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DEREK S. HANSEL  
*Executive Director*

**MINUTES OF THE MEETING OF THE  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY  
ON TUESDAY, MAY 7, 2013**

The meeting was called to order at 9:01 a.m. by Chairman Jacobs. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via fax and email on April 15, 2013, to The Star Ledger, The Times and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

**AUTHORITY MEMBERS PRESENT:**

Roger B. Jacobs, Esq., Chairman (via phone)  
Ridgeley Hutchinson, Vice Chairman (via phone)  
Joshua Hodes, Treasurer (via phone)  
Andrew P. Sidamon-Eristoff, State Treasurer (represented by Steven Petrecca) (via phone)  
Rochele Hendricks, Secretary of Higher Education (represented by Gregg Edwards) (via phone)

**AUTHORITY MEMBERS ABSENT:**

None

**STAFF PRESENT:**

Derek S. Hansel, Executive Director  
Katherine Newell, Esq., Director of Risk Management  
Marie P. Mueller, Controller  
Sheryl Stitt, Dir. of Legislative Strategy and Public Communications  
Jennifer Soyka, Esq., Project Manager  
Sheila Toles, Exec. Assistant/Human Resources Specialist

**ALSO PRESENT:**

Kerstin Sundstrom, Esq., Governor's Authorities Unit (via phone)  
Clifford Rones, Esq., Deputy Attorney General

## **ITEMS OF DISCUSSION**

### **1. Approval of the Minutes of the Special Meeting of March 8, 2013**

The minutes of the special meeting of March 8, 2013 were delivered via United Parcel Service to Governor Chris Christie under the date of March 11, 2013. Mr. Edwards moved that the minutes of the meeting be approved as presented; the motion was seconded by Mr. Petrecca and passed unanimously.

### **2. Approval of the Minutes of the Meeting of March 21, 2013**

The minutes of the meeting of March 21, 2013 were hand delivered to Governor Chris Christie under the date of March 22, 2013. Mr. Hutchinson moved that the minutes of the meeting be approved as presented; the motion was seconded by Mr. Edwards and passed unanimously.

### **3. Resolution Authorizing the Defeasance and Redemption of NJEFA Revenue Bonds, Princeton University Issue, 2003 Series E**

Ms. Soyka reported that Princeton University intends to refund its 2003 E bonds with the proceeds of the University's taxable Commercial Paper Program. She asked Kevin Quinn, Esq. of McCarter & English, LLP, Bond Counsel to describe the resolution. Mr. Quinn explained that the resolution approves a form of a Letter of Instruction which handles the mechanics of the defeasance and redemption of the bonds' at the request of the University to the Authority and directs the Trustee to effect the Redemption. He stated that the resolution also appoints Causey Demgen & Moore, P.C. as verification agent.

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

RESOLUTION APPROVING A LETTER OF INSTRUCTION AND ACTIONS IN  
CONNECTION WITH THE DEFEASANCE AND REDEMPTION OF THE  
AUTHORITY'S PRINCETON UNIVERSITY REVENUE BONDS, 2003 SERIES E

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

The adopted resolution is appended as Exhibit I.

### **4. Resolution Authorizing the Execution and Delivery of an Escrow Deposit Agreement and Other Actions in Connection with the Refunding of NJEFA Bonds on Behalf of Princeton Theological Seminary**

Ms. Soyka reported that Princeton Theological Seminary intends to refund the 2002 Series G bonds with a taxable issue. She asked Howard Eichenbaum, Esq. of Gluck Walrath, LLP, Bond Counsel to describe the resolution. Mr. Eichenbaum explained that similar to the Princeton University transaction, the resolution approves an escrow deposit agreement whereby proceeds of a taxable transaction by the Seminary will be deposited to defease the 2002 G bonds. He made clear that it would be a current refunding and noted that it is not clear whether the amount deposited will be invested in federal government obligations or held in cash.

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

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

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

The adopted resolution is appended as Exhibit II.

5. **Next Meeting Date**

Mr. Jacobs announced that the May 28<sup>th</sup> meeting will be a full meeting wherein Authority Officers will be elected and requested a motion to adjourn.

Mr. Hodes moved that the meeting be adjourned at 9:09 a.m.; the motion was seconded by Mr. Jacobs and passed unanimously.

Respectfully submitted,



Derek S. Hansel  
Secretary

**RESOLUTION APPROVING A LETTER OF INSTRUCTION  
AND ACTIONS IN CONNECTION WITH THE DEFEASANCE  
AND REDEMPTION OF THE AUTHORITY'S PRINCETON  
UNIVERSITY REVENUE BONDS, 2003 SERIES E**

**ADOPTED MAY 7, 2013**

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

**WHEREAS**, The Trustees of Princeton University (the "University") has decided to defease and redeem all or a portion of the outstanding New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2003 Series E (the "2003 Series E Bonds") issued by the Authority on June 26, 2003 (the "Defeasance and Redemption"); and

**WHEREAS**, the Defeasance and Redemption shall be effected pursuant to the terms of a Letter of Instruction (the "Letter of Instruction"), by and among the Authority, the University and The Bank of New York Mellon, as trustee for the 2003 Series E Bonds; and

**WHEREAS**, Authority staff circulated a Request for Proposals for Verification Agent Services (the "RFP") to four firms, posted the RFP on the Authority's website, and received the following bids:

|                            |         |
|----------------------------|---------|
| Causey Demgen & Moore P.C. | \$1,490 |
|----------------------------|---------|

**WHEREAS**, the Authority desires to authorize and approve the execution and delivery of the Letter of Instruction and all acts necessary to effect the Defeasance and Redemption of the 2003 Series E Bonds.

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

**1. Appointment of Verification Agent.** Causey Demgen & Moore P.C. is hereby appointed to act as verification agent in connection with the Defeasance and Redemption.

**2. Approval of Letter of Instruction.** The form of the Letter of Instruction presented to the meeting at which this Resolution is adopted (a copy of which shall be filed with the records of the Authority) is hereby approved. Any of the Chair, Vice-Chair, Executive Director, Deputy Executive Director, Treasurer, Director of Project Management, Secretary or any Assistant Secretary of the Authority, and/or any other person authorized by resolution of the Authority, and any of such officers designated as "acting" or "interim" (each an "Authorized Officer") is hereby authorized and directed to execute, acknowledge and deliver the Letter of Instruction in substantially such form, with such changes therein (including, without limitation, the date thereof), as the Authorized Officer executing the same may approve, such approval to be evidenced by such Authorized Officer's execution thereof.

**3. Incidental Action.** The Authorized Officers of the Authority are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate in order (i) to effectuate the execution and delivery of the Letter of Instruction, and (ii) to effect the Defeasance and Redemption of the 2003 Series E Bonds.

**4. Prior Resolutions.** All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby repealed.

**5. Effective Date.** This Resolution shall take effect in accordance with the Act.

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

**AYE:** Roger B. Jacobs  
Ridgeley Hutchinson  
Joshua Hodes  
Andrew Sidamon-Eristoff (represented by Steven Petrecca)  
Rochelle Hendricks (represented by Gregg Edwards)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

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

**LETTER OF INSTRUCTION**

This LETTER OF INSTRUCTION dated May [29], 2012 (this "Letter of Instruction"), by and between the New Jersey Educational Facilities Authority (the "Authority") and The Trustees of Princeton University (the "University"), and acknowledged by The Bank of New York Mellon, as bond trustee (the "Trustee") for the 2003 Series E Bonds (as hereinafter defined), is delivered in connection with the New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2003 Series E (the "2003 Series E Bonds"), originally issued on June 26, 2003, in the aggregate principal amount of \$112,510,000 pursuant to the Princeton University Bond Resolution adopted by the Authority on February 16, 1999 (the "General Resolution"), and the 2003 Series D and E Series Resolution, adopted by the Authority on May 21, 2003, as amended and supplemented (the "Series Resolution" and together with the General Resolution, the "Resolution"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Resolution.

W I T N E S S E T H:

WHEREAS, the Outstanding 2003 Series E Bonds maturing on or after July 1, 2014 are subject to redemption prior to maturity, on or after July 1, 2013, at the option of the Authority, as a whole at any time at a Redemption Price equal to 100% of the principal amount to be so redeemed, plus interest accrued to the redemption date;

WHEREAS, the Outstanding 2003 Series E Bonds maturing on and after July 1, 2014, as more fully described in Exhibit A attached hereto (the "Bonds to be Defeased and Redeemed") are currently Outstanding in the amount of \$47,350,000;

WHEREAS, on the date hereof, the University shall cause the transfer of a portion of the proceeds of its Taxable Commercial Paper Notes (the "Taxable CP Notes") to the Trustee to be applied towards the optional redemption of Bonds to be Defeased and Redeemed in the amount of \$47,350,000 on July 1, 2013 (the "Redemption Date");

WHEREAS, the University hereby requests that the Authority and the Trustee take such actions as are necessary and appropriate for the optional redemption of the Bonds to Defeased and Redeemed on the Redemption Date at a Redemption Price equal to 100% of the principal amount thereof plus interest accrued thereon to the Redemption Date; and

WHEREAS, the Authority, the University and the Trustee desire to execute and deliver this Letter of Instruction to provide for the taking of all necessary and appropriate actions so as to provide for the optional redemption of the Bonds to be Defeased and Redeemed on the Redemption Date.

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

SECTION 1. Representations and Actions of the University.

(a) The University hereby requests the Authority and the Trustee to optionally redeem all Bonds to Defeased and Redeemed on the Redemption Date.

(b) The University hereby requests the Authority to direct the Trustee, pursuant to Section 3.02 of the General Resolution, Section 2.05 of the Series Resolution, and the 2003 Series E Bonds, to redeem all Bonds to Defeased and Redeemed in an aggregate principal amount of \$47,350,000 on the Redemption Date, at a Redemption Price of 100%, plus accrued interest (\$ \_\_\_\_\_) from January 1, 2013 to the Redemption Date.

SECTION 2. Representations and Actions of the Authority.

(a) The Authority hereby acknowledges receipt of this written request from the University set forth in Section 1(a) hereof to redeem all Bonds to Defeased and Redeemed.

(b) Pursuant to Section 3.02 of the General Resolution, Section 2.05 of the Series Resolution and the 2003 Series 3 Bonds, the Authority hereby elects to redeem all Bonds to Defeased and Redeemed in the aggregate principal amount of \$47,350,000 on the Redemption Date, at a Redemption Price of 100%, plus accrued interest (\$ \_\_\_\_\_) from January 1, 2013 to the Redemption Date.

(c) The Authority's election to redeem all Bonds to Defeased and Redeemed shall serve as the Authority's written notice to the Trustee of such election.

(d) The Authority hereby directs the Trustee to provide notice of the optional redemption of the Bonds to Defeased and Redeemed substantially in the form of Exhibit B attached to this Letter of Instruction in accordance with the terms of the Resolution no later than May 31, 2013.

(e) The Authority hereby directs the Trustee to redeem all Bonds to Defeased and Redeemed on the Redemption Date, pursuant to Section 3.02 of the General Resolution, Section 2.05 of the Series Resolution and the 2003 Series E Bonds, from funds available therefore in the Redemption Fund.

(f) The Authority hereby directs the deposits, transfers and investments set forth in Sections 3(c), (d) and (f) hereof.

SECTION 3. Representations and Actions of Trustee.

(a) The Trustee hereby acknowledges receipt of the notice of the Authority's election to redeem the Bonds to Defeased and Redeemed in an aggregate principal amount of \$47,350,000 on the Redemption Date, at a Redemption Price of 100%, plus accrued interest (\$ \_\_\_\_\_) from January 1, 2013 to the Redemption Date.

(b) The Trustee hereby agrees to waive its right to receive such notice at least forty-five (45) days prior to the Redemption Date, as required pursuant to Section 3.02 of the General Resolution.

(c) The Trustee hereby acknowledges receipt of \$\_\_\_\_\_ in immediately available funds from the University and the Trustee shall deposit such funds immediately into the Redemption Fund to be applied as set forth in the following paragraph (f).

(d) At the direction given by the Authority, the Trustee shall apply the monies in the Redemption Fund to the purchase of the securities listed on Exhibit C (the "Defeasance Securities").

(e) The Trustee agrees to give notice of the optional redemption of the Bonds to Defeased and Redeemed substantially in the form of Exhibit B attached to this Letter of Instruction, no later than May 31, 2013, in the manner prescribed by Section 3.03 of the General Resolution and Sections 2.06 and 2.13 of the Series Resolution.

(f) The Trustee agrees that the amounts transferred and deposited into the Redemption Fund pursuant to the provisions of this Section 3 shall be held in trust for the Holders of the Outstanding Bonds to Defeased and Redeemed and the Trustee shall have no claim against such amounts. The Trustee shall apply the moneys available in the Redemption Fund to the payment on Redemption Date of the Redemption Price applicable to the Outstanding Bonds to Defeased and Redeemed being redeemed, such Redemption Price equal to 100% of the principal amount thereof plus interest accrued thereon (\$\_\_\_\_\_) to the Redemption Date, as contemplated by Section 3.02 of the General Resolution, Section 2.05 of the Series Resolution and the 2003 Series E Bonds. The Trustee shall have no liability for the payment of the principal, Redemption Price, if any, and interest on the Outstanding Bonds to Defeased and Redeemed pursuant to this Section 3 and the Resolution, except for the application of moneys and obligations available for such purposes in the Redemption Fund.

SECTION 4. Counterparts. This Letter of Instruction may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.



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

NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY

By: \_\_\_\_\_  
Derek S. Hansel  
Executive Director

THE TRUSTEES OF PRINCETON UNIVERSITY

By: \_\_\_\_\_  
Carolyn N. Ainslie  
Vice President for Finance and Treasurer

Acknowledgement of Trustee:

THE BANK OF NEW YORK MELLON

By: \_\_\_\_\_  
Frank Gallagher  
Vice President

[Signature Page]

**EXHIBIT A**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
PRINCETON UNIVERSITY REVENUE REFUNDING BONDS,  
2003 SERIES E**

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>CUSIP</u> |
|----------------------|-------------------------|--------------|
| July 1, 2014         | \$ 3,875,000            | 64605LEL8    |
| July 1, 2015         | 4,070,000               | 64605LEM6    |
| July 1, 2021         | 5,450,000               | 64605LET1    |
| July 1, 2024         | 6,250,000               | 64605LEW4    |
| July 1, 2025         | 6,510,000               | 64605LEX2    |
| July 1, 2026         | 6,775,000               | 64605LEY0    |
| July 1, 2028         | 14,420,000              | 64605LFA1    |

**EXHIBIT B**  
**NOTICE OF OPTIONAL REDEMPTION**

NOTICE OF OPTIONAL REDEMPTION

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
PRINCETON UNIVERSITY REVENUE REFUNDING BONDS,  
2003 SERIES E

| <u>Maturity Date</u> | <u>Principal Amount</u> | <u>Redemption Price</u> | <u>CUSIP</u> |
|----------------------|-------------------------|-------------------------|--------------|
| July 1, 2014         | \$ 3,875,000            | 100%                    | 64605LEL8    |
| July 1, 2015         | 4,070,000               | 100                     | 64605LEM6    |
| July 1, 2021         | 5,450,000               | 100                     | 64605LET1    |
| July 1, 2024         | 6,250,000               | 100                     | 64605LEW4    |
| July 1, 2025         | 6,510,000               | 100                     | 64605LEX2    |
| July 1, 2026         | 6,775,000               | 100                     | 64605LEY0    |
| July 1, 2028         | 14,420,000              | 100                     | 64605LFA1    |

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of the Princeton University Revenue Bond Resolution adopted by the New Jersey Educational Facilities Authority (the "Authority") on February 16, 1999 (the "General Resolution") and the 2003 Series D and E Series Resolution, adopted by the Authority on May 21, 2003, as amended and supplemented (the "Series Resolution" and together with the General Resolution, the "Resolution"), relating to the above referenced bonds (the "Bonds") the Bonds have been called for redemption on July 1, 2013 (the "Redemption Date"), at a redemption price of 100% of the principal amount thereof, plus interest accrued to the Redemption Date. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Trustee located at:

Mailing Address

The Bank of New York Mellon  
111 Sanders Creek Parkway  
P.O. Box 396  
East Syracuse, NY 13057

Hand Delivery

The Bank of New York Mellon  
111 Sanders Creek Parkway  
East Syracuse, NY 13057  
Attn: Debt Processing Window

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

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

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
By: The Bank of New York Mellon, as Trustee

IMPORTANT NOTICE

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

**EXHIBIT C**

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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

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

Adopted: May 7, 2013

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

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

**WHEREAS**, the Authority has heretofore issued its Princeton Theological Seminary Revenue Bonds, 1996 Series B (the "1996 Series B Bonds"), the proceeds of which financed the costs of construction, developing and equipping certain educational facilities comprising (i) the construction of a housing complex, (ii) renovations to Erdman Hall, (iii) the purchase and renovation of an existing building to house faculty offices and (iv) various additional capital projects (collectively, the "1996 Series B Project") on behalf of Princeton Theological Seminary (the "Private College"); and

**WHEREAS**, the 1996 Series B Bonds were issued under the terms and provisions of the Authority's Princeton Theological Seminary Revenue Bond Resolution adopted by the Authority on May 15, 1996, and the 1996 Series B Series Resolution adopted by the Authority on May 15, 1996; and

**WHEREAS**, the Authority has heretofore issued its Revenue Bonds, Princeton Theological Seminary Issue, 2002 Series G (the "2002 Series G Bonds"), the proceeds of which were used to refund the 1996 Series B Bonds and to (i) finance and refinance the cost of a new 3-level parking garage to consist of approximately 286 parking spaces located on the Private College's main campus on College Road in Princeton, New Jersey and (ii) finance and refinance the cost of miscellaneous construction, renovation, improvements and equipment acquisition and installation at certain facilities of the Private College located on its main campus in Princeton, New Jersey and at its West Windsor campus in West Windsor, New Jersey (collectively, the "2002 Series G Project") on behalf of the Private College; and

**WHEREAS**, the 2002 Series G Bonds were issued under the terms and provisions of the Authority's Revenue Bond Resolution, Princeton Theological Seminary Issue adopted by the Authority on November 20, 2002 and ratified on November 25, 2002, and the 2002 Series G Resolution adopted by the Authority on November 20, 2002 and ratified on November 25, 2002 (collectively, the "Bond Resolution"); and

**WHEREAS**, the Private College has determined to issue one or more series of its taxable bonds or to incur other taxable financing (the "Private College Financing") for the purpose of providing funds to, inter alia, pay the cost of refunding all or part of the outstanding 2002 Series G

Bonds (the "Bonds To Be Refunded"), thereby refinancing the costs of the 1996 Series B Project and the 2002 Series G Project; and

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

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

**WHEREAS**, the Private College has agreed to pay all fees and expenses of the Authority and Bond Counsel in connection with the Refunding; and

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

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

## **ARTICLE I AUTHORIZATION OF REFUNDING; APPROVAL OF DOCUMENTS**

### **1.1 Authorization of Refunding.**

The Authority hereby declares the Refunding to be an authorized undertaking of the Authority and authorizes and directs the Chair, Vice Chair, Executive Director, Deputy Executive Director, Director of Project Management, Director of Risk Management, Secretary or any Assistant Secretary and any other person authorized by resolution of the Authority, and any such officers designated as "acting" or "interim" (each an "Authorized Officer"), to execute and deliver all documents necessary to enable the Authority, as permitted by the Act, to assist the Private College in the consummation of the Refunding and the transactions related thereto; provided, that in connection with the defeasance of the Bonds To Be Refunded, (i) the Private College shall pay all fees and expenses of the Authority and Bond Counsel in connection with the Refunding and (ii) there shall be delivered to the Authority the following documents:

(a) A certificate of an authorized officer of the Private College and an opinion of counsel to the Private College, each addressed to the Authority, to the effect that the Escrow Deposit Agreement has been duly authorized, executed and delivered by the Private College, and



constitutes the legal, valid and binding obligation of the Private College, enforceable against the Private College in accordance with its terms (subject to customary exceptions as to bankruptcy, equitable remedies and the like);

(b) An opinion of GluckWalrath LLP, the firm heretofore appointed to serve as Bond Counsel to the Authority in connection with the Refunding ("Bond Counsel"), to the effect that the Bonds To Be Refunded are no longer deemed to be "Outstanding" within the meaning of the Prior Bond Resolution; and

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

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

Any Authorized Officer is hereby authorized and directed to execute, acknowledge and deliver and any other Authorized Officer is hereby authorized and directed to affix and attest the official common seal to an Escrow Deposit Agreement by and among the Authority, and The Bank of New York Mellon, as the trustee for the 2002 Series G Bonds, and the Private College, in substantially the form as presented to this meeting, with such insertions and changes therein (including, without limitation, the date thereof and any covenants or provisions that may be required by any lender, underwriter or rating agency rating the Private College Financing) and any supplements thereto as the Authorized Officer executing the same may approve with the advice of Bond Counsel and the Attorney General of the State, such approval to be evidenced conclusively by such Authorized Officer's execution thereof.

The Bank of New York Mellon, the entity heretofore appointed by the Authority to serve as the escrow agent under the Escrow Deposit Agreement (the "Escrow Agent"), shall signify acceptance of the duties and obligations imposed upon it by the Escrow Deposit Agreement by the Escrow Agent's execution thereof.

## **ARTICLE II MISCELLANEOUS**

### **2.1. Authorization to Invest Certain Funds.**

Any Authorized Officer is hereby authorized to utilize the proceeds of the Private College Financing, other funds contributed by the Private College, and/or other available moneys held pursuant to the Prior Bond Resolution either (a) to purchase United States Treasury Obligations, State and Local Government Series ("SLGS") or (b) to select a firm to act as its broker or to direct the Authority's bidding agent to solicit bids to purchase open market U.S. Treasury Obligations (which qualify as permissible defeasance obligations pursuant to the Prior Bond Resolution), in the event that such Authorized Officer of the Authority determines that it is necessary or advantageous to the Authority to purchase such open market U.S. Treasury Obligations. In connection with the purchase of open market U.S. Treasury Obligations, any Authorized Officer of the Authority is further authorized to solicit bids for one or more float forward or escrow reinvestment agreements

(a “Float Forward Agreement”) and to direct the Escrow Agent pursuant to the Escrow Deposit Agreement to enter into any such Float Forward Agreement with the successful bidder or bidders thereof. Pursuant to the terms of any Float Forward Agreement, the provider, in consideration of an upfront payment to the Escrow Agent, shall have the right to sell U.S. Treasury Obligations to the Escrow Agent, at the times and in the amounts set forth in the Float Forward Agreement at an aggregate purchase price not exceeding the maturity value thereof. Such U.S. Treasury Obligations shall mature on or before the dates when the proceeds thereof are needed to make payments in accordance with the Escrow Deposit Agreement. Each Float Forward Agreement shall be awarded to the bidder offering to pay the highest upfront payment therefor. The form of any Float Forward Agreement shall be approved by an Authorized Officer of the Authority, in consultation with Bond Counsel and the Attorney General of the State. An Authorized Officer of the Authority is further authorized to execute and deliver any such Float Forward Agreement and/or any certificates or other documents required in connection therewith. Notwithstanding the foregoing, nothing contained herein shall prohibit an Authorized Officer of the Authority from purchasing both SLGS and open market U.S. Treasury Obligations, to the extent permitted by law. Bond Counsel and the Escrow Agent are hereby authorized to act as agent(s), if so directed by an Authorized Officer of the Authority, on behalf of the Authority for the subscription of SLGS via SLGSafe pursuant to the regulations promulgated therefor set forth in 31 C.F.R. Part 344.

## **2.2. Incidental Action.**

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

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

## **2.3. Prior Resolutions.**

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

## **2.4. Effective Date.**

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

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

**AYE:** Roger B. Jacobs  
Ridgeley Hutchinson  
Joshua Hodes  
Andrew Sidamon-Eristoff (represented by Steven Petrecca)  
Rochelle Hendricks (represented by Gregg Edwards)

**NAY:** None

**ABSTAIN:** None

**ABSENT:** None

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

ESCROW DEPOSIT AGREEMENT

Dated as of \_\_\_\_\_, 2013

among

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY,

THE BANK OF NEW YORK MELLON, as Escrow Agent

and

PRINCETON THEOLOGICAL SEMINARY

## ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT (the "Agreement") dated as of \_\_\_\_\_, 2013 by and among the NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY (the "Authority") and THE BANK OF NEW YORK MELLON, a banking corporation organized and existing under the laws of the State of New York, as Escrow Agent (the "Escrow Agent"), and PRINCETON THEOLOGICAL SEMINARY (the "Private College");

### WITNESSETH:

WHEREAS, the Authority has previously issued and sold its Revenue Bonds, Princeton Theological Seminary Issue, 2002 Series G (the "2002 Series G Bonds") on behalf of Princeton Theological Seminary (the "Private College"), pursuant to the Authority's Revenue Bond Resolution, Princeton Theological Seminary Issue adopted by the Authority on November 20, 2002 and ratified on November 25, 2002 (the "Bond Resolution"), and the 2002 Series G Resolution adopted by the Authority on November 20, 2002 and ratified on November 25, 2002 (collectively with the Bond Resolution, the "Resolution"); and

WHEREAS, the Series 2002 Series G Bonds were issued in the original aggregate principal amount of \$26,125,000, of which \$25,250,000 principal amount is presently outstanding; and

WHEREAS, the Resolution provides, in part, that if the Authority shall pay or cause to be paid to the holders of the 2002 Series G Bonds, the principal of and interest thereon, at the times and in the manner stipulated therein and in the Resolution, then the pledge of the Revenues or other moneys and securities pledged by the Resolution to such 2002 Series G Bonds, and all other rights granted by the Resolution to the 2002 Series G Bonds shall be discharged and satisfied; and

WHEREAS, the Private College will now issue either a series of taxable bonds or it will incur other taxable financing (the "Private College Financing") to provide for, among other things, the financing of the refunding of all of the outstanding 2002 Series G Bonds, as more fully described in Exhibit A attached hereto (collectively, the "Refunded Bonds"); and

WHEREAS, the Private College has directed the transfer of an amount from the proceeds of the Private College Financing for deposit with the Escrow Agent which, together with certain moneys transferred from certain amounts on deposit in funds established under the Resolution, will be sufficient to pay the principal of, interest on and redemption price of the Refunded Bonds on July 1, 2013 (the "Redemption Date"); and

WHEREAS, upon the deposit with the Escrow Agent of moneys which will be sufficient to pay the principal of, interest on and redemption price of the Refunded Bonds on the Redemption Date, and the giving of certain irrevocable instructions by the Authority to the Escrow Agent as herein provided, the Refunded Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and all obligations of the Authority to the holders of the Refunded Bonds shall thereupon be released, discharged and satisfied.

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

SECTION 1. There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund (the "Escrow Fund"), to be held by the Escrow Agent as a trust fund for the

benefit of the holders of the Refunded Bonds. The Escrow Fund shall be held by the Escrow Agent separate and apart from all other funds of the Authority and the Escrow Agent.

SECTION 2. (a) The Escrow Agent hereby acknowledges receipt from the Private College of immediately available funds in the aggregate amount of \$\_\_\_\_\_, consisting of proceeds of the Private College Financing.

[(b) The Escrow Agent, in its capacity as Trustee for the Refunded Bonds, has been directed by the Private College to transfer \$\_\_\_\_\_ on deposit in the Debt Service Fund to the Escrow Fund.]

SECTION 3. The Escrow Agent shall immediately deposit the amounts set forth in Sections 2(a) and (b) hereof in the Escrow Fund, aggregating \$\_\_\_\_\_, and [shall apply \$\_\_\_\_\_ of such amount on \_\_\_\_\_, 2013, to the purchase of the direct, non-callable obligations of the United States of America (the "Defeasance Securities") listed on Exhibit B attached hereto, and] shall retain \$\_\_\_\_\_ uninvested in cash in the Escrow Fund]. No investment whatsoever shall be made by the Escrow Agent with such cash amount. In sole reliance on the computations prepared by Morgan Stanley & Co. LLC and verified by \_\_\_\_\_ as described in the verification report attached hereto as Exhibit C, the Authority represents that the [cash] [and/or Defeasance Securities] so deposited in the Escrow Fund will provide sufficient funds to pay the principal of, interest on and redemption price of the Refunded Bonds on the Redemption Date, as set forth on Exhibit A.

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

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

SECTION 5. (a) Except as otherwise expressly provided herein, the Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Defeasance Securities, if any, held hereunder or to sell, transfer or otherwise dispose of the Defeasance Securities acquired hereunder, or to pay interest on any such moneys not required to be invested hereunder; provided however, that at the written direction of the Authority and the Private College and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, otherwise dispose of, or request the redemption of, the Defeasance Securities acquired hereunder, if any, and to substitute therefor other Defeasance Securities which are non-callable. Any substituted Defeasance Securities or cash shall be a part of and credited to the Escrow Fund. The Authority and the Private College each hereby covenants that and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentences in any manner which would cause the Refunded Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder in effect on the date of such request and applicable to the 2002 Series G Bonds. The Escrow Agent shall purchase such substitute Defeasance Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance

Securities and with any other funds available for such purpose. From time to time, Defeasance Securities may be sold, transferred, redeemed or otherwise disposed of and replaced by other Defeasance Securities subject to the same conditions. Any amounts received from the sale or redemption of Defeasance Securities and not needed or used to purchase substitute Defeasance Securities shall be transferred by the Escrow Agent as directed in writing by the Authority and the Private College. The foregoing transactions may be effected only if: (i) a recognized firm of certified public accountants shall certify that after such transaction the principal amount of, and interest income on, the substituted Defeasance Securities or cash will, together with any moneys or securities in the Escrow Fund reserved for such purpose, be sufficient to pay when due (whether at stated maturity or at the optional redemption date, as applicable) the principal of, and interest and redemption premium on, the Refunded Bonds; (ii) the amounts and dates of the anticipated payments from the Escrow Fund to the holders of such Refunded Bonds in accordance with their terms will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive an opinion of nationally recognized bond counsel to the effect that such disposition and substitution or purchase is permitted under the Resolution and this Agreement, and it would have no adverse effect on the exclusion from gross income for federal income tax purposes of the interest on the Refunded Bonds; (iv) in the event cash is provided, such cash shall, to the extent not insured by the Federal Deposit Insurance Corporation or other federal agency, be continuously secured by the pledge of direct obligations of the United States of America; and (v) the Private College pays all costs incident to the transactions. If United States Treasury Securities, State and Local Government Series are to be purchased as substitute Defeasance Securities, the Escrow Agent, at the request of the Authority and the Private College, shall prepare and file the appropriate application therefor. The Escrow Agent shall incur no liability for complying with the provisions of this Section except for its own negligence or willful misconduct.

(b) The Authority and the Private College each hereby covenants that it will not authorize or permit the Escrow Agent to use directly or indirectly any part of the moneys or funds at any time in the Escrow Fund to acquire any investment property, the acquisition of which would cause any of the 2002 Series G Bonds to be "arbitrage bonds" as defined in Section 148(a) of the Code as then in effect.

SECTION 6. The Authority hereby irrevocably instructs the Escrow Agent and the Escrow Agent hereby agrees: (i) to redeem the Refunded Bonds maturing on and after July 1, 2014 on the Redemption Date, in the amounts and at the redemption price set forth on Exhibit A, and to apply the principal of and interest earned on the Defeasance Securities to the payment of the principal or redemption price of and interest on such Refunded Bonds as the same become due until and on the Redemption Date, as set forth on Exhibit A; and (ii) to mail to the holders of the Refunded Bonds maturing on and after July 1, 2014 a notice of redemption substantially in the form attached hereto as Exhibit D and in accordance with Article III of the Resolution. In addition, the Escrow Agent shall cause notices of such redemption and defeasance to be provided to the Municipal Securities Rulemaking Board (the "MSRB"), in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. On the Redemption Date, after payment of the principal of and interest on the Refunded Bonds, all remaining moneys and securities in the Escrow Fund shall be transferred by the Escrow Agent to the Private College.

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

SECTION 9. (a) Unless otherwise provided by contract, the Escrow Agent shall be compensated for its reasonable fees, expenses and disbursements, including reasonable legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Private College for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim against or lien on the moneys or securities on deposit in the Escrow Fund for any such payment. The compensation of the Escrow Agent provided in this section 9(a) shall survive termination of this Agreement pursuant to Section 11 hereof.

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

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

(d) Any bank that merges with or merges into the Escrow Agent shall be deemed the successor Escrow Agent without any further action hereunder.

SECTION 10. (a) The Private College agrees to pay the fees and expenses of the Authority and the Escrow Agent, and their respective counsel, and any verification agent, in connection with the performance of their respective obligations under and during the term of this Agreement, and in connection with the refunding, defeasance and redemption of the Refunded Bonds. The obligation of the Private College to pay or cause to be paid the amounts payable under this Agreement shall be absolute and unconditional.

(b) To the extent permitted by law, the Private College shall indemnify and hold harmless the Authority and the Escrow Agent for and against any loss, liability or expense incurred, without



negligence or willful misconduct on the Escrow Agent's part, arising out of or in connection with their respective performance under this Agreement or in connection with the refunding, defeasance and redemption of the Refunded Bonds, including, without limitation, the reasonable costs and expenses (including the reasonable fees and expenses of its counsel) of defending their directors, officers, agents and employees against any such claim or liability in connection with their exercise or performance of any of their duties hereunder and of enforcing this indemnification provision. The indemnification of the Authority and the Escrow Agent provided for in this Section 10 shall survive termination of this Agreement.

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

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

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

The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized bond counsel with respect to the matters provided for in this Section 12, including the extent, if any, to which any change, modification, addition or elimination affects the rights of holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions or provisions of this Section 12. Notwithstanding anything in this paragraph to the contrary, no change shall be made to any provision of this Agreement regarding the investment or other use of the amounts in, or to be deposited in, the Escrow Fund without an unqualified opinion of nationally recognized bond counsel to the effect that such change and the investment or other use of such amounts in accordance with such change will not (i) adversely affect the exclusion of interest on the Refunded Bonds from gross income provided under Section 103 of the Code; or (ii) cause any of the Refunded Bonds to be deemed "outstanding" within the meaning of Section 1.01 of the Bond Resolution.

SECTION 13. In accordance with P.L. 2005, c. 92, the Escrow Agent covenants and agrees that all services performed under this Agreement by the Escrow Agent shall be performed within the United States of America.

SECTION 14. The Escrow Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("ELEC") pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the Escrow Agent enters into agreements or contracts such as this Agreement, with a public

entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from public entities, such as the Authority, in a calendar year. It is the Escrow Agent's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elec.state.nj.us](http://www.elec.state.nj.us).

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

SECTION 16. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

By: \_\_\_\_\_  
Derek S. Hansel  
Executive Director

THE BANK OF NEW YORK MELLON, as Escrow Agent

By: \_\_\_\_\_  
Frank Gallagher  
Vice President

PRINCETON THEOLOGICAL SEMINARY

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

**EXHIBIT A**

**Summary of Refunded Bonds**

| Maturity Date<br>July 1 | Principal Amount | Interest Rate | Redemption Price | CUSIP     |
|-------------------------|------------------|---------------|------------------|-----------|
| 2013                    | \$ 115,000       | 3.80 %        | N/A              | 64605LBJ6 |
| 2014                    | \$ 115,000       | 4.00 %        | 100%             | 64605LBK3 |
| 2015                    | \$ 120,000       | 4.125%        | 100%             | 64605LBL1 |
| 2016                    | \$ 125,000       | 4.20 %        | 100%             | 64605LBM9 |
| 2017                    | \$ 130,000       | 4.25 %        | 100%             | 64605LBN7 |
| 2018                    | \$ 1,560,000     | 4.25 %        | 100%             | 64605LBP2 |
| 2019                    | \$ 1,625,000     | 4.40 %        | 100%             | 64605LBQ0 |
| 2020                    | \$ 1,695,000     | 4.50 %        | 100%             | 64605LBR8 |
| 2021                    | \$ 1,775,000     | 4.50 %        | 100%             | 64605LBS6 |
| 2022                    | \$ 1,850,000     | 4.625%        | 100%             | 64605LBT4 |
| 2026                    | \$11,030,000     | 5.00 %        | 100%             | 64605LBU1 |
| 2032                    | \$ 5,110,000     | 4.75 %        | 100%             | 64605LBV9 |

EXHIBIT B

**Description of Defeasance Securities  
for deposit in Escrow Fund**

EXHIBIT C

[Verification Report of

\_\_\_\_\_]

EXHIBIT D

**NOTICE OF OPTIONAL REDEMPTION**  
**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**  
**REVENUE BONDS, PRINCETON THEOLOGICAL SEMINARY ISSUE,**  
**2002 SERIES G**

| Maturity Date<br>July 1 | Principal Amount | Interest Rate | Redemption Price | CUSIP     |
|-------------------------|------------------|---------------|------------------|-----------|
| 2014                    | \$ 115,000       | 4.00 %        | 100%             | 64605LBK3 |
| 2015                    | \$ 120,000       | 4.125%        | 100%             | 64605LBL1 |
| 2016                    | \$ 125,000       | 4.20 %        | 100%             | 64605LBM9 |
| 2017                    | \$ 130,000       | 4.25 %        | 100%             | 64605LBN7 |
| 2018                    | \$ 1,560,000     | 4.25 %        | 100%             | 64605LBP2 |
| 2019                    | \$ 1,625,000     | 4.40 %        | 100%             | 64605LBQ0 |
| 2020                    | \$ 1,695,000     | 4.50 %        | 100%             | 64605LBR8 |
| 2021                    | \$ 1,775,000     | 4.50 %        | 100%             | 64605LBS6 |
| 2022                    | \$ 1,850,000     | 4.625%        | 100%             | 64605LBT4 |
| 2026                    | \$11,030,000     | 5.00 %        | 100%             | 64605LBU1 |
| 2032                    | \$ 5,110,000     | 4.75 %        | 100%             | 64605LBV9 |

**NOTICE IS HEREBY GIVEN** that, pursuant to the provisions of the Revenue Bond Resolution, Princeton Theological Seminary Issue adopted by the New Jersey Educational Facilities Authority (the "Authority") on November 20, 2002 and ratified on November 25, 2002, and the 2002 Series G Resolution adopted by the Authority on November 20, 2002 and ratified on November 25, 2002, the above-referenced bonds (the "Bonds") have been called for redemption on July 1, 2013 (the "Redemption Date"), at a redemption price of 100% of the principal amount thereof, plus interest accrued to the Redemption Date. You are hereby notified that the Bonds should be presented for redemption at the corporate trust office of the Escrow Agent, The Bank of New York Mellon as follows:

Mailing Address

The Bank of New York Mellon  
P.O. Box 396  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

Hand Delivery

The Bank of New York Mellon  
111 Sanders Creek Parkway  
East Syracuse, NY 10357  
Attn: Bond Redemption Unit

on or immediately prior to the Redemption Date. On the Redemption Date, the Bonds will become due and payable at the redemption price stated above, together with interest accrued to the Redemption Date, and from and after such date, payment having been made or provided for, interest on the Bonds shall cease to accrue and be payable.

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

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
By: The Bank of New York Mellon, as Escrow Agent