

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

ROGER L. ANDERSON  
*Executive Director*

October 2, 2008

**VIA HAND DELIVERY**

Honorable Jon S. Corzine  
Governor  
State House  
125 West State Street  
P.O. Box 001  
Trenton, New Jersey 08625

**ATTN: Sonia Frontera, Assistant Counsel  
Governor's Authorities Unit**

Dear Governor Corzine:

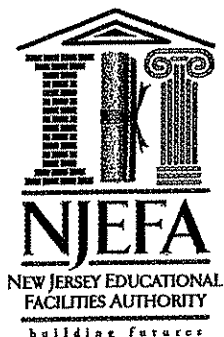
Enclosed please find an original and one copy of the minutes of the Special Meeting of the New Jersey Educational Facilities Authority held on Thursday, October 2, 2008. Also enclosed is a copy of the adopted resolution.

I hereby certify that it is a true and correct copy of the proceedings.

Sincerely,

Roger L. Anderson  
Secretary

RLA/st  
Enclosures



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

ROGER L. ANDERSON  
*Executive Director*

**MINUTES OF THE SPECIAL MEETING OF THE  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY  
ON THURSDAY, OCTOBER 2, 2008**

The meeting was called to order at 1:06 p.m. by Chair Altman. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via e-mail and fax on September 29, 2008, 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:**

Vivian Altman, Chair  
Roger B. Jacobs, Esq.  
Felice K. Vazquez, Esq.  
Laurence M. Downes, Chair, Commission on Higher Education (represented by Kurt Landgraf)  
R. David Rousseau, State Treasurer (represented by Nancy Style)

**AUTHORITY MEMBERS ABSENT:**

None

**STAFF PRESENT:**

Roger L. Anderson, Executive Director  
Barbara Cannon, Deputy Executive Director  
Mary Jane Darby, Director of Project Management  
Katherine Newell, Esq., Senior Advisor  
Sheryl Stitt, Director of Communications  
Marie Mueller, Controller  
Debra Paterson, Project Manager  
Vito Galluccio, Project Manager  
Jennifer Zoccali, Project/Communications Assistant  
Sheila Toles, Exec. Assistant/Human Resources Specialist

**ALSO PRESENT:**

Kevin Quinn, Esq., McCarter & English, LLP  
Kavin Mistry, Esq., Deputy Attorney General  
Sonia Frontera, Esq., Governor's Authorities Unit

**ITEM OF DISCUSSION**

1. **Approval of Resolution and Form of Legal Documents for the Sale of NJEFA Princeton University Revenue Refunding Bonds, 2008 Series K, In an Amount Not to Exceed \$230,000,000**

Mr. Anderson reported the details of the proposed 2008 Series K bonds in an amount not to exceed \$230,000,000 on behalf of Princeton University. The proceeds of the issue will be used to provide funds for the current refunding of all or a portion of the Authority's outstanding 2001 Series B, 2002 Series B and 2003 Series F bonds and outstanding Commercial Paper Notes; and certain costs of issuance.

The financing is structured as a fixed rate, negotiated transaction with a true interest cost not to exceed 8% and a final maturity not later than July 1, 2039. The pricing and closing dates will be determined at a later date.

Mr. Quinn of McCarter & English, LLP, Bond Counsel, described the resolution presented for approval.

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

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$230,000,000  
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY PRINCETON UNIVERSITY  
REVENUE REFUNDING BONDS, 2008 SERIES K

The motion was seconded by Ms. Style and passed. Ms. Altman abstained from the vote.

The term sheet and adopted resolution are appended as Exhibit I.

Mr. Jacobs moved that the meeting be adjourned at 1:15 p.m.; the motion was seconded by Mr. Landgraf and passed unanimously.

Respectfully submitted,



Roger L. Anderson  
Secretary



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

**TERM SHEET**

**Borrower:** Princeton University, Princeton, New Jersey

**Issue:** 2008 Series K

**Amount:** Not to Exceed \$230,000,000

**Purpose:** To provide funds to finance: (i) the current refunding of all or a portion of the Authority's outstanding 2001 Series B, 2002 Series B and 2003 Series F Bonds and outstanding Commercial Paper Notes issued on behalf of the University; and (ii) the payment of certain costs of issuance.

**Security:** General Obligation of the University

**Structure:** Negotiated Sale, Fixed Rate

**Term:** No later than July 1, 2039

**True Interest Cost:** Not to Exceed 8.00%

**Expected Bond Ratings:** Aaa - Moody's Investors Service  
AAA - Standard & Poor's Corporation

**Tentative Sale Date:** To Be Determined

**Tentative Closing:** To Be Determined

The Authority Members will be asked to adopt the 2008 Series K Series Resolution pertaining to the 2008 Series K Bonds (the "Bonds") which outlines the various parameters of the financing; authorizes the issuance of the Bonds; authorizes and approves the form of all legal documents necessary for the financing, including the Loan Agreement, Continuing Disclosure Agreement, Escrow Agreement, Bond Purchase Contract, Preliminary Official Statement and Official Statement; and delegates to any Authorized Officer of the Authority the ability to take all actions as may be necessary to sell, award and issue the Bonds and execute all necessary bond documents and finalize this transaction.

**Professionals on the Transaction:**

|  |   |
|--|---|
| <b>Bond Counsel:</b>                   | McCarter & English, LLP                         |
| <b>Authority's Counsel:</b>            | Attorney General of the State of New Jersey     |
| <b>University's Counsel:</b>           | Princeton University, Office of General Counsel |
| <b>Senior Manager:</b>                 | JP Morgan Securities, Inc.                      |
| <b>Authority's Financial Advisor:</b>  | Public Financial Management, Inc.               |
| <b>University's Financial Advisor:</b> | Government Finance Associates, Inc              |
| <b>Trustee:</b>                        | The Bank of New York                            |
| <b>Trustee's Counsel:</b>              | To Be Determined                                |

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY**

---

**2008 SERIES K SERIES RESOLUTION  
ADOPTED OCTOBER 2, 2008**

---

**AUTHORIZING THE ISSUANCE OF NOT TO EXCEED**

**\$230,000,000**

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
PRINCETON UNIVERSITY REVENUE REFUNDING BONDS, 2008 SERIES K**

**TABLE OF CONTENTS**

Page

**ARTICLE I**

**DEFINITIONS AND AUTHORITY**

Section 1.01. Definitions.....3  
Section 1.02. Authority for this 2008 Series K Series Resolution.....5

**ARTICLE II**

**AUTHORIZATION AND DETAILS OF REFUNDING  
PROJECT AND 2008 SERIES K BONDS**

Section 2.01. Project Authorizations .....6  
Section 2.02. 2008 Series K Bonds Authorized.....6  
Section 2.03. Dates and Maturities .....6  
Section 2.04. Denominations, Numbers and Letters.....7  
Section 2.05. Redemption of 2008 Series K Bonds.....7  
Section 2.06. Notice of Redemption.....7  
Section 2.07. Appointment of Trustee, Bond Registrar and Paying Agent.....8  
Section 2.08. Additional Duties of Trustee.....8  
Section 2.09. Places of Payment and Paying Agent .....8  
Section 2.10. Authentication.....8  
Section 2.11. Transfer of 2008 Series K Bonds.....8  
Section 2.12. Regulations with Respect to Transfers .....9  
Section 2.13. Book-Entry Bonds .....9  
Section 2.14. Form of 2008 Series K Bonds.....10  
Section 2.15. Sale of 2008 Series K Bonds .....18  
Section 2.16. Continuing Disclosure .....19

**ARTICLE III**

**APPLICATION AND DISBURSEMENT OF 2008 SERIES K  
BOND PROCEEDS, CERTAIN MONEYS AND REVENUES**

Section 3.01. Confirmation of Establishment of Funds.....20  
Section 3.02. Establishment of Construction Fund.....20  
Section 3.03. Application of 2008 Series K Bond Proceeds and Allocation Thereof .....20  
Section 3.04. Application of Certain Moneys.....20  
Section 3.05. Application of Moneys in Construction Fund .....20  
Section 3.06. Deposit of Revenues and Allocation Thereof.....20  
Section 3.07. Investment of Moneys in Construction Fund.....20

**ARTICLE IV**

**MISCELLANEOUS**

Section 4.01. Loan Agreement, Escrow Agreement, Appointment of Verification Agent and .....  
Investment of Escrowed Funds.....23  
Section 4.02. Investment of Proceeds of 2008 Series K Bonds.....24  
Section 4.03. Covenant as to Program Investments.....24  
Section 4.04. Tax Covenants Relating to Internal Revenue Code of 1986.....24  
Section 4.05. Incidental Action.....24  
Section 4.06. Conflict .....25  
Section 4.07. Effective Date .....25



## 2008 SERIES K SERIES RESOLUTION

### A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY PRINCETON UNIVERSITY REVENUE REFUNDING BONDS, 2008 SERIES K

**WHEREAS**, the New Jersey Educational Facilities Authority (the "Authority"), by its Princeton University Revenue Bond Resolution, duly adopted on February 16, 1999 as amended and supplemented (the "Resolution"), has authorized the issuance of bonds, from time to time, in one or more series, for the purpose of providing funds for a loan to The Trustees of Princeton University (the "University");

**WHEREAS**, the Resolution provides that the bonds of the Authority shall be authorized and issued pursuant to a series resolution or series resolutions;

**WHEREAS**, the Authority has heretofore issued \$100,000,000 principal amount of its Princeton University Revenue Bonds, 2001 Series B (the "2001 Series B Bonds"), pursuant to the Resolution and a Series Resolution adopted August 22, 2001 (the "Series 2001 B Series Resolution") for the purpose of financing certain facilities of the University ("Facility P", as more fully described in the Loan Agreement dated as of October 1, 2001 by and between the Authority and the University);

**WHEREAS**, the Authority has heretofore issued \$100,000,000 principal amount of its Princeton University Revenue Bonds, 2002 Series B (the "2002 Series B Bonds"), pursuant to the Resolution and a Series Resolution adopted June 26, 2002 (the "Series 2002 B Series Resolution") for the purpose of financing certain facilities of the University ("Facility Q") and refinancing portions of certain commercial paper notes of the University ("Refinanced Notes", each as more fully described in the Loan Agreement dated as of July 1, 2002 by and between the Authority and the University);

**WHEREAS**, the Authority has heretofore issued \$75,000,000 principal amount of its Princeton University Revenue Bonds, 2003 Series F (the "2003 Series F Bonds"), pursuant to the Resolution and a Series Resolution adopted June 20, 2003 (the "Series 2003 F Series Resolution") for the purpose of financing certain facilities of the University ("Facility R", as more fully described in the Loan Agreement dated as of August 1, 2003 by and between the Authority and the University, and collectively with Facility P, Facility Q and any other facilities financed or refinanced with the Refinanced Notes and the Notes to be Refunded (as hereinafter defined), the "Refunded Facilities");

**WHEREAS**, the Resolution authorizes the issuance of refunding bonds to refund any one or more Series, or maturity or maturities within a Series, of Outstanding Bonds and Additional Parity Bonds for the purpose of providing funds to finance or refinance the costs of certain other facilities for the University;

**WHEREAS**, the Authority has, at the request of the University, determined that it is necessary and in keeping with its authorized purposes to issue a series of bonds to be designated "New Jersey Educational Facilities Authority Princeton University Revenue Refunding Bonds, 2008 Series K" (the "2008 Series K Bonds") for the purpose of financing all or a portion of: (i)

the current refunding of all, or a portion, of the Outstanding 2001 Series B Bonds (the "2001 Series B Bonds to be Refunded"); (ii) the current refunding of all, or a portion, of the Outstanding 2002 Series B Bonds (the "2002 Series B Bonds to be Refunded"); (iii) the current refunding of all, or a portion, of the Outstanding 2003 Series F Bonds (the "2003 Series F Bonds to be Refunded", and together with the 2001 Series B Bonds to be Refunded and the 2002 Series B Bonds to be Refunded, the "Bonds to be Refunded"); (iv) the refunding of all or a portion of the Princeton University Commercial Paper Notes Series 1997 Series A (Tax-Exempt), 1999 Series A (Tax-Exempt), 1999 Series B (Tax-Exempt), 2001 Series A (Tax-Exempt), 2002 Series A (Tax-Exempt), 2002 Series B (Tax-Exempt), 2004 Series A (Tax Exempt), and 2005 Series A (Tax Exempt) (collectively, the "Notes to be Refunded") (such refunding of the Bonds to be Refunded and the Notes to be Refunded to be defined as the "Refunding Project"); and (v) the payment of certain costs incidental to the sale and issuance of the 2008 Series K Bonds, including deposits to certain funds created under the Resolution and this 2008 Series K Series Resolution;

**WHEREAS**, the Authority deems it necessary and in keeping with its purposes to issue the 2008 Series K Bonds herein authorized for the purposes of (i) paying the costs of the Refunding Project, and (ii) paying certain costs incidental to the sale and issuance of the 2008 Series K Bonds, including deposits to certain funds created under the Resolution and this 2008 Series K Series Resolution.

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

## ARTICLE I

### DEFINITIONS AND AUTHORITY

**Section 1.01. Definitions.** As used in this 2008 Series K Series Resolution, unless a different meaning clearly appears from the context, all words and terms defined in Section 1.01 of the Resolution shall have the same meanings, respectively, in this 2008 Series K Series Resolution and in the 2008 Series K Bonds authorized hereby as are given to such words and terms by Section 1.01 of the Resolution. In addition, as used in the Resolution and in this 2008 Series K Series Resolution, unless a different meaning clearly appears from the context, the following words and terms shall mean:

“Agreement” or “Loan Agreement” means the Loan Agreement dated as of October 1, 2008 (or such other dated date as may be determined based on the date of issuance of the 2008 Series K Bonds), by and between the Authority and the University relating to the Refunding Project;

“Annual Administrative Fee” means the annual fee for the general administrative services of the Authority in an amount equal to the lesser of (i) 1/10 of 1% of the Outstanding principal amount of the 2008 Series K Bonds or (ii) \$50,000;

“Applicable Series Resolution” means this 2008 Series K Series Resolution and, unless a different meaning clearly appears from the context, other series resolutions authorizing Additional Parity Bonds;

“Arbitrage Certificate” means the Arbitrage Certificate, including the exhibits thereto, dated the date of issuance and delivery of the 2008 Series K Bonds, furnished by the Authority and based upon the Representation Letter;

“Authorized Officer” means the Chair, Vice Chair, Treasurer, Executive Director, Deputy Executive Director, Director of Project Management, Secretary or any Assistant Secretary of the Authority and when used with reference to any act or document also means any other person authorized by resolution of the Authority to perform such act or execute such document, and shall also include any of such officers designated as “acting” or “interim”;

“Certificate of Determination” means a certificate of any Authorized Officer making certain findings and determinations as authorized and/or delegated pursuant to the terms of this 2008 Series K Series Resolution;

“Construction Fund” means the fund created and established by this 2008 Series K Series Resolution;

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of October 1, 2008 (or such other dated date as may be determined based on the date of issuance of the 2008 Series K Bonds) by and between the University and The Bank of New York Mellon, as Dissemination Agent, as the same may from time to time be amended or supplemented;

“Costs of Issuance” means, as applicable, any costs relating to the issuance or the carrying of the 2008 Series K Bonds payable from the proceeds thereof, including, but not limited to, (i) underwriters’ discount (whether realized directly or derived through the purchase of the 2008 Series K Bonds at a discount below the price at which they are expected to be sold to the public); (ii) counsel fees (including bond counsel, issuer’s counsel, University counsel, trustee’s counsel and any other specialized counsel fees incurred in connection with the borrowing); (iii) financial advisor fees incurred in connection with the borrowing; (iv) rating agency fees; (v) trustee fees incurred in connection with the borrowing; (vi) paying agent and certifying and authenticating agent fees related to the issuance of the 2008 Series K Bonds; (vii) accountant fees related to the issuance of the 2008 Series K Bonds; (viii) printing costs (of the 2008 Series K Bonds and of preliminary and final offering materials); (ix) fees of any securities depository; (x) costs incurred in connection with the required public approval process (e.g., publication costs for public notices in connection with the issuance of the 2008 Series K Bonds, including, without limitation, the notice of public hearing); and (xi) Authority fees;

“DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the 2008 Series K Bonds;

“Escrow Agent” means The Bank of New York Mellon, West Paterson, New Jersey, in the capacity as Escrow Agent for the Bonds to be Refunded;

“Escrow Agreement” means the Escrow Deposit Agreement relating to the Bonds to be Refunded, dated as of October 1, 2008 (or such other dated date as may be determined based on the date of issuance of the 2008 Series K Bonds), by and between the Authority and the Escrow Agent;

“Letter of Instructions” means the letter of instructions attached to the Arbitrage Certificate as Exhibit A provided by McCarter & English, LLP on the date of issuance and delivery of the 2008 Series K Bonds, as such letter may be amended from time to time, as a source of guidance for compliance with the Internal Revenue Code of 1986, as amended;

“2008 Series K Bonds” means the bonds designated “New Jersey Educational Facilities Authority Princeton University Revenue Refunding Bonds, 2008 Series K”, to be issued pursuant to the Resolution and this 2008 Series K Series Resolution to finance the costs associated with the Refunding Project and certain costs incidental to the issuance and sale of the 2008 Series K Bonds;

“2008 Series K Series Resolution” means this resolution authorizing the issuance of the 2008 Series K Bonds;

“Outstanding Parity Bonds” means the Authority’s Princeton University Revenue Bonds, 1999 Series A, 1999 Series B, 2000 Series E, 2000 Series H, 2001 Series B, 2002 Series B, 2003 Series D, 2003 Series E, 2003 Series F, 2004 Series D, 2005 Series A, 2005 Series B, 2006 Series D, 2006 Series E, 2007 Series E, 2007 Series F and 2008 Series J previously or concurrently issued pursuant to the Resolution and the Applicable Series Resolution;

“Participating Underwriter” shall have the meaning ascribed thereto in the seventh recital to the Continuing Disclosure Agreement;

“Refunding Project” shall have the same meaning ascribed thereto in the recitals to this 2008 Series K Series Resolution;

“Representation Letter” means the letter, dated the date of issuance of the 2008 Series K Bonds, provided by the University to the Authority and McCarter & English, LLP with respect to, among other things, the nature, use and costs of the Refunding Project for purposes of rendering their opinion with respect to the federal income tax treatment of interest on the 2008 Series K Bonds;

“Sinking Fund Installment” means the amount of money sufficient to redeem the 2008 Series K Bonds in the amounts, at the times and in the manner set forth in Section 2.05(b) hereof; and

“State” means the State of New Jersey.

Words importing persons include firms, associations and corporations, and words importing the singular number include the plural number and vice versa.

**Section 1.02. Authority for this 2008 Series K Series Resolution.** This 2008 Series K Series Resolution is adopted pursuant to and in accordance with the provisions of the Act and Article II and Article VIII of the Resolution.

## ARTICLE II

### AUTHORIZATION AND DETAILS OF REFUNDING PROJECT AND 2008 SERIES K BONDS

**Section 2.01. Project Authorizations.** Any Authorized Officer is hereby authorized to execute and seal all documents necessary to enable the Authority to finance the Refunding Project.

**Section 2.02. 2008 Series K Bonds Authorized.** The Authority hereby authorizes the issuance of the 2008 Series K Bonds for the purpose of making a loan to the University to pay the costs of the Refunding Project and to provide for the payment of certain Costs of Issuance and the deposit to certain funds created under the Resolution and this 2008 Series K Series Resolution.

**Section 2.03. Dates and Maturities.** The 2008 Series K Bonds shall be initially dated, shall mature in such principal amounts and on such dates, shall bear interest payable on such dates, shall be subject to such terms, conditions and provisions as an Authorized Officer shall approve prior to their issuance with the advice of the Authority's Bond Counsel, McCarter & English, LLP ("Bond Counsel") and the Attorney General of the State (such approval to be conclusively evidenced by such Authorized Officer's execution thereof), provided that (i) the aggregate principal amount of the 2008 Series K Bonds shall not exceed \$230,000,000; (ii) the 2008 Series K Bonds shall mature not later than July 1, 2039; (iii) the "true" interest cost on the 2008 Series K Bonds shall not exceed 8.00% per annum; and (iv) Bond Counsel delivers an opinion that interest on the 2008 Series K Bonds is not includable in gross income for federal income tax purposes in connection with the issuance of the 2008 Series K Bonds. If, after issuance thereof, as shown by the records of the Trustee, interest on the 2008 Series K Bonds shall be in default, registered 2008 Series K Bonds issued in lieu of 2008 Series K Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the 2008 Series K Bonds surrendered. The 2008 Series K Bonds shall bear interest from the most recent interest payment date next preceding the date of such registered 2008 Series K Bond to which interest has been paid, unless the date of such registered 2008 Series K Bonds is an interest payment date, in which case interest shall be payable from such date, or unless the date of such registered 2008 Series K Bonds is prior to the first interest payment date of the registered 2008 Series K Bonds, in which case interest shall be payable from the initial dated date or unless the date of such 2008 Series K Bond is between a record date and the next succeeding interest payment date, in which case from such interest payment date, payable on such dates and at such rate or rates per annum as shall hereafter be determined by an Authorized Officer upon the sale thereof. Any Authorized Officer is also authorized to accept terms and conditions relating to the 2008 Series K Bonds required as a condition to issuance thereof, including, but not limited to, any such terms and conditions required by the Underwriter (as defined herein) appointed pursuant to Section 2.15 hereof, as such Authorized Officer deems necessary and appropriate with the advice of Bond Counsel and the Attorney General of the State. Any such terms and conditions modifying the terms of this 2008 Series K Series Resolution shall be set forth in a Certificate of Determination delivered by an Authorized Officer.

**Section 2.04. Denominations, Numbers and Letters.** The 2008 Series K Bonds shall be issuable in fully registered form in denominations of \$5,000 each or any integral multiple thereof. Unless the Authority shall otherwise direct, each maturity of the 2008 Series K Bonds shall be numbered separately from one upwards preceded by the letter R and a letter or letters designating the year of maturity.

At the direction of an Authorized Officer, "CUSIP" identification numbers will be imprinted on the 2008 Series K Bonds, but such numbers shall not constitute a part of the contract evidenced by the 2008 Series K Bonds, and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the 2008 Series K Bonds. In addition, failure on the part of the Authority to use such CUSIP numbers in any notice to holders of the 2008 Series K Bonds shall not constitute an event of default or any similar violation of the Authority's contract with such holders.

**Section 2.05. Redemption of 2008 Series K Bonds.** (a) *Optional Redemption.* (i) Except as may otherwise be determined by an Authorized Officer upon the sale of the 2008 Series K Bonds and as set forth in the Certificate of Determination, the 2008 Series K Bonds maturing on or before July 1, 2018 are not subject to optional redemption prior to maturity. The 2008 Series K Bonds maturing on or after July 1, 2019 are subject to redemption prior to maturity on or after July 1, 2018 at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the 2008 Series K Bonds Outstanding of any maturity shall be called for redemption, such 2008 Series K Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a redemption price (expressed as a percentage of the principal amount to be redeemed), plus interest accrued to the redemption date, as set forth in the Certificate of Determination; provided, however, that any such redemption price shall not exceed 102%.

(ii) Redemption of any of the 2008 Series K Bonds shall otherwise be effected in accordance with Article III of the Resolution.

(b) *Mandatory Sinking Fund Redemption.* The 2008 Series K Bonds shall, if so determined by an Authorized Officer, be subject to mandatory redemption by lot, prior to maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date, from moneys deposited in the Sinking Fund Account established for the 2008 Series K Bonds, as the case may be, within the Debt Service Fund established under this 2008 Series K Series Resolution. The principal amount of the 2008 Series K Bonds otherwise required to be redeemed may be reduced by the principal amount of such 2008 Series K Bonds theretofore delivered to the Trustee by the Authority in lieu of cash payments under the Agreement or purchased by the Trustee out of moneys in the Sinking Fund Account in the Debt Service Fund established under this 2008 Series K Series Resolution that have not theretofore been applied as a credit against any Sinking Fund Installment.

**Section 2.06. Notice of Redemption.** When 2008 Series K Bonds are to be redeemed as provided herein, the Trustee shall give notice of such redemption by mailing a copy of such notice as provided in the Resolution, and such mailing shall be a condition precedent to such redemption. Failure of any holder of any 2008 Series K Bonds to receive such notice or any

defect therein shall not affect the validity of the proceedings for the redemption of 2008 Series K Bonds.

**Section 2.07. Appointment of Trustee, Bond Registrar and Paying Agent.** The Trustee, Bond Registrar and Paying Agent for the 2008 Series K Bonds shall be The Bank of New York Mellon, West Paterson, New Jersey. Such appointment shall be evidenced by a certificate signed by an Authorized Officer and filed in the office of the Authority and delivered to the Trustee.

**Section 2.08. Additional Duties of Trustee.** The Trustee shall perform such other duties imposed upon it by this 2008 Series K Series Resolution or any assignments to the Trustee of the Agreement. The Authority may assign the Agreement to the Trustee, and the Trustee may hold such document, for the benefit of the holders of the 2008 Series K Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds.

**Section 2.09. Places of Payment and Paying Agents.** The principal or Redemption Price of the 2008 Series K Bonds shall be payable upon surrender at the principal corporate trust office of the Trustee. Interest on the 2008 Series K Bonds will be paid by check mailed by the Trustee to the holders thereof at their addresses as they appear on the registration books of the Authority, except that in the case of such holder of \$1,000,000 or more in aggregate principal amount of 2008 Series K Bonds, upon the written request of such holder to the Trustee, specifying the account or accounts to which such payment shall be made, payment of interest shall be made by wire transfer of immediately available funds. Any such request shall remain in effect until revoked or revised by such holder by an instrument in writing delivered to the Trustee. However, so long as the 2008 Series K Bonds are held in book-entry form pursuant to Section 2.13 hereof, the provisions of Section 2.13 shall govern the payment of the principal or Redemption Price of and interest on the 2008 Series K Bonds. For purposes of this Section 2.09, interest is payable to the holder thereof who is such holder at the close of business on the record date for such interest, which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding an interest payment date.

**Section 2.10. Authentication.** The 2008 Series K Bonds shall bear thereon a certificate of authentication, in substantially the form set forth in Section 2.14 hereof, manually executed by the Trustee or by any authenticating agent of the Trustee approved by the Authority. Only such 2008 Series K Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution, and no 2008 Series K Bonds shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee or by any authenticating agent of the Trustee approved by the Authority. Such certificate of the Trustee shall be conclusive evidence that the 2008 Series K Bond so authenticated has been duly authenticated and delivered under the Resolution and that the holder thereof is entitled to the benefits of the Resolution and this 2008 Series K Series Resolution.

**Section 2.11. Transfer of 2008 Series K Bonds.** Each 2008 Series K Bond shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the principal corporate trust office of the Trustee, as Bond Registrar, by the holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the holder or his duly



authorized attorney and the payment of a charge sufficient to reimburse the Authority or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such transfer. Upon the transfer of any 2008 Series K Bond, the Authority shall issue in the name of the transferee a new 2008 Series K Bond or Bonds in the same aggregate principal amount and maturity as the surrendered 2008 Series K Bond or Bonds.

**Section 2.12. Regulations with Respect to Transfers.** In all cases in which the privilege of transferring 2008 Series K Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver 2008 Series K Bonds in accordance with the provisions of the Resolution and this 2008 Series K Series Resolution. All 2008 Series K Bonds surrendered in any such transfer shall forthwith be canceled by the Trustee. Neither the Authority nor the Trustee shall be obliged to make any such transfer of 2008 Series K Bonds during (a) the period between the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding an interest payment date on the 2008 Series K Bonds and said interest payment date, (b) the period between the forty-fifth (45th) day (whether or not a business day) next preceding the date of selection of 2008 Series K Bonds to be redeemed and said date of selection, or (c) the period between the date of selection of 2008 Series K Bonds to be redeemed and the mailing of any notice of redemption.

**Section 2.13. Book-Entry Bonds.** (i) Except as provided in subsection (iii) of this Section 2.13, the registered owner of all of the 2008 Series K Bonds shall be DTC, and the 2008 Series K Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of semiannual interest for any 2008 Series K Bond registered as of each record date in the name of Cede & Co. shall be made by wire transfer of same day funds to the account of Cede & Co. on the interest payment date for the 2008 Series K Bonds at the address indicated on the record date for Cede & Co. in the registration books of the Authority kept by the Trustee.

(ii) The 2008 Series K Bonds shall be initially issued in the form of separate, single, authenticated, fully-registered bonds in the amount of each separate stated maturity of the 2008 Series K Bonds. Upon initial issuance, the ownership of such 2008 Series K Bonds shall be registered in the registration books of the Authority kept by the Trustee in the name of Cede & Co., as nominee for DTC. The Trustee and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the 2008 Series K Bonds registered in its name for the purposes of payment of the principal or Redemption Price of or interest on the 2008 Series K Bonds, selecting the 2008 Series K Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Resolution, registering the transfer of 2008 Series K Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Trustee nor the Authority shall be affected by any notice to the contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any DTC participant, any person claiming a beneficial ownership interest in the 2008 Series K Bonds under or through DTC or any DTC participant, or any other person who is not shown on the registration books of the Trustee as being a Bondholder with respect to the accuracy of any records maintained by DTC or any DTC participant; the payment by DTC or any DTC participant of any amount in respect of the principal or Redemption Price of or interest on the 2008 Series K Bonds; any notice that is permitted or required to be given to Bondholders under the Resolution; the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the 2008 Series K Bonds; or any consent given or

other action taken by DTC as Bondholder. The Paying Agent shall pay all principal of and redemption premium, if any, and interest on the 2008 Series K Bonds only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the State of New Jersey) Cede & Co., as nominee for DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the principal of and redemption premium, if any, and interest on the 2008 Series K Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to record dates, the words "Cede & Co." in this 2008 Series K Series Resolution shall refer to such new nominee of DTC.

(iii) In the event the Authority determines that it is in the best interest of the beneficial owners of the 2008 Series K Bonds that they be able to obtain definitive 2008 Series K Bonds, the Authority may notify DTC and the Trustee, whereupon DTC will notify DTC participants, of the availability through DTC of definitive 2008 Series K Bonds. In such event, the Authority shall issue and the Trustee shall transfer and exchange definitive 2008 Series K Bonds as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2008 Series K Bonds at any time by giving reasonable notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Authority and the Trustee shall be obligated to deliver definitive 2008 Series K Bonds as described in the Resolution and this 2008 Series K Series Resolution. In the event definitive 2008 Series K Bonds are issued, the provisions of the Resolution shall apply to, among other things, the transfer and exchange of such definitive 2008 Series K Bonds. Whenever DTC requests the Authority and the Trustee to do so, the Authority and the Trustee will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate definitive 2008 Series K Bonds to any DTC participant having 2008 Series K Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of definitive 2008 Series K Bonds.

(iv) Notwithstanding any other provision of the Resolution or this 2008 Series K Series Resolution to the contrary, so long as any 2008 Series K Bond is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to the principal of and redemption premium, if any, and interest on such 2008 Series K Bond and all notices with respect to such 2008 Series K Bond shall be made and given to Cede & Co., as nominee for DTC.

(v) In connection with any notice or other communication to be provided to Bondholders pursuant to the Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

**Section 2.14. Form of 2008 Series K Bonds.** Subject to the provisions of the Resolution and this 2008 Series K Series Resolution, the form of the 2008 Series K Bonds and the certificate of authentication thereon shall be of substantially the following form and tenor:

(Form Of 2008 Series K Bond)

UNITED STATES OF AMERICA

STATE OF NEW JERSEY

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY  
PRINCETON UNIVERSITY REVENUE REFUNDING BOND  
2008 SERIES K

|               |               |             |       |
|---------------|---------------|-------------|-------|
| Interest Rate | Maturity Date | Dated Date  | CUSIP |
| _____%        | July 1, ____  | _____, 2008 | _____ |

REGISTERED OWNER: \*\*\*\*\*CEDE & CO.\*\*\*\*\*

PRINCIPAL SUM:

The NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, a body corporate and politic with corporate succession, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter called the "Authority"), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, or its registered assigns, on the Maturity Date stated above, upon presentation and surrender of this Bond at the principal corporate trust office of the Trustee hereinafter mentioned, in lawful money of the United States of America, the Principal Sum stated above and interest thereon until the Principal Sum is paid from the most recent interest payment date next preceding the date of authentication hereof, unless the date of authentication hereof is an interest payment date, in which case from the date of authentication hereof, or unless the date of authentication hereof is prior to the first interest payment, in which case from October \_\_, 2008, or unless the date of authentication hereof is between a record date for such interest, which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding an interest payment date, and the next succeeding interest payment date, in which case from such interest payment date, at the Interest Rate stated above, payable initially on [January] 1, 2009 and semiannually thereafter on the first day of July and January of each year. Payment of the interest on this Bond shall be paid by check mailed to the registered owner hereof at the address of such registered owner as it shall appear on the registration books of the Authority, which shall be kept at the principal corporate trust office of the Bond Registrar hereinafter mentioned, at the close of business on the record date for such interest, which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding such interest payment date, except that in the case of such registered owner of \$1,000,000 or more in aggregate principal amount of 2008 Series K Bonds, upon the written request of such registered owner to the Trustee, specifying the account or accounts to which such payment shall be made, payment of interest shall be made by wire transfer of immediately available funds to such registered owner. Any such request shall remain in effect until revoked or revised by such holder by an instrument in writing delivered to the Trustee. However, so long as the 2008 Series

K Bonds (as hereinafter defined) are held in book-entry form pursuant to the Resolution (as hereinafter defined), the provisions of the Resolution governing such book-entry form shall govern repayment of the principal of and redemption premium, if any, and interest on the 2008 Series K Bonds. The principal of this Bond is payable upon surrender at the principal corporate trust office of The Bank of New York Mellon, West Paterson, New Jersey (the "Trustee" and "Bond Registrar").

This Bond is one of a duly authorized issue of bonds of the Authority designated "New Jersey Educational Facilities Authority Princeton University Revenue Refunding Bonds, 2008 Series K" (hereinafter called the "2008 Series K Bonds"), which has been duly issued by the Authority under and pursuant to the laws of the State of New Jersey, particularly the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A, Education Law, of the New Jersey Statutes, as amended and supplemented) (hereinafter called the "Act"), and pursuant to the Princeton University Revenue Bond Resolution, adopted by the Authority on February 16, 1999 (the "General Resolution"), as amended and supplemented, and the 2008 Series K Series Resolution, adopted by the Authority on October 2, 2008 (such resolutions being sometimes hereinafter collectively called the "Resolution"). This Bond and the issue of which it is a part is a special and limited obligation of the Authority payable from and secured by a pledge of and lien on the Revenues (as defined in the Resolution) equally and ratably with the Outstanding Parity Bonds, all other 2008 Series K Bonds of this issue and any other Additional Bonds to be issued on a parity herewith as permitted by the Resolution. Revenues are defined in the Resolution to include all payments received by the Authority pursuant to loan agreements between the Authority and The Trustees of Princeton University (the "University") to finance any facility permitted by the Resolution or any Applicable Series Resolution. All capitalized terms used but not defined herein shall have the respective meanings assigned to such terms in the Resolution.

This bond is one of a total authorized issue of \$[230,000,000], all of like date and tenor except as to number, interest rate, maturity date, denomination and redemption provisions, issued to obtain funds to finance [(i) the current refunding of all of the Outstanding 2001 Series B Bonds; (ii) the current refunding of all of the Outstanding 2002 Series B Bonds, (iii) the current refunding of all of the Outstanding 2003 Series F Bonds, and (iv) the refunding of all or a portion of the Princeton University Commercial Paper Notes Series 1997 Series A (Tax-Exempt), 1999 Series A (Tax-Exempt), 1999 Series B (Tax-Exempt), 2001 Series A (Tax-Exempt), 2002 Series A (Tax-Exempt), 2002 Series B (Tax-Exempt), 2004 Series A (Tax Exempt), and 2005 Series A (Tax Exempt)] through a loan to the University and for other purposes provided by the Resolution, to which Resolution reference is hereby made for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security thereby created, and the rights, limitations of rights, obligations, duties and immunities of the Authority, the Trustee and the registered owners of the 2008 Series K Bonds. Certified copies of the Resolution are on file in the principal corporate trust office of the Trustee and in the office of the Authority.

As provided in the Resolution, Bonds of the Authority may be issued from time to time pursuant to one or more series resolutions in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Resolution. The aggregate principal amount of Bonds that may be issued is not limited except as provided in

the Resolution, and all Bonds issued and to be issued as permitted by the Resolution are and will be equally secured by the pledge and covenants made therein except as otherwise expressly provided or permitted in the Resolution.

The Resolution provides that Additional Parity Bonds may be issued thereunder to provide additional funds for certain purposes including to finance the costs of certain other facilities for the University and that refunding bonds may be issued to refund Outstanding Bonds under the Resolution. All Additional Parity Bonds and refunding bonds shall be issued pursuant to series resolutions and shall be secured by an equal charge and lien on, and shall be payable equally from, the Revenues. The 2008 Series K Bonds have been issued as provided in Sections 2.04 and 2.05 of the General Resolution.

The 2008 Series K Bonds maturing on or before July 1, 2018 are not subject to optional redemption prior to maturity. The 2008 Series K Bonds maturing on or after July 1, 2019 are subject to redemption prior to maturity on or after July 1, 2018 at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the 2008 Series K Bonds outstanding of any maturity shall be called for redemption, such 2008 Series K Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a redemption price equal to [100]% of the principal amount to be redeemed, plus interest accrued to the redemption date.

The 2008 Series K Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Sinking Fund Account, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the 2008 Series K Bonds on July 1 in each of the years and in the principal amounts as follows:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|             | \$                      |

\*

\*Final maturity.

The 2008 Series K Bonds maturing on July 1, 20\_\_ shall be retired by Sinking Fund Installments as hereinafter described, which shall be accumulated in the Sinking Fund Account, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the 2008 Series K Bonds on July 1 in each of the years and in the principal amounts as follows:

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|-------------|-------------------------|

§

\*

\*Final maturity.

Redemption of any of the 2008 Series K Bonds shall otherwise be effected in accordance with the Resolution.

In the event this 2008 Series K Bond shall be called for redemption, notice of such redemption shall be mailed, postage prepaid, not less than thirty (30) days prior to the redemption date, to the registered owners of any 2008 Series K Bonds to be redeemed at their last address appearing on the registration books of the Authority kept by the Bond Registrar, and such mailing shall be a condition precedent to such redemption. Failure of any registered owner of any 2008 Series K Bond to receive such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of the 2008 Series K Bonds. Notice of redemption having been mailed as aforesaid, the 2008 Series K Bonds so called for redemption, on the date specified in such notice, shall become due and payable at the applicable Redemption Price herein provided, and from and after the date so fixed for redemption, interest on the 2008 Series K Bonds so called for redemption shall cease to accrue and be payable.

In case an event of default (as defined in the Resolution) shall occur, the principal of this 2008 Series K Bond may be declared due and payable in the manner and with the effect provided in the Resolution.

The 2008 Series K Bonds are special and limited obligations of the Authority payable from the Revenues, and neither the State of New Jersey nor any political subdivision thereof, other than the Authority, shall be obligated to pay the principal of or interest on the 2008 Series K Bonds except from the Revenues, and neither the faith and credit nor the taxing power of the State of New Jersey or any political subdivision thereof is pledged to the payment of the principal of or interest on the 2008 Series K Bonds. The Authority has no taxing power.

No recourse shall be had for the payment of the principal of or interest on this 2008 Series K Bond against any member, employee or other officer of the Authority or against any person executing this 2008 Series K Bond, all of such liability, if any, being hereby expressly waived and released by every registered owner of this 2008 Series K Bond by the acceptance hereof and as a part of the consideration hereof, as provided in the Resolution.

The Resolution contains provisions permitting the Authority, with the consent of the registered owners of not less than 66-2/3% in aggregate principal amount of the Outstanding Parity Bonds, the 2008 Series K Bonds and any Additional Parity Bonds outstanding, evidenced as provided in the Resolution, to adopt supplemental resolutions modifying any of the provisions of the Resolution, any supplemental resolution or the 2008 Series K Bonds or releasing the Authority from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained; provided, however, that no such supplemental resolution shall: (i) change any terms of redemption of the 2008 Series K Bonds or the due date of principal of or interest on the 2008 Series K Bonds or make any reduction in the principal or Redemption Price

of or interest on any 2008 Series K Bond, without the consent of the registered owner of each 2008 Series K Bond so affected; or (ii) reduce the aforesaid percentage of bonds the consent of the registered owners of which is required for any such supplemental resolution, without the consent of the registered owners of all of said bonds then outstanding.

The 2008 Series K Bonds are issuable in the form of fully registered bonds, without coupons, in denominations of \$5,000 each or any integral multiple thereof. This 2008 Series K Bond is transferable as provided in the Resolution, only upon the books of the Authority kept for that purpose at the above-mentioned office of the Bond Registrar, by the registered owner hereof in person or by his duly authorized attorney, upon surrender of this 2008 Series K Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered 2008 Series K Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution and upon payment of the charges therein prescribed. The Authority, the Bond Registrar and any paying agent may deem and treat the person in whose name this 2008 Series K Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes.

It is hereby certified, recited and declared by the Authority that all acts, conditions and things required by the Constitution and statutes of the State of New Jersey and the Resolution to exist, to happen and to be performed precedent to and in the issuance of the 2008 Series K Bonds, of which this 2008 Series K Bond is a part, in order to make them the legal, valid and binding, special and limited obligations of the Authority in accordance with their terms, exist, have happened and have been performed in regular and due time, form and manner as required by law, and the issuance of the 2008 Series K Bonds, together with all other indebtedness of the Authority, does not exceed or violate any constitutional, statutory or other limitation relating to the amount of bonded indebtedness prescribed by law for the Authority.

This 2008 Series K Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this 2008 Series K Bond shall have been authenticated by the execution by the Trustee, or by any authenticating agent of the Trustee approved by the Authority, of the Certificate of Authentication hereon.

**IN WITNESS WHEREOF**, New Jersey Educational Facilities Authority has caused this 2008 Series K Bond to be executed in its name by the manual or facsimile signature of its Chair, Vice Chair or Executive Director and its official common seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary, all as of the Dated Date.

**NEW JERSEY EDUCATIONAL  
FACILITIES AUTHORITY**

[SEAL]

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

**ATTEST:**

\_\_\_\_\_  
Secretary



**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the 2008 Series K Bonds described in the within-mentioned Resolution.

**THE BANK OF NEW YORK MELLON, as  
Trustee**

By: \_\_\_\_\_  
**Authorized Signatory**

Date of Authentication: \_\_\_\_\_

**ASSIGNMENT**

FOR VALUE RECEIVED, \_\_\_\_\_  
hereby sells, assigns and transfers unto \_\_\_\_\_  
the within 2008 Series K Bond issued by the New Jersey Educational Facilities Authority, and all  
rights thereunder, \_\_\_\_\_ hereby irrevocably appointing  
\_\_\_\_\_ attorney to transfer said 2008 Series K Bond on  
the bond register, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

Notice: The Assignor's signature to this assignment must correspond with the name as it appears upon the face of the within 2008 Series K Bond in every particular, without alteration or any change whatsoever.

[End of Form of 2008 Series K Bond]

**Section 2.15. Sale of 2008 Series K Bonds.** The power to fix the date and place for the sale of all or any part of the 2008 Series K Bonds and other details relating thereto in such manner as he or she shall deem to be in the best interests of the Authority is hereby delegated to any Authorized Officer.

The Authority hereby finds and determines that the issuance of the 2008 Series K Bonds involves certain circumstances under which a negotiated bond sale is permissible as outlined in Executive Order No. 26 (Whitman 1994) ("Executive Order No. 26"), namely, volatile market conditions. The Authority has selected and approved underwriters in accordance with Executive Order No. 26. An Authorized Officer is hereby authorized to sell the 2008 Series K Bonds to any such firm or firms selected from the list previously approved by the Authority on a negotiated basis.

J.P. Morgan Securities Inc. is hereby appointed as underwriter (the "Underwriter") for the 2008 Series K Bonds. Any Authorized Officer is hereby authorized to select and appoint any additional underwriters to purchase the 2008 Series K Bonds as members of an underwriting syndicate headed by the Underwriter, such selection and appointment to be evidenced by the execution and delivery thereby of the Bond Purchase Agreement (as hereinafter defined). The terms and conditions of the Bond Purchase Agreement to be entered into by and among the Authority, the University, and the Underwriter relating to the sale of the 2008 Series K Bonds (the "Bond Purchase Agreement") shall be final and conclusive as to the rates of interest per annum to be borne thereby, the purchase price thereof and any other terms and details relating to the sale and issuance of the 2008 Series K Bonds; provided that the "true" interest cost on the 2008 Series K Bonds shall not exceed 8.00% per annum and, provided further that, the underwriter's discount shall not exceed \$8.00 per \$1,000 principal amount of the 2008 Series K Bonds.

The Bond Purchase Agreement in the form submitted to the Authority on this date, shall be, and the same is in all respects, hereby authorized, approved and confirmed, and an Authorized Officer of the Authority is authorized to execute and deliver the Bond Purchase Agreement to the Underwriter. All of the provisions of the Bond Purchase Agreement shall be deemed a part of the 2008 Series K Series Resolution as fully and to the same extent as if incorporated verbatim herein, and shall be in full force and effect from the date of execution and delivery thereof. The Bond Purchase Agreement shall be substantially in the form thereof presented to the Authority with all necessary and appropriate variations, omissions and insertions as approved, permitted or required by an Authorized Officer of the Authority (with the advice of Bond Counsel and the Attorney General of the State) and the execution and delivery thereof shall be conclusive evidence of such approval.

The preparation, publication and distribution by the Underwriter of a Preliminary Official Statement (in substantially the form presented to the Authority at the time of adoption hereof, with such changes, omissions, insertions and revisions as any Authorized Officer shall deem necessary or advisable, with the advice of Bond Counsel and the Attorney General of the State) are hereby approved, ratified and confirmed, the preparation and distribution of a final Official Statement for the 2008 Series K Bonds (in substantially the form of the Preliminary Official Statement, with such changes, omissions, insertions and revisions as any Authorized Officer shall deem necessary or advisable, with the advice of Bond Counsel and the Attorney General of

the State) are hereby approved, and any Authorized Officer is hereby authorized to sign and deliver to the Underwriter of the 2008 Series K Bonds the Official Statement in final form acceptable to such Authorized Officer. Any Authorized Officer is hereby authorized, with the advice of Bond Counsel and the Attorney General of the State, to deem the Preliminary Official Statement final within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, and to provide written evidence relating thereto in form acceptable to Bond Counsel. Any Authorized Officer is hereby authorized and directed to deliver the 2008 Series K Bonds to the Underwriter thereof and to approve, execute and deliver all documents and instruments required in connection therewith, with such changes, omissions, insertions and revisions as shall be deemed necessary or advisable by the officer executing the same.

The 2008 Series K Bonds shall be executed in the name of the Authority by the manual or facsimile signature of its Chair, Vice Chair or Executive Director and its official common seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Secretary or any Assistant Secretary or in such other manner as may be permitted by law.

**Section 2.16. Continuing Disclosure.** Pursuant to Section 27 of the Agreement, the University has undertaken all responsibility for compliance with the continuing disclosure requirements, and the Authority shall have no liability to the holders of the 2008 Series K Bonds or any other person with respect to such disclosure matters. The Trustee shall comply with and carry out all of the obligations imposed on the Trustee under the Continuing Disclosure Agreement and Section 27 of the Agreement. The form of the Continuing Disclosure Agreement presented at this meeting (a copy of which shall be filed with the records of the Authority) is hereby approved. Notwithstanding any other provision of the Resolution and this 2008 Series K Series Resolution, failure of the University to comply with the Continuing Disclosure Agreement shall not be considered an "event of default" under Section 7.01 of the Resolution; however, the Trustee may (and at the request of any Participating Underwriter or the holders of at least twenty-five percent (25%) in aggregate principal amount of 2008 Series K Bonds Outstanding, the Trustee shall, subject to the provisions of Section 6.02 of the Resolution) or any holder of the 2008 Series K Bonds may take such actions as may be deemed necessary or appropriate, including seeking mandate or specific performance by court order, to cause the University to comply with its obligations under Section 27 of the Agreement or to cause the Trustee to comply with its obligations under this Section 2.16.

## ARTICLE III

### APPLICATION AND DISBURSEMENT OF 2008 SERIES K BOND PROCEEDS, CERTAIN MONEYS AND REVENUES

**Section 3.01. Confirmation of Establishment of Funds.** The Authority hereby ratifies and confirms the establishment of the following funds and separate accounts within funds under the Resolution, which funds and accounts shall be held, maintained and applied by the Trustee in accordance with Article IV of the Resolution, except as so provided in this 2008 Series K Series Resolution, for the 2008 Series K Bonds:

Revenue Fund;  
Debt Service Fund;  
    Interest Account;  
    Principal Account;  
    Sinking Fund Account;  
Rebate Fund; and  
Redemption Fund.

**Section 3.02. Establishment of Construction Fund.** Pursuant to Section 4.01 of the Resolution, the Construction Fund for the 2008 Series K Bonds is hereby created and established to be held by the Trustee and maintained and applied by the Authority.

**Section 3.03. Application of 2008 Series K Bond Proceeds and Allocation Thereof.** Upon receipt of the proceeds of the 2008 Series K Bonds, including accrued interest thereon, the Authority shall make payments from such moneys as follows: (i) a sum equal to the interest on the 2008 Series K Bonds accruing from their dated date to their date of delivery (if such dated date is not the date of delivery) will be paid to the Trustee for deposit in the Interest Account (for the 2008 Series K Bonds) of the Debt Service Fund, (ii) an amount of the proceeds of the 2008 Series K Bonds set forth in a certificate of an Authorized Officer of the Authority shall be deposited in various sub-accounts of the escrow account established under the Escrow Agreement and, together, with certain funds held under the Resolution, if available, applied to the purchase of Defeasance Securities as set forth in the Escrow Agreement, and (iii) the balance of the proceeds shall be deposited in the Construction Fund for payment of certain costs of the Refunding Project relating to the refunding of the Notes to be Refunded and certain Costs of Issuance.

**Section 3.04. Application of Certain Moneys.** Upon receipt by the Authority of any moneys for the purpose of paying costs of the Refunding Project, pursuant to the Agreement, the Authority shall deposit all such moneys so received in the Construction Fund for the Refunding Project.

**Section 3.05. Application of Moneys in Construction Fund.** Moneys on deposit in the Construction Fund shall be applied as provided in Section 4.03 of the Resolution.

**Section 3.06. Deposit of Revenues and Allocation Thereof.** There is established and created by this 2008 Series K Series Resolution an account within the Revenue Fund to be

designated the "2008 Series K Revenue Account". Notwithstanding anything in the Resolution to the contrary, moneys in the 2008 Series K Revenue Account of the Revenue Fund shall be paid to the Trustee on or prior to the fifth 5<sup>th</sup> day after deposit thereof as follows and in the following order of priority:

First: To the Interest Account of the Debt Service Fund, the amount necessary to equal the unpaid interest to become due on the Bonds Outstanding on the next succeeding semiannual interest payment date.

Second: To the Principal Account of the Debt Service Fund, the amount, if any, necessary to make the amount on deposit in the Principal Account equal to the principal amount becoming due on the Bonds Outstanding on the next succeeding July 1.

Third: To the Sinking Fund Account of the Debt Service Fund, the amount, if any, necessary to make the amount on deposit in the Sinking Fund Account equal to the sinking fund installment, if any, payable on the Bonds Outstanding on the next succeeding July 1.

Fourth: To the Authority, the amounts as are payable to the Authority for (i) any expenditures of the Authority for insurance, fees and expenses of auditing and fees and expenses of the Trustee, all as required by the Resolution and not otherwise paid or caused to be paid or provided for by the University; (ii) all other expenditures reasonably and necessarily incurred by the Authority by reason of its financing of the Refunding Project in accordance with the Loan Agreement, including expenses incurred by the Authority to compel full and punctual performance of all provisions of the Loan Agreement in accordance with the terms thereof; and (iii) the Annual Administrative Fee unless otherwise paid, but only upon receipt by the Trustee from the Authority of a certificate signed by an Authorized Officer stating in reasonable detail the amounts payable to the Authority.

**Section 3.07. Investment of Moneys in Construction Fund.** For purposes of the 2008 Series K Bonds only, notwithstanding anything contained in Section 4.08 of the Resolution to the contrary, in addition to any investment permitted in Section 4.08 of the Resolution with respect to the Construction Fund, moneys deposited in the Construction Fund may also be invested in (i) the New Jersey Cash Management Fund; and (ii) investment agreements with banks that, at the time such agreement is executed, are rated by Standard & Poor's Rating Group, a division of The McGraw-Hill Companies ("S&P") or Moody's Investors Service ("Moody's") in one of the two highest rating categories assigned by S&P or Moody's (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) or investment agreements with non-bank financial institutions which, (1) all of the unsecured direct long-term debt of either the non-banking financial institution or the related guarantor of such non-bank financial institution that is rated by S&P or Moody's at the time such agreement is executed is rated in one of the two highest rating categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) for obligations of that nature; or (2) if such non-bank financial institutions have no outstanding long-term debt that is rated, all of the short-term debt of either the non-banking financial institution or the related guarantor of such non-bank financial

institution that is rated by S&P or Moody's in the highest rating category (without regard to any refinement or gradation of the rating category by numerical modifier or otherwise) assigned to short term indebtedness by S&P or Moody's.

## ARTICLE IV

### MISCELLANEOUS

**Section 4.01. Loan Agreement, Escrow Agreement, Appointment of Verification Agent; Investment of Escrowed Funds.** (a) The form of the Loan Agreement, by and between the Authority and the University, in the form submitted to the Authority on this date shall be, and the same is, in all respects, hereby authorized, approved and confirmed, and an Authorized Officer is authorized to execute and deliver the Loan Agreement to the University. The Loan Agreement shall be substantially in the form presented to the Authority with all necessary and appropriate variations, omissions and insertions as approved, permitted or required by an Authorized Officer or as advised by Bond Counsel and the Attorney General of the State, and the execution and delivery thereof shall be conclusive evidence of such approval.

(b) The form of the Escrow Agreement by and between the Authority and The Bank of New York Mellon, West Paterson, New Jersey, hereby appointed Escrow Agent for the Bonds to be Refunded (the "Escrow Agent"), in the form submitted to the Authority on this date, shall be, and the same is in all respects, hereby authorized, approved and confirmed, and any Authorized Officer is authorized to execute and deliver the Escrow Agreement to the Escrow Agent when the same shall have been prepared for execution. The Escrow Agreement shall be substantially in the form presented to the Authority and set forth in the minutes thereof with all necessary and appropriate variations, omissions and insertions as approved, permitted or required by any Authorized Officer, and the execution and delivery thereof by any such Authorized Officer shall be conclusive evidence of such approval.

(c) Any Authorized Officer is hereby authorized and directed to select, via a competitive process, an independent certified public accountant or accounting firm or other qualified financial expert to act as verification agent (the "Verification Agent") in connection with the refunding of all or any portion of the Bonds to be Refunded pursuant to the terms of the Escrow Agreement.

(d) Any Authorized Officer is hereby authorized to purchase United States Treasury Obligations, State and Local Government Series, in connection with the Refunding Project, or 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 (as defined in the Escrow Agreement) in connection with the Refunding Project, 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, an 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 Agreement, to enter into such Float Forward Agreement or agreements with the successful bidder or bidders therefor. 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 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 as 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 United States Treasury Obligations, State and Local Government Series and open market U.S. Treasury Obligations, to the extent permitted by law. The Underwriter is 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 United States Treasury Obligations, State and Local Government Series via SLGSafe pursuant to the regulations promulgated therefore set forth in 31 CFR Part 344.

**Section 4.02. Investment of Proceeds of 2008 Series K Bonds.** The Authority will make no use of the proceeds of the 2008 Series K Bonds that would cause the 2008 Series K Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"); and the Authority hereby imposes on itself, on the Trustee and on all officers having custody or control of the proceeds of the 2008 Series K Bonds, throughout the term of the 2008 Series K Bonds, the obligation to comply with the applicable requirements of Section 148(a) of the Code and the Treasury Regulations promulgated thereunder, and all other applicable regulations, so that none of the 2008 Series K Bonds will be or become an arbitrage bond; provided, that the Trustee, in following the directions of the Authority, shall have no responsibility to determine whether such investment is in violation of such regulations.

**Section 4.03. Covenant as to Program Investments.** In accordance with the requirements applicable to the "program investments" under Treasury Regulations §1.148-1(b), the Authority covenants that it shall require that neither the University nor any person or related persons (within the meaning of Treasury Regulations §1.150-1(b)) shall purchase bonds of the Authority that finance the program in an amount related to the amount of the loan.

**Section 4.04. Tax Covenants Relating to Internal Revenue Code of 1986.** In order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2008 Series K Bonds, the Authority shall comply with the provisions of the Code applicable to the 2008 Series K Bonds, including, without limitation, the provisions of the Code relating to the computation of the yield on investments of the Gross Proceeds (as defined in the Letter of Instructions) of the 2008 Series K Bonds, reporting of earnings on the Gross Proceeds of the 2008 Series K Bonds, and rebate of excess earnings to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Letter of Instructions, to be delivered by Bond Counsel at the time the 2008 Series K Bonds are issued, as to compliance with the Code with respect to the 2008 Series K Bonds, as such letter may be amended from time to time, as a source of guidance for achieving compliance with the Code. All of the representations and warranties of the Authority contained in the Arbitrage Certificate and of the University contained in the Representation Letter are incorporated herein by reference with the same force and effect as if set forth in full herein.



The Authority may pay requisitions from 2008 Series K Bond proceeds or investment earnings thereon with respect to the Costs of Issuance of the 2008 Series K Bonds only to the extent that the aggregate requisitions paid with such proceeds with respect to the Costs of Issuance do not cause the amount paid for Costs of Issuance with the proceeds of the 2008 Series K Bonds or the investment earnings thereon to exceed two percent (2%) of the "proceeds" of the 2008 Series K Bonds (within the meaning of Section 147(g) of the Code).

The Authority shall not take or permit any action or fail to take any action that would adversely affect the status of the 2008 Series K Bonds as "qualified 501(c)(3) bonds" under Section 145(a) of the Code or otherwise cause the interest on the 2008 Series K Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code.

Notwithstanding any other provision of the Resolution and this 2008 Series K Series Resolution to the contrary, the covenants contained in this Section 4.04 shall survive the payment of the 2008 Series K Bonds and the interest thereon, including any payment or discharge thereof pursuant to Section 11.03 of the Resolution, as long as necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2008 Series K Bonds.

**Section 4.05. Incidental Action.** The Authorized Officers are hereby authorized and directed to execute and deliver such other documents, certificates, directions and notices, and to take such other action as may be necessary or appropriate in order to (i) effectuate the delivery of the Preliminary Official Statement, the execution and delivery of Official Statement, Bond Purchase Agreement, the Loan Agreement, the Escrow Agreement and the issuance and sale of the 2008 Series K Bonds, (ii) effectuate the Refunding Project, (iii) implement the DTC book-entry only system for the 2008 Series K Bonds, (iv) maintain the tax-exempt status of the interest on the 2008 Series K Bonds (including the preparation and filing of any information reports or other documents with respect to the 2008 Series K Bonds as may at any time be required under Section 149 of the Internal Revenue Code of 1986, as amended, and any regulations thereunder), and (v) to purchase certain investment securities permitted under the Resolution and this 2008 Series K Series Resolution in order to effectuate the defeasance of the Bonds to be Refunded.

**Section 4.06. Conflict.** All resolutions or parts of resolutions or other proceedings in conflict herewith are repealed insofar as such conflict exists.

**Section 4.07. Effective Date.** This 2008 Series K Series Resolution shall take effect as provided for under the Act.

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

**AYE:** Felice Vazquez  
Roger B. Jacobs  
R. David Rousseau (represented by Nancy Style)  
Laurence M. Downes (represented by Kurt Landgraf)

**NAY:** None

**ABSTAIN:** Vivian Altman

**ABSENT:** None

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