the exercise by the Trustee of such rights and remedies shall be subject to all applicable provisions of the Indenture, the Loan Agreement and the Act. To the extent necessary or appropriate and requested by the Trustee, the Authority shall cooperate with the Trustee in connection with the exercise by the Trustee of such rights and remedies against the College.

Amendments

The College and the Authority, from time to time, may enter into any amendments and supplements to the Loan Agreement without the consent of Bondholders, but with prior notice to the Trustee, for the following purposes:

- (a) to cure any ambiguity, inconsistency, defect or omission in the Loan Agreement or in any amendment to the Loan Agreement;
- (b) to modify, eliminate or add to the provisions of the Loan Agreement to such extent as shall be necessary to obtain, maintain or improve a rating of the Bonds by any Ratings Service;
- (c) to add covenants of the College or surrender rights or powers of the College;
- (d) to make such additions, deletions or modifications as may be necessary in the case of any Bonds to assure compliance with Section 148(f) of the Code relating to the required rebate of certain investment earnings to the United States government or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds; or
- (e) in connection with any other change in the Loan Agreement if, in the judgment of the Trustee in reliance on an opinion of Counsel (which may be Bond Counsel), the proposed change does not materially adversely affect the rights of the Holders of any Bonds.

Except for amendments, changes or modifications described in clauses (a) through (e) above, neither the Authority nor the Trustee shall consent to any amendment, change or modification of the Loan Agreement or waive any obligation or duty of the College under the Loan Agreement without the written consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds affected thereby; provided, however, that no such waiver, amendment, change or modification shall permit termination or cancellation of the Loan Agreement or any reduction of the Loan Payments payable under the Loan Agreement or change the date when such payments are due without the consent of the Holders of all the Bonds then Outstanding who are adversely affected thereby.

THE INDENTURE

Pledge of Revenues

Pursuant to the Indenture (i) all right, title and interest (but not the obligations) of the Authority in, under and pursuant to the Loan Agreement, all loan payments and all other payments, revenues and receipts receivable by the Authority thereunder (except for certain rights related to indemnification and the payment of certain fees and expenses), and (ii) all of the right, title and interest of the Authority in and to all Funds and Accounts established under the Indenture and all moneys and investments now or hereafter held therein and all present and future Revenues, are assigned and pledged to the Trustee to secure the payment of the principal of and interest on the Bonds and are collectively referred to as the "Trust Estate".

Funds

Bond Fund. A Bond Fund will be established and maintained with the Trustee under the Indenture. The amounts with respect to the payment of principal or redemption price of and interest on the Bonds derived under the Loan Agreement and certain other amounts specified in the Indenture will be deposited in the Bond Fund. While the Bonds are Outstanding, moneys in the Bond Fund will be used solely for the payment of the principal or redemption price of and interest on the Bonds as they mature or become due upon redemption, acceleration or otherwise. Any amounts remaining in the Bond Fund, after payment in full of the principal of and interest on the Bonds (or provision for the payment thereof), shall be paid to the College.

Costs of Issuance Fund. A Costs of Issuance Fund will be established and maintained with the Trustee for the payment of costs of issuance. There shall be deposited into the Costs of Issuance Fund moneys as indicated in Indenture. Such moneys shall be expended to pay costs of issuance with respect to the Bonds in accordance with the written direction of a College Representative. The Authority, upon written request and at the expense of the College, shall be furnished with all copies of directions received by the Trustee pursuant to the provisions described under this heading. Each such written order shall be accompanied by invoices or other appropriate documentation supporting the payments or reimbursements requested. The Trustee is authorized and directed under the Indenture to wire money from or issue its checks on the Costs of Issuance Fund for each payment in accordance with such written directions.

Project Fund. A Project Fund will be established and maintained with the Trustee for the payment of Project Costs. Pending disbursement of moneys from the Project Fund pursuant to the Loan Agreement, the moneys and investments to the credit of the Project Fund shall be held as security for the Outstanding Bonds.

Payment of all Project Costs payable out of the Project Fund shall be evidenced by the delivery by the College and the Authority to the Trustee of a Certificate of the College to that effect. As soon as practicable after the receipt by the Trustee of such Certificate, any balance remaining in the Project Fund shall be deposited or applied in accordance with the written direction of the authorized representative of the College pursuant to the Loan Agreement. In addition, such balance shall not be invested by the College at a yield in excess of the yield on the Bonds, unless there shall have been delivered to the Trustee and the Authority an opinion of

Bond Counsel to the effect that such investment will not cause the interest on the Bonds to be included in the gross income of the Holders for federal income tax purposes.

Investments

At the written direction of a College Representative, the Trustee shall invest moneys held in the Costs of Issuance Fund and the Project Fund in Permitted Investments and shall invest moneys in the Bond Fund in Permitted Investments maturing on or before the date or dates when the payments in respect of principal of or interest on the Bonds for which such moneys are held are to become due. Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the respective Fund. The interest and income received upon, and any profit or loss resulting from, the investment of moneys in each such Fund shall be credited to or charged to such Fund.

Tax Covenants

The Authority covenants for the benefit of the Holders from time to time of the Bonds that it will not act so as to cause the proceeds of the Bonds, any moneys derived, directly or indirectly, from the use or investment thereof and any other moneys on deposit in any fund or account maintained in respect of the Bonds (whether such moneys were derived from the proceeds of the sale of the Bonds or from other sources) to be used in a manner which could cause the Bonds to be treated as “arbitrage bonds” within the meaning of the Code. The College by its execution of the Loan Agreement has covenanted to restrict the investment or other use of money in the funds and accounts created under the Indenture in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Bonds are delivered to their original purchaser, so that the Bonds will not constitute “arbitrage bonds” under the Code, and the Trustee agrees to comply with the College’s instructions to such end with respect to the investment of money in the funds and accounts created under the Indenture.

The Authority covenants that it will not sell its bonds or cause them to be sold to an institution described in Section 501(c)(3) of the Code (or any related person within the meaning of the Code) from whom the Authority may acquire “acquired purpose obligations” as defined in the Code referred to in the preceding paragraph pursuant to any arrangement, formal or informal, in an amount related to the amount of “acquired purpose obligations” to be acquired from such institution.

Defaults

The Indenture provides that each of the following events will constitute an “Event of Default” thereunder:

- (a) if payment of the principal or redemption price of any Bond is not made when it becomes due and payable at maturity or upon call for redemption; or
- (b) if payment of any interest on any Bond is not made when due and payable; or

(c) if an “Event of Default”, as such term is defined under the Loan Agreement, occurs and is continuing; or

(d) if the Authority fails to comply with any provision of the Act or for any reason is rendered incapable of fulfilling its obligations thereunder or under the Indenture.

Remedies

The Indenture provides that if an Event of Default occurs, the Trustee may, and shall, upon written request of the Owners of 25% in principal amount of all Bonds then Outstanding (100% in the case of an Event of Default described in clause (d) above) by notice in writing delivered to the Authority and the College, declare the principal of all Bonds then Outstanding to be immediately due and payable and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable to the Owners. Upon the declaration of any such acceleration, the Trustee shall immediately exercise such rights as it may have as the assignee of the Loan Agreement to declare all payments under the Loan Agreement to be due and payable immediately.

Within five calendar days of the occurrence of any such acceleration, the Trustee shall notify, by first class mail, postage prepaid, the Owners of all Bonds then Outstanding of the occurrence of such acceleration, the date through which interest has accrued and the time and place of payment.

In addition, upon the occurrence and continuation of an Event of Default under the Indenture, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of principal of and interest on the Bonds.

However, the provisions described above are subject to the condition that if, after the principal of all Bonds has been so declared to be due and payable, all arrears of interest on the Bonds are paid by the Authority, and the Authority performs all other things in respect to which it may have been in default under the Indenture and pays the reasonable charges of the Trustee and of the Owners of the Bonds, including reasonable attorneys’ fees, then Owners of a majority in principal amount of the Bonds then Outstanding, by notice to the Authority and to the Trustee, may annul such declaration and its consequences.

The Owners of a majority in principal of the Bonds then Outstanding will have the right, after furnishing indemnity satisfactory to the Trustee, to direct in writing the method and place of conducting all remedial proceedings by the Trustee under the Indenture, except that such direction may not be in conflict with any rule of law or with the Indenture or unduly prejudice the rights of minority Bondholders and provided further that the Trustee may decline to follow such directions if the Trustee, upon advice of Counsel, determines that the taking of the action specified in such directions would involve it in personal liability against which indemnity would not be satisfactory.

No Bondholder shall have any right to pursue any remedy under the Indenture or the Loan Agreement unless:

(a) a Responsible Officer of the Trustee shall have been given written notice of an Event of Default;

(b) the Holders of at least 25% in principal amount of all Bonds then Outstanding shall have requested the Trustee, in writing, to exercise the powers granted in the Indenture or to pursue such remedy in its or their name or names;

(c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities (including attorney's fees, costs and expenses); and

(d) the Trustee shall have failed to comply with such request within a reasonable time.

Notwithstanding the foregoing provisions or any other provision of the Indenture, the obligation of the Authority shall be absolute and unconditional to pay or cause to be paid, but solely from the Revenues and other funds pledged under the Indenture, the principal or redemption price of and interest on, the Bonds to the respective Holders thereof on the respective due dates thereof, and nothing in the Indenture shall affect or impair the right of action, which is absolute and unconditional, of such holders to enforce such payment.

Modifications and Amendments

Amendments and Supplements without Bondholders' Consent. The Indenture provides that it may be amended or supplemented at any time without notice to or the consent of any of the Owners of the Bonds by a supplemental indenture consented to by the College, authorized by the Authority and filed with the Trustee for any one or more of the following purposes:

(a) to add additional covenants of the Authority or to surrender any right or power conferred upon the Authority in the Indenture;

(b) for any purpose not inconsistent with the terms of the Indenture or to cure any ambiguity or to correct or supplement any provision of the Indenture or in any supplemental indenture which may be defective or inconsistent with any other provision in the Indenture or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under the Indenture which shall not be inconsistent with the provisions of the Indenture and which shall not adversely affect the interests of the holders of the Bonds, including the appointment and duties of a Bond Registrar or Authenticating Agent;

(c) to modify, eliminate or add to the provisions of the Indenture to such extent as shall be necessary to effect the qualification of the Indenture under the Trust Indenture Act of 1939 or under any similar federal statute hereafter enacted, and to add to the Indenture such other provisions as may be expressly permitted by the Trust Indenture Act of 1939, as from time to time amended;

(d) to modify, eliminate or add to the provisions of the Indenture to such extent as shall be necessary to obtain, maintain or improve a rating of the Bonds by any Ratings Service;

(e) to grant to or confer or impose upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with the Indenture as theretofore in effect;

(f) to permit the Bonds to be converted to, or from, certificateless securities or securities represented by a master certificate held in trust, ownership of which, in either case, is evidenced by book entries on the books of the Securities Depository, for any period of time;

(g) to permit the appointment of a co-trustee under the Indenture;

(h) to authorize different authorized denominations of the Bonds and to make correlative amendments and modifications to the Indenture regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(i) to modify, alter, supplement or amend the Indenture to comply with changes in the Code affecting the status of interest on the Bonds as excluded from gross income for federal income tax purposes or the obligations of the Authority or the College in respect of Section 148 of the Code; and

(j) to modify, alter, amend or supplement the Indenture in any other respect which is not materially adverse to the Owners of the Bonds.

Amendments with Bondholders' Consent. The Indenture may be amended from time to time, except with respect to (a) the principal or interest payable upon any of the Bonds, (b) the Interest Payment Dates, the dates of maturity or the redemption provisions of any of the Bonds (except as otherwise provided in the Indenture), and (c) the provisions relating to amendments of the Indenture and the Loan Agreement, if any, by a supplemental indenture consented to by the College (provided the College is not then in default under the Loan Agreement) and approved by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding which would be affected by the action proposed to be taken. The Indenture may be amended with respect to the matters enumerated in clauses (a) through (c) above with the unanimous consent of all Owners and the College (provided the College is not then in default under the Loan Agreement).

Defeasance

The Indenture provides that when the principal or redemption price (as the case may be) of, and interest on, the Bonds have been paid, or provision has been made for their payment, together with the compensation of the Trustee and all other sums payable by the Authority, the right, title and interest of the Trustee shall cease and the Trustee, on demand of the Authority, will release the lien of the Indenture. If payment or provision for payment is made for less than

all of the Bonds, the particular Bonds (or portion thereof) to be deemed paid shall be selected by lot by the Trustee, and the Trustee shall release the Indenture with respect to such Bonds.

Any Bond shall be deemed to be paid within the meaning of the Indenture when the Trustee holds in the Bond Fund, in trust and irrevocably set aside exclusively for such payment (i) moneys sufficient to make such payment and/or (ii) non-callable Government Obligations maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys (without consideration of any reinvestment of such moneys) to make such payment in accordance with the Indenture. The Trustee and the Authority must also receive an opinion of Bond Counsel to the effect that (x) such deposit will not adversely affect the exclusion from gross income of the interest on any of the Bonds or cause any of the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code and (y) upon the making of such deposit, provision for payment of the Bonds will be deemed to have been made in accordance with the provisions of the Indenture described under this heading.

Concurrently with any deposit described in the preceding paragraph, the Trustee and the Authority must receive a certificate from a firm of independent public accountants or other experts in escrow fund cash flow verification to the effect that the amounts deposited with the Trustee are sufficient (without reinvestment) to make all payments that may become due on the Bonds. Notwithstanding the foregoing, no delivery to the Trustee under this subsection (b) shall be deemed a payment of any Bonds which are to be redeemed prior to their stated maturity until such Bonds shall have been irrevocably called or designated for redemption on a date thereafter on which such Bonds may be redeemed in accordance with the provisions of the Indenture and prior notice of such redemption shall have been given in accordance with the Indenture or the Authority shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to give, in the manner and at the times prescribed by the Indenture, notice of redemption. Neither the obligations nor moneys deposited with the Trustee pursuant to the provisions described under this heading shall be withdrawn or used for any purpose other than, and shall be segregated and held in trust for, the payment of the principal of and interest on the Bonds with respect to which such deposit has been made. In the event that such moneys or obligations are to be applied to the payment of principal of any Bonds more than 60 days following the deposit thereof with the Trustee, the Trustee shall deliver to the registered owners of the Bonds a notice stating that such moneys or obligations have been deposited and identifying the Bonds for the payment of which such moneys or obligations are being held.

Anything in the Indenture to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to the provisions described under this heading for the payment of the principal of the Bonds and the interest thereon and the principal of such Bond and the interest thereon shall not have in fact been actually paid in full, no amendment to the provisions described under this heading shall be made without the consent of the owner of each of the Bonds affected thereby.

Notwithstanding the foregoing, those provisions relating to the maturity of Bonds, interest payments and dates thereof, if any, and the Trustee's remedies with respect thereto, and provisions relating to exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and the duties of the Trustee in connection with all of the

foregoing and the fees, expenses and indemnities of the Trustee, shall remain in effect and shall be binding upon the Trustee, the Authority, the College and the Bondholders notwithstanding the release and discharge of the lien of the Indenture.

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APPENDIX D

PROPOSED FORM OF OPINION OF CO-BOND COUNSEL

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[Form of Opinion of Co-Bond Counsel]

September 5, 2019

Re: \$26,905,000 Pennsylvania Higher Educational Facilities Authority
Bryn Mawr College Revenue Bonds, Series 2019 (the "Bonds")

TO THE REGISTERED OWNERS OF THE ABOVE-CAPTIONED BONDS

We have acted as Co-Bond Counsel in connection with the issuance by the Pennsylvania Higher Educational Facilities Authority (the "Authority") of the above-captioned Bonds under The Pennsylvania Higher Educational Facilities Authority Act of 1967, as amended (the "Act"). The proceeds of the Bonds, together with other available funds, will be used by the Authority to finance a project for the benefit of Bryn Mawr College, a Pennsylvania not-for-profit corporation (the "College"), which project consists of, among other things, (a) the current refunding of all of the Authority's outstanding Bryn Mawr College Revenue Bonds, Series 2010A (the "2010A Bonds"); (b) the payment of all or a portion of the costs of the design, acquisition, construction, installation and equipping of (i) a new student life and wellness center; (ii) renovations and improvements to the Park Science complex; and (iii) various other capital renovations and improvements to the College's existing buildings and facilities, all located on the College's campus; and (c) the payment of all or a portion of the costs of issuance of the Bonds. All capitalized terms used in this opinion and not defined herein shall have the meanings assigned to them in the Indenture (as defined below) unless the context clearly requires otherwise.

The Authority and the College have entered into a Loan Agreement dated as of September 1, 2019 (the "Loan Agreement"), pursuant to which the Authority has agreed to loan the proceeds of the Bonds to the College and the College has agreed, among other things, to make certain loan payments to the Authority in such amounts and at such times as to permit the Authority to pay, among other things, the principal of, premium, if any, and interest on the Bonds when due.

Pursuant to the provisions of a Trust Indenture dated as of September 1, 2019 (the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), the Authority has, among other things, pledged, assigned and granted to the Trustee all of its right, title and interest in and to the Loan Agreement (except for certain indemnification rights and rights to be reimbursed for certain costs and expenses that it may incur as provided in the Loan Agreement).

The Bonds issued this date mature, bear interest and are subject to redemption prior to maturity upon the terms and conditions stated therein and in the Indenture. The Bonds are issuable as registered bonds in denominations of \$5,000 or integral multiples of \$5,000 in excess thereof.

In our capacity as Co-Bond Counsel, we have reviewed the following:

1. The Act;
 2. A certified copy of the Articles of Incorporation of the Authority;
 3. Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations and rulings promulgated thereunder;
 4. The General Certificate of the Authority and all exhibits thereto;
 5. The General Certificate of the College and all exhibits thereto;
 6. The opinion of Ballard Spahr LLP, Philadelphia, Pennsylvania, in their capacity as counsel to the College;
 7. The opinion of Barley Snyder LLP, Lancaster, Pennsylvania, in their capacity as counsel to the Authority;
 8. The Bond Purchase Agreement among the Authority, the College and Wells Fargo Bank, National Association (the "Underwriter") dated July 24, 2019;
 9. A specimen copy of one of the Bonds;
 10. An executed Nonarbitrage Certificate and Compliance Agreement of the Authority delivered this day;
 11. An executed Confirmation Certificate of the College delivered this day;
 12. An executed Certificate of the Underwriter delivered this day;
 13. An executed Certificate of PFM Financial Advisors LLC, municipal advisor to the College (the "Municipal Advisor");
 14. An executed Certificate Regarding Information Contained in Form 8038 delivered this day;
 15. The information return of the Authority on Form 8038 delivered this day in connection with the issuance of the Bonds; and
 16. Original counterparts or certified copies of the Loan Agreement, the Indenture and the other documents, agreements, certificates and opinions delivered at the closing held this day.
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Based and in reliance upon the foregoing, our attendance at the closing held this day and subject to the caveats, qualifications, exceptions and assumptions set forth herein, it is our opinion that, as of the date hereof, under existing law:

1. The Authority is a body corporate and politic, validly existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), with full power and authority to execute and deliver the Indenture and the Loan Agreement and to issue and sell the Bonds.

2. The Indenture and the Loan Agreement have each been duly authorized, executed and delivered by the Authority and each such document constitutes the valid and binding obligation of the Authority.

3. The issuance of the Bonds has been duly authorized by the Authority. The Bonds have been duly and validly authorized, executed and delivered by the Authority and, when duly authenticated by the Trustee, will constitute valid and binding obligations of the Authority, enforceable against the Authority.

4. Under the laws of the Commonwealth, the Bonds and interest on the Bonds shall be free from taxation for State and local purposes within the Commonwealth, but this exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied directly on the Bonds or the interest thereon. Under the laws of the Commonwealth, profits, gains or income derived from the sale, exchange or other disposition of the Bonds are subject to State and local taxation within the Commonwealth.

5. Interest on the Bonds is not includable in gross income under Section 103(a) of the Code.

6. Under the Code, interest on the Bonds does not constitute an item of tax preference under Section 57 of the Code and thus is not subject to alternative minimum tax on individuals for federal income tax purposes.

In connection with providing the foregoing opinions, we call to your attention the following:

A. As to questions of fact material to our opinion, we have relied upon the representations, statements, expectations and certifications contained in the documents and other certified proceedings reviewed by us (including, without limitation, certificates, agreements and representations by the Authority and the College as to the expected use of the proceeds of the Bonds and as to the continuing compliance with Section 148 of the Code to assure that the Bonds do not become "arbitrage bonds" and continue to be "qualified 501(c)(3) bonds" within the meaning of Section 145 of the Code), without undertaking to verify the same by independent

investigation. We have also relied upon the genuineness, authenticity, truthfulness and completeness of all facts, information, representations, and certifications contained in the agreements, certificates, documents, records and other instruments executed and delivered at or in connection with the closing held this day and we have assumed compliance with the state and federal securities laws. We have also assumed the genuineness of the signatures appearing upon all the certificates, documents and instruments executed and delivered at the closing held this day.

B. We have relied, without independent investigation, on the opinion of Ballard Spahr LLP, Philadelphia, Pennsylvania, as counsel to the College, with respect to the matters stated therein, including, but not limited to the continuing status of the College as a 501(c)(3) organization under the Code.

C. In connection with the opinions set forth in paragraphs 2 and 3 above, we call to your attention that the legality, validity, binding nature and enforceability of the documents referred to therein may be limited by: (a) the availability or unavailability of equitable remedies including, but not limited to, specific performance and injunctive relief; (b) the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws or equitable principles generally affecting creditors' rights or remedies; and (c) the effect of certain laws and judicial decisions limiting on constitutional or public policy grounds any provisions set forth in such documents purporting to waive rights of due process and legal procedure.

D. In providing the opinion set forth in paragraph 5 above, we have assumed continuing compliance by the Authority and the College with requirements of the Code and applicable regulations thereunder which must be met subsequent to the issuance of the Bonds in order that the interest thereon be and remain excluded from gross income for federal income tax purposes. The Authority and the College have covenanted to comply with such requirements. Failure to comply with such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of such Bonds. We further advise you that we have not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may affect the tax status of interest on the Bonds.

E. In providing the opinions set forth in paragraph 6 above, we have assumed continuing compliance by the Authority and the College with requirements of the Code and applicable regulations thereunder which must be met subsequent to the issuance of the Bonds in order that the interest thereon not constitute an item of tax preference under Section 57 of the Code. Failure to comply with such requirements could cause the interest on the Bonds to constitute an item of tax preference under Section 57 of the Code retroactive to the date of issuance of the Bonds.

F. Except as specifically set forth above, we express no opinion regarding other federal income tax consequences arising with respect to the Bonds, including, without limitation, the treatment for federal income tax purposes of gain or loss, if any, upon the sale, redemption or other disposition of the Bonds prior to the maturity of the Bonds subject to original issue discount and the effect, if any, of certain other provisions of the Code which could result in collateral federal income tax consequences to certain investors as a result of adjustments in the computation of tax liability dependent on tax-exempt interest.

G. The Bonds are special limited obligations of the Authority, payable only out of amounts that may be held by or available to the Trustee under the Indenture, including amounts payable by the College pursuant to the Loan Agreement. The Bonds do not pledge the credit or taxing power of the Commonwealth or any political subdivision thereof. The Authority has no taxing power.

H. We have not been engaged to verify, nor have we independently verified, nor do we herein express any opinion to the registered owners of the Bonds with respect to, the accuracy, completeness or truthfulness of any statements, certifications, information or financial statements set forth in the Preliminary Official Statement dated July 18, 2019 (the "Preliminary Official Statement") or in the Official Statement dated July 24, 2019 (the "Official Statement") or with respect to any other materials used in connection with the offer and sale of the Bonds.

I. We express no opinion with respect to whether the Authority or the College, in connection with the sale of the Bonds or the preparation of the Preliminary Official Statement or the Official Statement has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, not misleading. Further, we have not verified, and express no opinion as to the accuracy of, any "CUSIP" identification number which may be printed on any Bond.

J. The opinions expressed herein are based on an analysis of existing laws, regulations, rulings, and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement as Co-Bond Counsel has concluded with the issuance of the Bonds and we disclaim any obligation to update this letter.

STEVENS & LEE, P.C. TURNER LAW, P.C.

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APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “**Disclosure Agreement**”) made as of this 1st day of September 2019, by Bryn Mawr College (the “**College**”) in connection with the issuance of the \$26,905,000 Pennsylvania Higher Educational Facilities Authority Bryn Mawr College Revenue Bonds, Series 2019 (the “**Series 2019 Bonds**”).

SECTION 1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the College for the benefit of the Beneficial Owners (as herein defined) of the Series 2019 Bonds and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture (as herein defined), which apply to any capitalized terms used in this Disclosure Agreement unless otherwise defined in this Section or elsewhere in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

“**Annual Report**” shall mean any Annual Report provided by the College pursuant to the Rule and this Disclosure Agreement.

“**Beneficial Owner**” shall mean any person who: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2019 Bonds (including persons holding Series 2019 Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Series 2019 Bonds for federal income tax purposes.

“**Commonwealth**” shall mean the Commonwealth of Pennsylvania.

“**Dissemination Agent**” shall mean any Dissemination Agent designated in writing by the College and which has filed with the College a written acceptance of such designation.

“**EMMA**” shall mean the Electronic Municipal Market Access System maintained by the MSRB at <http://emma.msrb.org>, which serves as the sole nationally recognized municipal securities information repository under the Rule.

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

“**Fiscal Year**” shall mean any period of twelve (12) consecutive months adopted by the College as its fiscal year for financial reporting purposes and shall initially mean the period beginning on June 1 of each calendar year and ending on May 31 of the next calendar year.

“**Indenture**” shall mean the Trust Indenture, dated as of September 1, 2019, between the Issuer and the Trustee, and any supplements thereto.

“**Issuer**” shall mean the Pennsylvania Higher Educational Facilities Authority, its successors and assigns.

“**Loan Agreement**” shall mean the Loan Agreement by and between the Issuer and the College relating to the Series 2019 Bonds.

“**Listed Events**” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“**Official Statement**” shall mean the Official Statement of the Issuer and the College relating to the Series 2019 Bonds.

“**Participating Underwriter**” shall mean Wells Fargo Bank, National Association, as underwriter for the Series 2019 Bonds.

“**Repository**” shall mean EMMA or any successor repository as may be designated by the Rule.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**Trustee**” shall mean The Bank of New York Mellon Trust Company, N.A., as trustee for the Series 2019 Bonds.

SECTION 3. Provision of Annual Reports.

(a) Not later than December 15 of each year, commencing December 15, 2019, the College shall provide to the MSRB an Annual Report consistent with the requirements of Section 4 of this Disclosure Agreement; *provided, however*, if the College adopts another twelve-month period as its fiscal year for financial reporting purposes, the Annual Report shall be provided no later than 195 days after the end of such fiscal year. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided however*, that if audited financial statements are unavailable, unaudited financial statements may be submitted as long as such audited financial statements are furnished when available.

(b) The College shall also:

- (i) determine each year prior to the date for providing the Annual Report the address of the MSRB; and
- (ii) if the College is unable to provide to the MSRB via EMMA, or such other entity as shall then be required under the Rule, an Annual Report (or the audited financial statements which were to be separately submitted) by the date required in subsection (a), send a notice to the MSRB via EMMA, or such other entity as shall then be required under the Rule in substantially the form attached as Exhibit A.

SECTION 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) If audited financial statements of the College are not yet available, the unaudited financial statements of the College, and when audited financial statements are available, the audited financial statements of the College, both such types of financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time. Such audited financial statements shall be accompanied by an audit report resulting from an audit conducted by an independent certified public accountant or firm of independent public accountants in conformity with generally acceptable accounting principles.

(b) If the accounting principles changed from the previous Fiscal Year, a description (as required by Section 8 of this Disclosure Agreement) of the impact of the change to the extent not included in the audited financial statements (including the notes thereto).

(c) If the fiscal year has changed, a statement indicating the new Fiscal Year.

(d) An update of the information set forth in the following subsections of "APPENDIX A — CERTAIN INFORMATION CONCERNING BRYN MAWR COLLEGE" to the Official Statement: (i) the table under the caption "Student Applications, Admissions, and Enrollments;" (ii) the table under the caption "Student Fees;" (iii) the table under the caption "Student Financial Aid;" (iv) the tables entitled "Statement of Financial Position" and "Statement of Activities" under the caption "Accounting Matters;" (v) the first table under the caption "Endowment and Other Investment Assets;" (vi) the table under the caption "Net Assets;" and (vii) the table under the caption "Gifts, Contributions and Grants."

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the College is an "obligated person" (as defined by the Rule), which have been filed in accordance with the Rule and the other rules of the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB via EMMA, or such other platform as provided for by the MSRB or otherwise as may be then required under the Rule. The College shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events, in a timely manner, no more than ten (10) business days after the event has occurred, with respect to the Series 2019 Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draw 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, or a Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2019 Bonds, or other events affecting the tax status of the Series 2019 Bonds;
- (vii) Modifications to rights of the holders of the Series 2019 Bonds, if material;
- (viii) Bond Calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Series 2019 Bonds;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership, or a similar proceeding by an obligated person;
- (xiii) Consummation of a merger, consolidation, acquisition involving an obligated person, or sale of all or substantially all of the assets of an obligated person, 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; and
- (xiv) Appointment of an additional or successor trustee, or the change in name of a trustee, if material;
- (xv) Incurrence of a Financial Obligation of the College, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the College, any of which affects holders of the Series 2019 Bonds, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the College, any of which reflect financial difficulties.

(b) Whenever the College obtains knowledge of the occurrence of a Listed Event, the College shall, as soon as practicable, but in no event more than five (5) business days, determine if such event would constitute material information for Beneficial Owners of the Series 2019 Bonds, to the extent materiality is a relevant consideration. Otherwise, whenever the College obtains knowledge of the occurrence of a Listed Event, notice shall be filed in a timely manner with the MSRB via EMMA or in such other manner as may be required by the Rule.

(c) To the extent relevant, if the College determines that knowledge of the occurrence of a Listed Event would be material, the College shall within five (5) business days file

a notice of such occurrence with the MSRB via EMMA, or such other entity as may then be required by the Rule.

(d) The content of any notice of the occurrence of a Listed Event shall be determined by the College and shall be in substantially the form attached as Exhibit B.

SECTION 6. Termination of Reporting Obligation. The College's obligations under this Disclosure Agreement shall terminate upon the defeasance (within the meaning of the Rule), prior redemption or payment in full of all of the Series 2019 Bonds. If the College's obligations are assumed in full by some other entity, such Person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the College.

SECTION 7. Dissemination Agent. The College may, from time to time, appoint a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and the College may, from time to time, discharge the Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not a designated Dissemination Agent, the College shall be the Dissemination Agent.

SECTION 8. Amendment. The College may amend this Disclosure Agreement, but no such amendment shall be executed and effective unless: (a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the College; (b) the Disclosure Agreement, as modified by such amendment, would have been the written undertaking contemplated by the Rule at the time of original issuance of the Series 2019 Bonds, taking into account any amendments or interpretations of the Rule; and (c) the amendment does not materially impair the interests of the owners of the Series 2019 Bonds. Evidence of compliance with the foregoing conditions shall be satisfied by delivery to the Issuer and the Trustee of an opinion of counsel having recognized skill and experience in the issuance of municipal securities and federal securities law to the effect that the amendment satisfies the conditions set forth in the preceding sentence. Notice of any amendment shall be filed by the College with the MSRB via EMMA, or such other entity as may then be required by the Rule, at the time of filing the annual updated operating information of the College, and shall also be sent to each owner of the Series 2019 Bonds that requests such information and has filed its name and address with the College for the purpose of receiving such notices.

In the event that this Disclosure Agreement is amended or any provision of this Disclosure Agreement is waived, a notice of a Listed Event pursuant to Section 5(a)(vii) hereof shall explain, in narrative form, the reasons for the amendment or waiver and the impact, if any, of the change in the type of operating data or financial information being provided in the applicable Annual Report. If an amendment or waiver is made in this Disclosure Agreement which allows for a change in the accounting principles to be used in preparing financial statements, the applicable Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and impact of the change in the accounting principles on the presentation of the financial information. A notice of the change in the accounting principles shall be deemed to be material and shall be sent to the MSRB via EMMA, or such other entity as may then be required by the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the College from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the College chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the College shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the College to comply with any provision of this Disclosure Agreement, any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the College to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a “default” or an “Event of Default” under the Indenture or the Loan Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties of Dissemination Agent. The Dissemination Agent, if any, shall have only such duties as are specifically set forth in this Disclosure Agreement.

SECTION 12. Disclaimer of Responsibility and Liability of Issuer. The Issuer shall have no responsibility or liability for the College’s filing obligations under this Disclosure Agreement or the contents of such filings.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the College, the Dissemination Agent, if any, and Beneficial Owners from time to time of the Series 2019 Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania and the Rule.

SECTION 15. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

IN WITNESS WHEREOF, the College has caused this Disclosure Agreement to be duly executed as of the date first above written.

BRYN MAWR COLLEGE

By: _____

Name:

Title:

(Signature Page of Continuing Disclosure Agreement)

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Pennsylvania Higher Educational Facilities Authority

Name of Bond Issue: \$26,905,000 Pennsylvania Higher Educational Facilities Authority Bryn Mawr College Revenue Bonds, Series 2019

CUSIP Number: []

Date of Issuance: September [], 2019

NOTICE IS HEREBY GIVEN that Bryn Mawr College (the "College") has not provided an Annual Report due with respect to the above-named Series 2019 Bonds as required by its Continuing Disclosure Agreement dated as of September 1, 2019. The College anticipates that the Annual Report will be filed by _____.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to _____.

Dated: _____

BRYN MAWR COLLEGE

By: _____
Treasurer and Chief Financial Officer

EXHIBIT B

NOTICE TO MSRB

OF THE OCCURRENCE OF [INSERT THE LISTED EVENT]

Relating to

\$26,905,000

PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
BRYN MAWR COLLEGE REVENUE BONDS
SERIES 2019

CUSIP NUMBER _____

Notice is hereby given that [insert the Listed Event] has occurred. [Describe circumstances leading up to the event, action being taken and anticipated impact.]

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

[Notice of the Listed Events described in Section 5(a)(ix) shall include the following:

Bryn Mawr College hereby expressly reserves the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional/extraordinary redemption provisions of said defeased bonds.

OR

Bryn Mawr College hereby covenants not to exercise any optional or extraordinary redemption provisions under the Indenture; however, the sinking fund provision will survive the defeasance.

AND

The Series 2019 Bonds have been defeased to [maturity/the first call date, which is ____]. This notice does not constitute a notice of redemption and no bonds should be delivered to Bryn Mawr College or the Trustee as a result of this mailing. [A Notice of Redemption instructing you where to submit your certificates for payment will be mailed to _____ to _____ days prior to the redemption date.]]

Dated: _____

BRYN MAWR COLLEGE

By: _____
Treasurer and Chief Financial Officer

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