
CLOSING MEMORANDUM

TOWN OF AMHERST DEVELOPMENT CORPORATION
REVENUE BONDS
(DAEMEN COLLEGE PROJECT), SERIES 2018
IN THE AGGREGATE PRINCIPAL AMOUNT OF \$28,600,000

Date and Time of Pre-Closing: June 13, 2018
10:00 a.m. EST

Place of Pre-Closing: Hodgson Russ LLP
140 Pearl Street
Buffalo, New York 14202

Date and Time of Closing: June 14, 2018
10:00 a.m. EST

Method of Closing: Via wire transfer subsequent to telephonic
conference call to effectuate the release of the
above-referenced bonds (the "Initial Bonds").

I. BACKGROUND

On February 3, 2010, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate of Incorporation") creating Town of Amherst Development Corporation (the "Issuer"), a New York not-for-profit corporation, pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act"). Pursuant to the provisions of Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Issuer was formed as a public instrumentality of the Town of Amherst, New York (the "Town") only after the Town Board of the Town, as the governing body of the Town, by resolution adopted on October 5, 2009 (the "Sponsor Resolution") (A) approved the incorporation of the Issuer and (B) appointed the initial members of the board of directors of the Issuer, who serve at the pleasure of the Town Board of the Town.

In April, 2018, Daemen College (the "Borrower"), a not-for-profit education corporation, presented an application (the "Application") to the Issuer, which Application requested that the Issuer consider undertaking a project (the "Initial Project") for the benefit of the Borrower, said Initial Project to consist of the following: (A) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series

2006A issued on June 30, 2006 in the original aggregate principal amount of \$20,925,000 (the “Series 2006A Bonds”), which Series 2006A Bonds financed the following project: (1) the refinancing of the Town of Amherst Industrial Development Agency Civic Facility Revenue Bonds (Daemen College Project), Series 2001A (the “Series 2001A Bonds”) used to finance (a) the acquisition by the Town of Amherst Industrial Development Agency (the “Prior Issuer”) of a leasehold interest in an approximately 5.7 acre parcel of land (the “Student Housing Land”) located on the campus of the Borrower at 4380 Main Street in the Town of Amherst, Erie County, New York (the “Campus”) on which is located Rosary Hall and the Business & Commerce Building (the “Other Land” and, together with the Student Housing Land, the “Land”), (b) the acquisition by the Prior Issuer of an interest in the existing buildings located on the Student Housing Land containing 23 existing student housing units (the “Existing Student Housing”) and of an interest in Rosary Hall and an interest in the Business & Commerce Building, both of which are located on the Other Land (the Existing Student Housing, Rosary Hall and the Business & Commerce Building being collectively referred to as the “Existing Facility”), (c) the demolition of the Existing Student Housing, (d) the construction on the Student Housing Land of 7 new apartment style housing units with a total of approximately 384 beds (the “New Housing Facility”) and (e) the acquisition and installation by the Prior Issuer of an interest in certain existing furniture and fixtures located in Rosary Hall and in the Business and Commerce Building (the “Existing Equipment”) (the Land, the Existing Facility, the New Housing Facility and the Existing Equipment being collectively referred to as the “2001 Project Facility”); and (2) paying a portion of the costs incidental to the issuance of the Series 2006A Bonds, including issuance costs of the Series 2006A Bonds and a debt service reserve fund to secure the Series 2006A Bonds; (B) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006B issued on June 30, 2006 in the original aggregate principal amount of \$17,075,000 (the “Series 2006B Bonds” and, together with the Series 2006A Bonds, the “Prior Bonds”), which Series 2006B Bonds financed the following project: (1) the acquisition of an interest or interests in portions of the Land; (2) the construction of a new library and information center on the Land to contain approximately 47,200 gross square feet of space (the “Library Facility” and together with the Existing Facility, the “Facility”); (3) the acquisition of an interest in and installation of equipment and fixtures to be located in or attached to the Library Facility (the “Library Equipment” and, together with the Existing Equipment, the “Equipment”) (the Library Facility and the Library Equipment being collectively referred to as the “2006 Project Facility”); and (4) paying a portion of the costs incidental to the issuance of the Series 2006B Bonds, including issuance costs of the Series 2006B Bonds and a debt service reserve fund to secure the Series 2006B Bonds; (C) (1) the renovation of and improvements to the science facilities in Duns Scotus Hall, all on the Land, and (2) the undertaking of various deferred maintenance improvements to Campus facilities, all on the Land (collectively, the “2018 Project Facility” and, together with the Facility, the “Project Facility”); (D) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, in an amount then estimated to be approximately \$35,000,000 and in any event not to exceed \$37,000,000 (the “Obligations”); and (E) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations.

The Chief Executive Officer of the Issuer (A) caused notice of a public hearing of the Issuer (the “Public Hearing”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Reincorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Initial Project and the financial assistance being contemplated by the Issuer with respect to the Initial Project, to be published on April 18, 2018 in The Amherst Bee, a newspaper of general circulation available to the residents of the Town of Amherst, New York, (B) caused notice of the Public Hearing to be posted on April 17, 2018 at the Town Clerk’s Office located

at 5583 Main Street, Amherst, New York, (C) caused notice of the Public Hearing to be mailed on April 13, 2018 to the chief executive officers of the county and of each city, town, village and school district in which the Initial Project Facility is (or will be) located, (D) conducted the Public Hearing on May 4, 2018 at 8:30 a.m., local time at 4287 Main Street, Amherst, New York and (E) prepared a report of the Public Hearing (the "Public Hearing Report") which fairly summarized the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the board of directors of the Issuer and to the Town Board of the Town of Amherst, New York (the "Town Board").

By resolution adopted by the Town Board on May 16, 2018 (the "Public Approval"), the Town Board approved the issuance of the Obligations for purposes of Section 147(f) of the Code.

Pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the board of directors of the Issuer on May 18, 2018 (the "SEQR Resolution"), the Issuer determined that the Project constituted a "Type II action" (as such quoted term is defined under SEQRA), and therefore that no further action with respect to the Project was required under SEQRA.

By resolution adopted by the members of the board of directors of the Issuer on May 18, 2018 (the "Inducement Resolution"), the board of directors of the Issuer determined, following a review of the Public Hearing Report, to proceed with the Initial Project and to enter into a preliminary agreement with the Borrower (the "Preliminary Agreement") relating to the Initial Project.

By resolution adopted by the members of the board of directors of the Issuer on May 18, 2018 (the "Initial Bond Resolution"), the board of directors of the Issuer (A) authorized the issuance of the Issuer's Revenue Bonds (Daemen College Project), Series 2018 in the aggregate principal amount of \$28,600,000 (the "Initial Bonds") for the purpose of financing a portion of the costs of the Initial Project, (B) authorized the circulation of a preliminary official statement (the "Initial Preliminary Official Statement") in connection with the marketing of the Initial Bonds and (C) delegated to the Chairman, Vice Chairman and Chief Executive Officer of the Issuer authority to determine the final details of the Initial Bonds (the "Bond Details") once the marketing of the Initial Bonds is completed and the Borrower has agreed to the Bond Details.

The Issuer will now issue the Initial Bonds under the Initial Bond Resolution, a certificate of determination executed by the Chairman, Vice Chairman or Chief Executive Officer of the Issuer on June 14, 2018 (the "Certificate of Determination") and a trust indenture dated as of June 1, 2018 (the "Indenture") by and between the Issuer and The Bank of New York Mellon, as trustee (the "Trustee") for the holders of the Initial Bonds and any additional bonds issued by the Issuer under the Indenture (the "Additional Bonds", and collectively with the Initial Bonds, the "Bonds").

Prior to or simultaneously with the issuance of the Initial Bonds, the Issuer and the Borrower will execute and deliver a loan agreement dated as of June 1, 2018 (the "Loan Agreement") by and between the Issuer, as lender, and the Borrower, as borrower, pursuant to the terms of which Loan Agreement (A) the Issuer will agree (1) to issue the Initial Bonds, and (2) to make a loan to the Borrower of the proceeds of the Initial Bonds (the "Loan") for the purpose of assisting in financing the Initial Project, and (B) in consideration of the Loan, the Borrower will agree (1) to cause the Initial Project to be undertaken and completed, (2) to use the proceeds of the Loan disbursed under the Indenture to pay (or reimburse the Borrower for the payment of) the costs of the Initial Project, and (3) to make payments in amounts sufficient to pay when due all amounts due with respect to the Initial Bonds (the "Loan Payments") to or

upon the order of the Issuer in repayment of the Loan, which Loan Payments shall include amounts equal to the Debt Service Payments (as defined in the Indenture) due on the Initial Bonds.

Also simultaneously with the issuance of the Initial Bonds, the Prior Issuer, Manufacturers and Traders Trust Company, as trustee for the Prior Bonds (the "Prior Trustee") and the Borrower will execute and deliver a letter of instructions, as acknowledged by the Issuer and the Trustee (the "Letter of Instructions"), pursuant to which (A) a deposit will be made with the Prior Trustee in an amount sufficient to enable the Prior Trustee to redeem the Prior Bonds in full on June 14, 2018 and (B) the Prior Trustee will deliver to the Issuer and the Borrower various termination documents terminating and discharging the Prior Trustee's interest in the Prior Project (collectively, the "Termination Documents").

Pursuant to the terms of the Indenture, the net proceeds of the sale of the Initial Bonds (the "Bond Proceeds") will be deposited into various trust funds held by the Trustee under the Indenture and will be disbursed by the Trustee from time to time to pay the costs of the Initial Project, but only upon satisfaction of the requirements for making such disbursements set forth in the Indenture and in the Loan Agreement.

As security for the Initial Bonds, the Issuer will execute and deliver to the Trustee a pledge and assignment dated as of June 1, 2018 (the "Pledge and Assignment") from the Issuer to the Trustee, and acknowledged by the Borrower, which Pledge and Assignment will assign to the Trustee certain of the Issuer's rights under the Loan Agreement. Pursuant to the Pledge and Assignment, basic Loan Payments made by the Borrower under the Loan Agreement are to be paid directly to the Trustee.

The (A) Borrower's obligation (1) to make all Loan Payments under the Loan Agreement and (2) to perform all obligations related thereto and (B) Issuer's obligation to repay the Initial Bonds will be further secured by a guaranty dated as of June 1, 2018 (the "Guaranty") from the Borrower to the Trustee.

As additional security for the Initial Bonds, (A) the Borrower will execute and deliver an environmental compliance and indemnification agreement dated as of June 1, 2018 (the "Environmental Compliance Agreement") from the Borrower to the Issuer and the Trustee, pursuant to which, among other things, the Borrower indemnifies the Issuer and the Trustee against certain environmental liabilities related to the Initial Project Facility, (B) the Borrower will execute and deliver to the Issuer a mortgage and security agreement dated as of June 1, 2018 (the "Mortgage") from the Borrower to the Issuer, which Mortgage among other things, (1) grants to the Issuer a first mortgage lien on, and a security interest in, among other things, the Initial Project Facility, excluding the Excluded Facility (as defined in the Indenture) and (2) assigns to the Issuer the rents, issues and profits of the Initial Project Facility, excluding the Excluded Facility and (C) the Issuer will execute and deliver to the Trustee an assignment of mortgage dated as of June 1, 2018 (the "Mortgage Assignment") from the Issuer to the Trustee, pursuant to which the Issuer will assign the Mortgage to the Trustee.

The Initial Bonds will be initially purchased by Janney Montgomery Scott LLC, acting as underwriter for the Initial Bonds (the "Underwriter") pursuant to a bond purchase agreement dated as of June 7, 2018 (the "Initial Bond Purchase Agreement") by and among the Underwriter, the Issuer and the Borrower. The Underwriter will utilize the Initial Preliminary Official Statement and a final official statement (the "Initial Official Statement") in connection with the initial offering of the Initial Bonds. The Underwriter also intends to obtain a rating of the Initial Bonds from one or more securities rating agencies (each such rating agency that provides a rating of the Initial Bonds, a "Rating Agency").

To assure compliance with the continuing disclosure requirements imposed by the United States Securities and Exchange Commission, the Borrower will execute and deliver to the Underwriter and the Trustee a continuing disclosure agreement dated as of June 14, 2018 (the "Initial Continuing Disclosure

Agreement”) relating to the Initial Bonds. The Initial Bonds will be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository (the “Depository”) for the Initial Bonds, and, to comply with the requirements of the Depository, the Issuer and the Trustee will execute and deliver to the Depository a letter of representations (the “Initial Depository Letter”) relating to the Initial Bonds.

To demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer will (1) execute an arbitrage certificate dated the date of delivery of the Initial Bonds (the “Initial Arbitrage Certificate”) relating to certain requirements set forth in Section 148 of the Code relating to the Initial Bonds, (2) execute a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to the Initial Bonds (the “Information Return”) pursuant to Section 149(e) of the Code, and (3) file the Information Return with the Internal Revenue Service, (B) the Borrower will execute a tax regulatory agreement dated the date of delivery of the Initial Bonds (the “Initial Tax Regulatory Agreement”) relating to the requirements in Sections 145 through 150 of the Code relating to the Initial Bonds and (C) the Underwriter will execute a letter (the “Issue Price Letter”) confirming the issue price of the Initial Bonds for purposes of Section 148 of the Code.

Among the actions taken by the Issuer in respect of the issuance of the Initial Bonds prior to the closing date were the following:

April 2018	The Borrower filed the Application relating to the Initial Project with the Issuer.
April 18, 2018	Notice of the Public Hearing was published.
April 17, 2018	Notice of the Public Hearing was posted.
April 13, 2018	Notice of the Public Hearing was mailed to the chief executive officers of the affected tax jurisdictions.
May 4, 2018	The Issuer conducted the Public Hearing.
May 16, 2018	The Town Board adopted the Public Approval.
May 18, 2018	The Issuer adopted the SEQR Resolution.
May 18, 2018	The Issuer adopted the Inducement Resolution.
May 18, 2018	The Issuer adopted the Initial Bond Resolution.
May 31, 2018	The Initial Preliminary Official Statement was circulated by the Underwriter.
June 7, 2018	The Initial Bond Purchase Agreement was executed by the Underwriter, the Borrower and the Issuer.
June 14, 2018	The Certificate of Determination was executed by the Issuer.

II. PARTIES REPRESENTED AT CLOSING

ISSUER: (I)
 David S. Mingoia, Chief Executive Officer
 Town of Amherst Development Corporation

PRIOR ISSUER: (PI)
 David S. Mingoia, Chief Executive Officer
 Town of Amherst Industrial Development Agency

ISSUER AND PRIOR ISSUER COUNSEL:	(IC)
Kevin J. Zanner, Esq. Joseph M. Reynolds, Esq. Hurwitz & Fine, P.C.	
BOND COUNSEL:	(HR)
Christopher C. Canada, Esq. A. Joseph Scott, III, Esq. Hodgson Russ LLP	
BORROWER:	(B)
Gary A. Olson, President Lisa Arida, Interim VP of Business Affairs Daemen College	
BORROWER'S COUNSEL:	(BC)
Terrence M. Gilbride, Esq. Hodgson Russ LLP	
TRUSTEE:	(T)
Christopher Spinelli, Vice President The Bank of New York Mellon	
TRUSTEE'S COUNSEL:	(TC)
David Fernandez, Esq. Buchanan Ingersoll & Rooney PC	
UNDERWRITER:	(U)
Joseph C. Bosch, Managing Director Daniel A. Froehlich, Managing Director Janney Montgomery Scott LLC	
UNDERWRITER'S COUNSEL:	(UC)
Theodore A. Trespasz, Jr., Esq. Trespasz & Marquardt, LLP	
PRIOR TRUSTEE:	(PT)
Maureen Auld, Assistant Vice President Manufacturers and Traders Trust Company	
PRIOR TRUSTEE'S COUNSEL:	(PTC)
Oksana M. Ludd, Esq. Barclay Damon, LLP	
BORROWER'S AUDITOR:	(A)
Matthew J. Montalbo, Partner Charles Trottier, Manager Drescher & Malecki LLP	

TITLE INSURER: (TI)
Stewart Title Guaranty Company

SWAP ADVISOR: (SA)
Daniel Silva, Director
Callowhill Capital Advisors LLC

III. ACTION TO BE TAKEN AT CLOSING

The following documents, or copies thereof, are to be delivered (except as indicated) to the Issuer, Issuer's Counsel, the Borrower, Borrower's Counsel, the Trustee, Trustee's Counsel, the Underwriter, Underwriter's Counsel and Bond Counsel as follows:

	<u>Production Respons.</u>	<u>Execution Respons.</u>
A. <u>Basic Instruments:</u>		
1. Indenture.	HR	I, T, B
2. Specimen Initial Bond.	HR	--
3. Loan Agreement.	HR	I, B
4. Pledge and Assignment, with acknowledgment thereof by the Borrower.	HR	I, T, B
5. Mortgage.	HR	B
6. Mortgage Assignment.	HR	I
7. Guaranty.	HR	B, T
8. UCC-1 Financing Statements relating to Property pledged by the Issuer to the Trustee pursuant to the Indenture.	HR	--
9. UCC-1 Financing Statements relating to Property pledged by the Issuer to the Trustee pursuant to the Pledge and Assignment.	HR	--
10. UCC-1 Financing Statements relating to Property pledged by the Borrower to the Issuer pursuant to the Mortgage, as assigned to the Trustee.	HR	--
11. Closing Receipt.	HR	I, B, T, U

	<u>Production Respons.</u>	<u>Execution Respons.</u>
B. <u>Items To Be Delivered By The Issuer:</u>		
1. General Certificate of the Issuer regarding incumbency and signatures of officers, execution of the Initial Bonds, the Indenture and the other Initial Financing Documents to be executed by the Issuer (the "Issuer Documents"), no litigation and continued existence, with the following items included as exhibits:	HR	I
Exhibit A - Sponsor Resolution;	IC	--
Exhibit B - Certificate of Reincorporation of the Issuer, certified by the New York State Department of State;	IC	--
Exhibit C - By-Laws of the Issuer;	IC	I
Exhibit D - Certificate of Good Standing relating to the Issuer from the New York State Department of State;	IC	--
Exhibit E - Proof of publication of notice of the Public Hearing (the "Public Hearing Notice");	IC	--
Exhibit F - Proof of the posting of the Public Hearing Notice;	IC	--
Exhibit G - Proof of the mailing of the Public Hearing Notice to the chief executive officers of the affected tax jurisdictions;	IC	--
Exhibit H - Public Hearing Report;	IC	--
Exhibit I - Public Approval;	IC	Town Board
Exhibit J - SEQR Resolution;	HR	I
Exhibit K - Inducement Resolution;	HR	I
Exhibit L - Initial Bond Resolution; and	HR	I
Exhibit M - Certificate of Determination.	HR	I
2. Certificate Regarding No Conflicts of Interest.	HR	I
3. Affidavit Regarding Mortgage Recording Tax.	HR	I
4. Initial Arbitrage Certificate.	HR	I
5. Information Return.	HR	I
6. Proof of Mailing of the Information Return to the Internal Revenue Service.	HR	HR

	<u>Production Respons.</u>	<u>Execution Respons.</u>
7. Request and Authorization to the Trustee to authenticate and deliver the Initial Bonds.	HR	I
8. Bond Counsel Disclosure Statement.	HR	HR
9. DTC Blanket Letter of Representations.	HR	--
C. <u>Items To Be Delivered By The Borrower:</u>		
1. General Certificate of the Borrower regarding incumbency and signatures of officers, execution of the Loan Agreement and other Initial Financing Documents to be executed by the Borrower (the "Borrower Documents"), no litigation and continued existence, with the following items included as exhibits:	HR	B, BC
Exhibit A - Charter of the Borrower, certified by the New York State Department of State;	BC	--
Exhibit B - By-laws of the Borrower;	BC	--
Exhibit C - Certificate of Good Standing relating to the Borrower from the New York State Department of State;	BC	B
Exhibit D - 501(c)(3) Determination Letter relating to the Borrower from the Internal Revenue Service;	BC	--
Exhibit E - Resolution of the Board of Trustees of the Borrower approving and authorizing the execution and delivery by the Borrower of the Borrower Documents; and	BC	B
Exhibit F - Pending Litigation relating to the Borrower or the Initial Project.	BC	--
2. Initial Tax Regulatory Agreement.	HR, BC	B
3. Evidence of insurance from Borrower regarding compliance with insurance provisions of Loan Agreement.	BC	B
4. Initial Requisition.	BC	B, T
5. Title Insurance Policy relating to the Mortgage.	BC	--
6. UCC-11 Financing Statement searches from the office of the County Clerk of Erie County, New York and the office of the New York State Department of State, Uniform Commercial Code Unit.	BC	--

	<u>Production Respons.</u>	<u>Execution Respons.</u>
D. <u>Items To Be Delivered By The Trustee:</u>		
1. General Certificate of the Trustee, with attached incumbency certificate.	HR	T
2. Fee Letter.	TC	B, T
E. <u>Items To Be Delivered By the Underwriter:</u>		
1. Initial Preliminary Official Statement.	UC	I, B
2. Initial Bond Purchase Agreement.	UC	U, I, B
3. Initial Official Statement.	UC	I, B
4. Initial Continuing Disclosure Agreement.	UC	I, T, U
5. Preliminary Blue Sky Memorandum.	UC	UC
6. Final Blue Sky Memorandum.	UC	UC
7. Letter from the Underwriter regarding offering price.	HR	U
8. Rating Agency Letter.	UC	--
9. Deemed Final Certificates.	UC	I, B
10. Initial and Bring-down Letters from the Borrower's accounting firm regarding certain procedures relating to information in the Initial Preliminary Official Statement and the Initial Official Statement.	UC	A
11. Letters from the Borrower's accounting firm, permitting use of audited financial statements in the Initial Preliminary Official Statement and the Initial Official Statement.	UC	A
12. Immediately available funds, payable to the order of the Trustee, for the account of the Issuer, in the amount of the aggregate principal amount of the Initial Bonds plus accrued interest to the Closing Date.	U	--
F. <u>Opinions of Counsel:</u>		
1. Opinion of Hurwitz & Fine, P.C., counsel to the Issuer, addressed to the Issuer, the Borrower, the Trustee and the Underwriter.	HR	IC
2. Opinion of Hodgson Russ LLP, counsel to the Borrower, addressed to the Underwriter, the Trustee and the Issuer.	BC	BC
3. Opinion of Buchanan Ingersoll & Rooney P.C., counsel to the Trustee, addressed to the Issuer, the Trustee, the Underwriter and the Borrower.	TC	TC

	<u>Production Respons.</u>	<u>Execution Respons.</u>
4. Opinion of Hodgson Russ LLP, Bond Counsel, addressed to the Issuer.	HR	HR
5. Supplemental Opinion of Hodgson Russ LLP, Bond Counsel, addressed to the Underwriter.	HR	HR
6. Opinion of Trespasz & Marquardt LLP, counsel to the Underwriter, addressed to the Underwriter.	UC	UC
7. Reliance Letter of Hodgson Russ LLP, Bond Counsel, addressed to the Trustee and the Borrower.	HR	HR
G. <u>Documents Related to Redemption of Prior Bonds:</u>		
1. Letter of Instructions.	HR	B, PT, PI, T, I
2. Discharge of Mortgage.	HR	PT
3. Discharge of Collateral Mortgage (Assured Guaranty).	HR	PT
4. Discharge of Guaranty.	HR	PT
5. Termination of Installment Sale Agreement.	HR	PI, B
6. Termination of Pledge and Assignment.	HR	PT
7. Termination of Lease to Issuer.	HR	PI, B
8. Termination of Building Loan Contract.	HR	PI, B, PT
9. UCC-3 Termination Statements.	HR	-
H. <u>Documents Related to Hedge Terminations for Prior Bonds:</u>		
1. Certificates of Swap Advisor.	SA	SA

**IV. ACTION TO BE REQUIRED CONCURRENTLY WITH
OR AFTER CLOSING**

1. The Discharge of Mortgage, the Discharge of Additional Mortgage, the Termination of Lease to Issuer, the Termination of Installment Sale Agreement, the Termination of Pledge and Assignment, the Mortgage and the Mortgage Assignment are to be recorded in that order in the office of the County Clerk of Erie, New York.

2. The financing statements are to be filed by the Title Insurer (the "UCC Filer") in the office of the New York State Department of State, Uniform Commercial Code Unit, and any other appropriate offices under the Uniform Commercial Code, together with instructions directing that filing receipts relating thereto be returned to the UCC Filer.

3. The Information Return is to be filed by Bond Counsel with the Internal Revenue Service.

CLOSING ITEM NO.: A-1

TOWN OF AMHERST
DEVELOPMENT CORPORATION

AND

THE BANK OF NEW YORK MELLON,
AS TRUSTEE

TRUST INDENTURE

DATED AS OF JUNE 1, 2018

RELATING TO THE REVENUE BONDS (DAEMEN COLLEGE
PROJECT), SERIES 2018 IN THE AGGREGATE PRINCIPAL
AMOUNT OF \$28,600,000 ISSUED BY TOWN OF AMHERST
DEVELOPMENT CORPORATION.

THIS INSTRUMENT IS INTENDED TO CONSTITUTE A SECURITY
AGREEMENT UNDER THE UNIFORM COMMERCIAL CODE OF
THE STATE OF NEW YORK.

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and is for convenience of reference only.)

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TRUST INDENTURE

THIS TRUST INDENTURE dated as of June 1, 2018 (the “Indenture”) by and between TOWN OF AMHERST DEVELOPMENT CORPORATION, a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 4287 Main Street, Amherst, New York (the “Issuer”) and THE BANK OF NEW YORK MELLON, a banking corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 101 Barclay Street, 7 East, New York, New York, as trustee (the “Trustee”) for the holders of (A) the Issuer’s Revenue Bonds (Daemen College Project), Series 2018 in the aggregate principal amount of \$28,600,000 (the “Initial Bonds”), and (B) any additional bonds issued by the Issuer hereunder (the “Additional Bonds”, and collectively with the Initial Bonds, the “Bonds”);

WITNESSETH:

WHEREAS, Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”) (A) authorizes any county to cause a not-for-profit local development corporation to be incorporated by public officers for, among other things, the public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, and lessening the burdens of government and acting in the public interest, (B) declares that in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, such corporations will be performing essential governmental functions, and (C) authorizes each such corporation to acquire real and personal property, to borrow money and issue negotiable bonds, notes and other obligations therefore, and to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine and otherwise carry out its corporate purposes in the territory in which the operations of such corporation are principally to be conducted; and

WHEREAS, pursuant to the provisions of the Enabling Act and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Town Board of the Town of Amherst, New York (the “Town Board”) adopted a resolution on October 5, 2009 (the “Sponsor Resolution”) (A) authorizing the reincorporation of the Town of Amherst Development Corporation (the “Issuer”) under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer, who serve at the pleasure of the Town of Amherst, New York; and

WHEREAS, on February 3, 2010, a certificate of reincorporation was filed with the New York Secretary of State’s Office (the “Certificate of Reincorporation”) creating the Issuer pursuant to the Enabling Act as a public instrumentality of the Town of Amherst, New York; and

WHEREAS, in April, 2018, Daemen College (the “Borrower”), a New York not-for-profit education corporation, presented an application (the “Application”) to the Issuer, which Application requested that the Issuer consider undertaking a project (the “Initial Project”) for the benefit of the Borrower, said Initial Project to consist of the following: (A) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006A issued on June 30, 2006 in the original aggregate principal amount of \$20,925,000 (the “Series 2006A Bonds”), which Series 2006A Bonds financed the following project (the “Series 2006A Project”): (1) the refinancing of the Town of Amherst Industrial Development Agency Civic Facility Revenue Bonds (Daemen College Project), Series 2001A (the “Series 2001A Bonds”) used to finance (a) the acquisition by the Town of Amherst Industrial Development Agency (the “Prior Issuer”) of a leasehold interest in an approximately 5.7 acre parcel of land (the “Student Housing Land”) located on the campus of the Borrower at 4380 Main Street in the Town of Amherst, Erie County, New York (the

“Campus”) on which is located Rosary Hall and the Business & Commerce Building (the “Other Land” and, together with the Student Housing Land, the “Land”), (b) the acquisition by the Prior Issuer of an interest in the existing buildings located on the Student Housing Land containing 23 existing student housing units (the “Existing Student Housing”) and of an interest in Rosary Hall and an interest in the Business & Commerce Building, both of which are located on the Other Land (the Existing Student Housing, Rosary Hall and the Business & Commerce Building being collectively referred to as the “Existing Facility”), (c) the demolition of the Existing Student Housing, (d) the construction on the Student Housing Land of 7 new apartment style housing units with a total of approximately 384 beds (the “New Housing Facility”) and (e) the acquisition and installation by the Prior Issuer of an interest in certain existing furniture and fixtures located in Rosary Hall (the “Rosary Hall Equipment”) and in the Business and Commerce Building (together with the Rosary Hall Equipment, the “Existing Equipment”) (the Land, the Existing Facility, the New Housing Facility and the Existing Equipment being collectively referred to as the “2001 Project Facility”); and (2) paying a portion of the costs incidental to the issuance of the Series 2006A Bonds, including issuance costs of the Series 2006A Bonds and a debt service reserve fund to secure the Series 2006A Bonds; (B) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006B issued on June 30, 2006 in the original aggregate principal amount of \$17,075,000 (the “Series 2006B Bonds” and, together with the Series 2006A Bonds, the “Prior Bonds”), which Series 2006B Bonds financed the following project (the “Series 2006B Project”) and, together with the Series 2006A Project, the “Prior Project”): (1) the acquisition of an interest or interests in portions of the Land; (2) the construction of a new library and information center on the Land to contain approximately 47,200 gross square feet of space (the “Library Facility”); (3) the acquisition of an interest in and installation of equipment and fixtures to be located in or attached to the Library Facility (the “Library Equipment” and, together with the Existing Equipment, the “Equipment”) (the Library Facility and the Library Equipment being collectively referred to as the “2006 Project Facility”); and (4) paying a portion of the costs incidental to the issuance of the Series 2006B Bonds, including issuance costs of the Series 2006B Bonds and a debt service reserve fund to secure the Series 2006B Bonds; (C) (1) the renovation of and improvements to the science facilities in Duns Scotus Hall, all on the Land, and (2) the undertaking of various deferred maintenance improvements to Campus facilities, all on the Land (collectively, the “2018 Project Facility” and, together with the 2006 Facility, the “Initial Project Facility”); (D) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or Series in an aggregate principal amount sufficient to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, in an amount then estimated to be approximately \$35,000,000 and in any event not to exceed \$37,000,000 (the “Obligations”); and (E) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees and any reserve funds as may be necessary to secure the Obligations; and

WHEREAS, the Chief Executive Officer of the Issuer (A) caused notice of a public hearing of the Issuer (the “Public Hearing”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Reincorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Initial Project and the financial assistance being contemplated by the Issuer with respect to the Initial Project, to be published on April 18, 2018 in The Amherst Bee, a newspaper of general circulation available to the residents of the Town of Amherst, New York, (B) caused notice of the Public Hearing to be posted on April 17, 2018 at the Town Clerk’s Office located at 5583 Main Street, Amherst, New York, (C) caused notice of the Public Hearing to be mailed on April 13, 2018 to the chief executive officers of the county and of each city, town, village and school district in which the Initial Project Facility is (or will be) located, (D) conducted the Public Hearing on May 4, 2018 at 8:30 a.m., local time at 4287 Main Street, Amherst, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) which fairly summarized the views presented at such

Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the board of directors of the Issuer and to the Town Board of the Town of Amherst, New York (the "Town Board"); and

WHEREAS, by resolution adopted by the Town Board on May 16, 2018 (the "Public Approval"), the Town Board approved the issuance of the Obligations for purposes of Section 147(f) of the Code; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the board of directors of the Issuer on May 18, 2018 (the "SEQR Resolution"), the Issuer determined that the Initial Project constituted a "Type II action" (as such quoted term is defined under SEQRA), and therefor that no further action with respect to the Initial Project was required under SEQRA; and

WHEREAS, by resolution adopted by the members of the board of directors of the Issuer on May 18, 2018 (the "Inducement Resolution"), the board of directors of the Issuer determined, following a review of the Public Hearing Report, to proceed with the Initial Project and to enter into a preliminary agreement with the Borrower (the "Preliminary Agreement") relating to the Initial Project; and

WHEREAS, by resolution adopted by the members of the board of directors of the Issuer on May 18, 2018 (the "Initial Bond Resolution"), the board of directors of the Issuer (A) authorized the issuance of the Issuer's Revenue Bonds (Daemen College Project), Series 2018 in the aggregate principal amount of \$28,600,000 (the "Initial Bonds") for the purpose of financing a portion of the costs of the Initial Project, (B) authorized the circulation of a preliminary official statement (the "Initial Preliminary Official Statement") in connection with the marketing of the Initial Bonds and (C) delegated to the Chairman, Vice Chairman and Chief Executive Officer of the Issuer authority to determine the final details of the Initial Bonds (the "Bond Details") once the marketing of the Initial Bonds is completed and the Borrower has agreed to the Bond Details; and

WHEREAS, the Issuer will now issue the Initial Bonds under the Initial Bond Resolution, a certificate of determination dated June 14, 2018 (the "Certificate of Determination") executed by the Chairman, Vice Chairman or Chief Executive Officer of the Issuer and a trust indenture dated as of June 1, 2018 (the "Indenture") by and between the Issuer and The Bank of New York Mellon, as trustee (the "Trustee") for the holders of the Initial Bonds and any additional bonds issued by the Issuer under the Indenture (the "Additional Bonds", and collectively with the Initial Bonds, the "Bonds"); and

WHEREAS, prior to or simultaneously with the issuance of the Initial Bonds, the Issuer and the Borrower will execute and deliver a loan agreement dated as of June 1, 2018 (the "Loan Agreement") by and between the Issuer, as lender, and the Borrower, as borrower, pursuant to the terms of which Loan Agreement (A) the Issuer will agree (1) to issue the Initial Bonds, and (2) to make a loan to the Borrower of the proceeds of the Initial Bonds (the "Loan") for the purpose of assisting in financing the Initial Project, and (B) in consideration of the Loan, the Borrower will agree (1) to cause the Initial Project to be undertaken and completed, (2) to use the proceeds of the Loan disbursed under the Indenture to pay (or reimburse the Borrower for the payment of) the costs of the Initial Project, and (3) to make payments in amounts sufficient to pay when due all amounts due with respect to the Initial Bonds (the "Loan Payments") to or upon the order of the Issuer in repayment of the Loan, which Loan Payments shall include amounts equal to the Debt Service Payments (as defined in the Indenture) due on the Initial Bonds; and

WHEREAS, pursuant to the terms of the Indenture, the net proceeds of the sale of the Initial Bonds (the “Bond Proceeds”) will be deposited into various trust funds held by the Trustee under the Indenture and will be disbursed by the Trustee from time to time to pay the costs of the Initial Project, but only upon satisfaction of the requirements for making such disbursements set forth in the Indenture and in the Loan Agreement; and

WHEREAS, as security for the Initial Bonds, the Issuer will execute and deliver to the Trustee a pledge and assignment dated as of June 1, 2018 (the “Pledge and Assignment”) from the Issuer to the Trustee, and acknowledged by the Borrower, which Pledge and Assignment will assign to the Trustee certain of the Issuer’s rights under the Loan Agreement; and

WHEREAS, pursuant to the Pledge and Assignment, basic Loan Payments made by the Borrower under the Loan Agreement are to be paid directly to the Trustee; and

WHEREAS, as additional security for the Initial Bonds, (A) the Borrower will execute and deliver to the Issuer a mortgage and security agreement dated as of June 1, 2018 (the “Mortgage”) from the Borrower to the Issuer, which Mortgage among other things, (1) grants to the Issuer a first mortgage lien on, and a security interest in, among other things, the Initial Project Facility, excluding the Excluded Facility (as defined herein), and (2) assigns to the Issuer the rents, issues and profits of the Initial Project Facility, excluding the Excluded Facility, and (B) the Issuer will execute and deliver to the Trustee an assignment of mortgage dated as of June 1, 2018 (the “Mortgage Assignment”) from the Issuer to the Trustee, pursuant to which the Issuer will assign the Mortgage to the Trustee; and

WHEREAS, the (A) Borrower’s obligation (1) to make all Loan Payments under the Loan Agreement and (2) to perform all obligations related thereto and (B) Issuer’s obligation to pay the Initial Bonds will be further secured by a guaranty dated as of June 1, 2018 (the “Guaranty”) from Borrower to the Trustee; and

WHEREAS, (A) the Initial Bonds will be initially purchased by Janney Montgomery Scott LLC, acting as underwriter for the Initial Bonds (the “Underwriter”) pursuant to a bond purchase agreement dated June 7, 2018 (the “Initial Bond Purchase Agreement”) by and among the Underwriter, the Issuer and the Borrower, (B) the Underwriter will utilize the Initial Preliminary Official Statement and a final official statement (the “Initial Official Statement”) in connection with the initial offering of the Initial Bonds, and (C) the Underwriter also intends to obtain a rating of the Initial Bonds from one or more securities rating agencies (each such rating agency that provides a rating of the Initial Bonds, a “Rating Agency”); and

WHEREAS, to assure compliance with the continuing disclosure requirements imposed by the United States Securities and Exchange Commission, the Borrower will execute and deliver to the Underwriter and the Trustee a continuing disclosure agreement dated as of June 14, 2018 (the “Initial Continuing Disclosure Agreement”) relating to the Initial Bonds; and

WHEREAS, the Initial Bonds will be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository (the “Depository”) for the Initial Bonds, and, to comply with the requirements of the Depository, the Issuer and the Trustee will execute and deliver to the Depository a letter of representations (the “Initial Depository Letter”) relating to the Initial Bonds; and

WHEREAS, to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer will (1) execute an arbitrage certificate dated the date of delivery of the Initial Bonds (the “Initial Arbitrage Certificate”) relating to certain requirements set forth in Section 148 of the Code relating to the Initial Bonds, (2) execute a completed Internal Revenue Service

Form 8038 (Information Return for Private Activity Bonds) relating to the Initial Bonds (the “Information Return”) pursuant to Section 149(e) of the Code, and (3) file the Information Return with the Internal Revenue Service, (B) the Borrower will execute a tax regulatory agreement dated the date of delivery of the Initial Bonds (the “Initial Tax Regulatory Agreement”) relating to the requirements in Sections 145 through 150 of the Code relating to the Initial Bonds and (C) the Underwriter will execute a letter (the “Issue Price Letter”) confirming the issue price of the Initial Bonds for purposes of Section 148 of the Code; and

WHEREAS, also simultaneously with the issuance of the Initial Bonds, the Prior Issuer, Manufacturers and Traders Trust Company, as trustee (the “Prior Trustee”) and the Borrower will execute and deliver a letter of instructions, as acknowledged by the Issuer and the Trustee (the “Letter of Instructions”), pursuant to which (A) a deposit will be made with the Prior Trustee in an amount sufficient to enable the Prior Trustee to redeem the Prior Bonds in full on June 14, 2018 and (B) the Prior Trustee will deliver to the Issuer and the Borrower various termination documents terminating and discharging the Prior Trustee’s interest in the Prior Project (collectively, the “Termination Documents”); and

WHEREAS, the Trustee has the power to enter into this Indenture and to execute the trusts hereby created and in evidence thereof has joined in the execution hereof; and

WHEREAS, the execution and delivery of this Indenture and the issuance of the Initial Bonds under the Enabling Act as herein provided have been in all respects approved and duly and validly authorized by the Initial Bond Resolution; and

WHEREAS, the providing of the Initial Project Facility is for a proper purpose, to wit, relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, and lessening the burdens of government and acting in the public interest pursuant to the provisions of the Enabling Act; and

WHEREAS, the Bonds shall be payable solely from the Trust Revenues (as hereinafter defined), which Trust Revenues include, without limitation, basic Loan Payments made by the Borrower under the Loan Agreement; and

WHEREAS, the Issuer, by the terms of this Indenture and as security for the Bonds, intends to grant to the Trustee a first priority security interest in the Trust Revenues; and

WHEREAS, the Initial Bonds and the Trustee’s certificate of authentication to be endorsed on the Initial Bonds are to be in substantially the forms thereof attached hereto as Schedule I and made a part hereof, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture; and

WHEREAS, all things necessary to make the Initial Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid pledge of and Lien (as hereinafter defined) on the Trust Revenues herein pledged to the payment of the Bonds, have been done and performed, and the creation, execution and delivery of this Indenture, and the execution and issuance of the Initial Bonds, subject to the terms hereof, have in all respects been duly authorized;

GRANTING CLAUSES

NOW, THEREFORE, the Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the Holders and

Owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect and the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, does hereby unto the Trustee and its successors and assigns, for the benefit of the Holders and all future Holders of the Bonds, GRANT A SECURITY INTEREST IN, PLEDGE AND ASSIGN the following (hereinafter referred to as the "Trust Estate"):

I

All right, title and interest of the Issuer in and to the Trust Revenues;

II

Any and all moneys, securities and other investment property from time to time held by the Trustee under the terms of this Indenture, except (A) moneys deposited with or paid to the Trustee for the redemption of Bonds, notice of which has been duly given, (B) moneys on deposit in the Rebate Fund (as hereinafter defined), and (C) unclaimed funds held under Section 410 hereof;

III

Any and all other Property (as hereinafter defined) of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder, by the Issuer or by anyone in its behalf or with its written consent in favor of the Trustee;

This Indenture is also intended to constitute a security agreement under the Uniform Commercial Code of the State so that the Trustee shall have and may enforce a security interest, to secure payment of all sums due or to become due under the Bonds and this Indenture, in so much of the Property (as hereinafter defined) described in Granting Clauses I through III above as may be made subject to such a security interest, including the moneys held by the Trustee hereunder, such security interest to attach at the earliest moment permitted by law and also to include and attach to all additions and accessions thereto, all substitutions and replacements therefor and all proceeds and products thereof and proceeds of proceeds, and all other contract rights and general intangibles of the Issuer (except the Unassigned Rights, as hereinafter defined) obtained in connection with or relating to the Project Facility (as hereinafter defined), as well as any and all items of property in the foregoing classifications which are hereafter acquired;

SUBJECT, HOWEVER, to Permitted Encumbrances (as hereinafter defined);

EXCEPTING THEREFROM, the Unassigned Rights (as hereinafter defined);

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed, pledged and assigned, or agreed or intended so to be, unto the Trustee and its successors in said trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Holders and Owners of the Bonds issued under and secured by this Indenture, without privilege, priority or distinction as to the Lien or otherwise of any of the Bonds over any other Bonds;

PROVIDED, HOWEVER, that if the Issuer or its successors or assigns (A) shall well and truly pay, or cause to be paid, to the Holders and Owners of the Bonds the principal of, premium, if any, and interest due or to become due on the Bonds at the times and in the manner provided herein and in the Bonds, or shall provide for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon as permitted by and in the manner provided in Article X hereof, and shall well and truly cause to be kept, performed and observed all of its covenants contained in this Indenture, and (B) shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, and (C) shall pay or cause to be paid to the United States of America, the Rebate Amount due on the Bonds in accordance with the Tax Regulatory Agreement and Section 407 hereof, then upon such final payment, these presents and the Lien upon the Property described in Granting Clauses I through III above and the pledge of the Trust Revenues and rights hereby granted shall cease, terminate and be void, and thereupon the Trustee shall execute and deliver to the Person (as hereinafter defined) or Persons designated in Article X such instruments in writing as shall be required by the Issuer or the Borrower to satisfy the Lien hereof upon the Property described in Granting Clauses I through III above, and convey to the Person or Persons designated in Article X the moneys and other Property, if any, then held by the Trustee, except moneys held by the Trustee for the payment of interest on, premium, if any, and principal of the Bonds and except as expressly provided in this Indenture; otherwise this Indenture shall be and remain in full force and effect, upon the trusts and subject to the covenants and conditions hereinafter set forth.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and the Lien on all of the Property described in Granting Clauses I through III above and all Trust Revenues, including without limitation the revenues, receipts and other moneys hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer hereby agrees and covenants with the Trustee and with the respective Holders and Owners, from time to time, of the Bonds, and the Trustee hereby accepts and agrees to accept and discharge such trusts from time to time, as follows:

ARTICLE I

DEFINITIONS

SECTION 101. DEFINITIONS. Unless the context or use indicates another or different meaning or intent, capitalized terms used in this Indenture and the preambles hereto not otherwise defined herein shall have the meanings assigned thereto in the Schedule of Definitions attached hereto as Appendix A and made a part hereof.

SECTION 102. INTERPRETATION. (A) In this Indenture, unless the context otherwise requires:

(1) the terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder”, and any similar terms, as used in this Indenture, refer to this Indenture, and the term “heretofore” shall mean before, and the term “hereafter” shall mean after, the date of this Indenture;

(2) words of the masculine gender shall mean and include correlative words of the feminine and neuter genders;

(3) words importing the singular number shall mean and include the plural number, and vice versa;

(4) any headings preceding the texts of the several Articles and Sections of this Indenture, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Indenture nor affect its meaning, construction or effect;

(5) words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its Stated Maturity or the purchase of said Bond;

(6) all references to time in this document refer to New York City time;

(7) any certificates, letters or opinions required to be given pursuant to this Indenture shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Indenture; and

(8) in any case where the date of maturity of interest on or principal of the Bonds, or the date fixed for redemption of any Bonds, shall not be a Business Day, then payment of interest or principal need not be made on such date but may be made on the next Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest shall accrue for the period after such date.

(B) Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, the Trustee and the Holders of the Bonds, any right, remedy or claim under or by any reason of this Indenture or any covenant, condition or stipulation thereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Trustee and the Holders of the Bonds.

(C) If any one or more of the covenants or agreements provided herein on the part of the Issuer or the Trustee to be performed shall, for any reason, be held or shall, in fact, be inoperative, unenforceable or contrary to law, in any particular case, such circumstance shall not render the provision in question inoperative or unenforceable in any other case or circumstance. Further, if any one or more of the phrases, sentences, clauses, paragraphs or sections herein should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed separable from the remaining covenants and agreements hereof and shall in no way affect the validity of the other provisions of this Indenture or of the Bonds.

SECTION 103. CONDITIONS PRECEDENT SATISFIED. All acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and entering into of this Indenture have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Indenture.

ARTICLE II

THE BONDS

SECTION 201. RESTRICTION ON ISSUANCE OF BONDS. No Bonds may be authenticated and issued under the provisions of this Indenture except in accordance with this Article II. Except as provided in Section 205 and Section 214 hereof, the total aggregate principal amount of Bonds that may be issued and authenticated under this Indenture is expressly limited to \$28,600,000.

SECTION 202. LIMITED OBLIGATIONS. (A) The Bonds, together with the premium, if any, and the interest thereon, shall be limited obligations of the Issuer payable, with respect to the Issuer, solely from the Trust Revenues, which Trust Revenues are hereby pledged and assigned to the Trustee for the equal and ratable payment of all sums due under the Bonds, and shall be used for no other purpose than to pay the principal of, premium, if any, on and interest on the Bonds, except as may be otherwise expressly provided herein.

(B) THE BONDS DO NOT CONSTITUTE AND SHALL NOT BE A DEBT OF THE STATE OR OF THE TOWN OF AMHERST, NEW YORK AND NEITHER THE STATE NOR THE TOWN OF AMHERST, NEW YORK SHALL BE LIABLE THEREON. THE BONDS DO NOT GIVE RISE TO A PECUNIARY LIABILITY OR CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE OR OF THE TOWN OF AMHERST, NEW YORK.

(C) No recourse shall be had for the payment of the principal of, or the premium, if any, or the interest on, any Bond or for any claim based thereon or on this Indenture against any past, present or future member, director, officer, agent (other than the Borrower), servant or employee, as such, of the Issuer or of any predecessor or successor corporation, either directly or through the Issuer or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise.

SECTION 203. EXECUTION. (A) The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Chairman, Vice Chairman or Chief Executive Officer, and the Issuer's corporate seal, or a reproduction thereof, shall be impressed, imprinted or otherwise reproduced thereon and attested by the manual or facsimile signature of its Secretary or its Assistant Secretary. All such facsimile signatures shall have the same force and effect as if said officers had manually signed the Bonds. The reproduction of the Issuer's corporate seal on the Bonds shall have the same force and effect as if the Issuer's corporate seal had been impressed on the Bonds.

(B) In case any officer of the Issuer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond or the issuance of a new Bond following a transfer or exchange, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

SECTION 204. AUTHENTICATION. Only such Bonds as shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in the form of the Initial Bonds attached hereto as Schedule I, duly executed by the manual signature of an authorized signatory of the Trustee shall be entitled to any right or benefit under this Indenture. No Bonds shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the manual signature of an authorized signatory of the Trustee; and such executed Certificate of Authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's Certificate of Authentication on any Bond shall be deemed to have been

executed by the Trustee if signed by an authorized officer of the Trustee, but it shall not be necessary that the same person sign the Certificate of Authentication on all of the Bonds. In case any officer of the Trustee whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond or the issuance of a new Bond following a transfer or exchange, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

SECTION 205. MUTILATED, LOST, STOLEN OR DESTROYED BONDS. (A) In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate a new Bond, executed by the Issuer as provided in Section 203 hereof, of like Series, maturity, interest rate and denomination as the Bond so mutilated, lost, stolen or destroyed. Any mutilated Bond shall first be surrendered to the Trustee; and in the case of any lost, stolen or destroyed Bond, there shall first be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to the Trustee. The Issuer or the Trustee may charge the Holder or Owner of such Bond a sum sufficient to cover any tax or other governmental charge in connection with such exchange or substitution of such new Bond, together with any other reasonable fees and expenses incurred by the Issuer or the Trustee in connection therewith. In case any Bond that has matured or is about to mature or has been selected or called for redemption shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Issuer and to the Trustee such security or indemnity as they may require to hold them harmless and evidence to the satisfaction of the Issuer and the Trustee of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof.

(B) Every Bond issued pursuant to the provisions of this Section 205 shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture. However, the Trustee shall not be required to treat both the original Bond and any Bond issued in lieu thereof as being Outstanding for purposes of determining the principal amount of Bonds Outstanding under this Indenture or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original Bond and the Bond issued in lieu thereof shall be treated as one and the same.

(C) Notwithstanding any other provision of this Section 205, in lieu of delivering a new Bond for a Bond which has been mutilated, lost, stolen or destroyed and which has matured, upon receipt of evidence of such mutilation, loss, theft or destruction and indemnity satisfactory to the Trustee, the Trustee may deem such Bond to be cancelled and make payment for such Bond.

(D) All Bonds shall be held and owned upon the express condition that the foregoing provisions of this Section are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude (to the extent lawful) any and all other rights and remedies with respect to the replacement or payment of mutilated, lost, stolen or destroyed Bonds.

SECTION 206. BOND REGISTRAR; TRANSFER AND EXCHANGE OF BONDS; PERSONS TREATED AS OWNERS. (A) All Bonds shall be issued in fully registered form. The Bonds shall be registered upon original issuance and upon subsequent transfer or exchange as provided in this Indenture. The Trustee is designated and agrees to act as Bond Registrar and shall cause a bond register to be kept on behalf of the Issuer at the Office of the Trustee for the registration and transfer of Bonds. Except as provided in Section 213 hereof, any Bond, upon the surrender of such Bond to the Bond Registrar for registration of transfer, may be transferred, but only upon delivery to the Bond Registrar of an assignment duly executed by the registered Owner or his duly authorized legal representative in the form imprinted on the Bond or in such other form as shall be satisfactory to the Bond Registrar.

(B) Except as otherwise provided in Section 206(F) or Section 213 hereof, upon receipt of such Bond and upon satisfaction of the conditions set forth in Section 206(A) and Section 206(C) hereof, the Trustee shall immediately record the transfer of such Bond on the bond register and cause the transferee or transferees to be the registered Owner of such Bond. Upon any such registration of transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond one or more new Bonds of the same Series and maturity, executed by the Issuer as provided in Section 203 hereof, registered in the name of the designated transferee thereof, of any Authorized Denomination and for the same aggregate principal amount as the Bond or Bonds surrendered for transfer.

(C) No service charge shall be made for any transfer or exchange of Bonds, but in all cases in which Bonds shall be transferred or exchanged hereunder, the Issuer or the Trustee may make a charge for every transfer or exchange of Bonds sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange, and such charge shall be paid before any such new Bond shall be delivered.

(D) The Person in whose name any Bond shall be registered shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of or on account of the principal of, or the premium if any or interest on, any such Bond shall be made only to or upon the order of the registered Holder thereof or his duly authorized legal representative, subject to the terms of Section 207(B) and Section 207(C) hereof. Such registration may be changed only as provided in this Section 206, and no other notice to the Issuer or the Trustee shall affect the rights or obligations with respect to the transference of any Bond or be effective to transfer any Bond. Subject to the terms of Section 207(B) and Section 207(C) hereof, all payments to the Person in whose name any Bond shall be registered shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(E) At the option of the Holder, Bonds may be exchanged for other Bonds of the same Series and maturity, of any Authorized Denomination and of a like aggregate principal amount, upon surrender of the Bonds to be exchanged at the office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Bonds which the Holder making the exchange is entitled to receive.

(F) The Trustee shall not be required to make any such transfer or exchange of (1) any Bond during the fifteen (15) days next preceding a Bond Payment Date or (2) any Bond selected for redemption in whole or in part under Article III hereof; provided, however, that in the event of a Bond selected for redemption in part, nothing in this subsection shall prohibit exchange of the remaining portion of such Bond redeemed in part for a new Bond with a reduced principal amount or the transfer or exchange of any such new Bond.

SECTION 207. PAYMENT PROVISIONS. (A) Payment of the principal of, premium, if any, on and interest on the Bonds shall be made in lawful money of the United States of America.

(B) Except as otherwise provided in Section 213 hereof, interest and any Sinking Fund Payment or principal payment due prior to maturity on any Bond which is payable, and which is punctually paid or duly provided for, on any Bond Payment Date shall be paid to the Person appearing on the bond register as the Holder of that Bond (or one or more Predecessor Bonds) at the close of business on the Regular Record Date, by check or draft of the Trustee mailed by the Trustee on such Bond Payment Date to such Holder at his address as it appears on the bond register; provided that, at the written request of any Holder of Bonds in an aggregate principal amount of \$250,000 or greater, the Trustee shall cause such amounts to be transmitted on such Bond Payment Date by wire transfer at such Holder's written request to the bank account number on file with the Trustee, provided such Holder has delivered

adequate instructions regarding same to the Trustee at least ten (10) Business Days prior to such Bond Payment Date.

(C) Any interest and any Sinking Fund Payment or principal payment due prior to maturity on any Bond which is payable, but is not punctually paid or duly provided for, on any Bond Payment Date (herein called "Defaulted Payments") shall forthwith cease to be payable to the Person appearing on the bond register as the registered Owner of such Bond on the relevant Regular Record Date solely by virtue of such Person having been such registered Owner; and the Trustee shall make payment of any Defaulted Payments on the Bonds to the Persons in whose names such Bonds (or their respective Predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Payments, which shall be fixed in the following manner. The Trustee shall determine the amount of Defaulted Payments to be paid on each Bond and establish the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and money in the aggregate amount of the proposed Defaulted Payments shall be segregated by the Trustee to be held in trust for the benefit of the Persons entitled to such Defaulted Payments as in this subsection provided and not to be deemed part of the Trust Revenues. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Payments, which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment. The Trustee shall promptly notify the Issuer and the Borrower of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Payments and the Special Record Date therefor to be mailed one time, first-class postage prepaid, to each registered Owner of a Bond at his address as it appears in the bond register not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Payments and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Payments shall be paid to the Persons in whose names the Bonds (or their respective Predecessor Bonds) are registered on such Special Record Date.

(D) Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest and any Sinking Fund Payments or principal payments due prior to maturity accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest from such date so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

(E) The principal of and premium, if any, on any Bonds due at maturity or mandatory redemption shall be payable at the Office of the Trustee, upon presentation and surrender of such Bond by the registered Owner thereof or his duly authorized legal representative at the maturity of such Bond or such other date as such payments become due, by redemption or otherwise. Except as provided in subsection (B) hereof, in the event of a partial redemption of any Bond, payment of the Redemption Price shall be made to the registered Owner or his duly authorized legal representative only upon surrender to the Trustee of such Bond, and upon such surrender the Trustee shall authenticate a new Bond executed by the Issuer as provided in Section 203 for the unredeemed portion of such Bond.

(F) Notwithstanding any other provision of this Indenture to the contrary, when any Bond is registered in the name of a Depository or its nominee, (1) all payments with respect to the principal and redemption price of, and interest on, such Bond shall be payable in next day or federal funds delivered or transmitted to the Depository or its nominee as provided in the Depository Letter and (2) all notices with respect to and surrender or delivery of such Bond shall be given to or by the Depository as provided in the Depository Letter.

SECTION 208. TEMPORARY BONDS. (A) Until definitive Bonds are ready for delivery, there may be executed, and upon the request of the Issuer the Trustee shall authenticate and deliver in lieu of definitive Bonds, temporary printed, lithographed or typewritten Bonds, in any Authorized Denomination, in

substantially the form set forth in Schedule I attached hereto and with such appropriate omissions, insertions and variations as may be required.

(B) If the Bonds are no longer Book Entry Bonds and if temporary Bonds shall have been issued, the Issuer shall, at the sole cost and expense of the Borrower, cause definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation of any temporary Bond to the Trustee at the Office of the Trustee, shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Holder thereof, a definitive Bond or Bonds of an equal aggregate principal amount of the same Series and maturity and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

SECTION 209. SPECIFIC DETAILS OF THE INITIAL BONDS. (A) The Initial Bonds shall be issued in the aggregate principal amount of \$28,600,000, and shall be designated “Town of Amherst Revenue Bonds (Daemen College Project), Series 2018”. The Initial Bonds shall be prefixed “2018-R” and numbered from one upward. The Initial Bonds shall be issued as fully registered bonds without coupons in Authorized Denominations. Each Initial Bond shall be of a single maturity.

(B) The Initial Bonds shall be dated the Closing Date and shall bear interest from their dated date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for. Interest on the Initial Bonds shall be payable on April 1 and October 1 of each year, commencing on October 1, 2018. The Initial Bonds shall mature on October 1 of the years and shall bear interest (on the basis of a 360-day year composed of twelve 30-day months) at the rates per annum as set forth in the table below:

<u>Maturity Date (October 1)</u>	<u>Aggregate Principal Amount Maturing</u>	<u>Interest Rate on Maturing Bonds</u>
2019	\$455,000	3.00%
2020	470,000	4.00
2021	495,000	5.00
2022	515,000	5.00
2023	540,000	5.00
2024	570,000	5.00
2025	600,000	5.00
2026	630,000	5.00
2027	655,000	5.00
2028	690,000	5.00
2029	730,000	5.00
2030	760,000	5.00
2031	805,000	5.00
2037	5,575,000	4.00
2043	7,245,000	5.00
2048	7,865,000	5.00

(C) The Initial Bonds maturing on October 1, 2037, October 1, 2043 and October 1, 2048 are subject to scheduled mandatory sinking fund redemption prior to maturity as provided in Article III hereof.

(D) The Initial Bonds are subject to optional and mandatory redemption prior to maturity as provided in Article III hereof.

(E) The Initial Bonds shall initially be issued in book entry form as Book Entry Bonds

SECTION 210. DELIVERY OF THE INITIAL BONDS. Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver the Initial Bonds (including a reasonable number of additional Initial Bonds to be retained by the Trustee for authentication and delivery upon transfer or exchange of any Initial Bond) to the Trustee, and the Trustee shall authenticate and deliver the Initial Bonds to the purchasers thereof against payment of the purchase price therefor, plus accrued interest to the day preceding the date of delivery, upon receipt by the Trustee of the following:

(A) a certified copy of the Initial Bond Resolution;

(B) executed counterparts of this Indenture, the Loan Agreement and the other Initial Financing Documents;

(C) a request and authorization to the Trustee on behalf of the Issuer signed by an Authorized Representative of the Issuer to deliver the Initial Bonds to or upon the order of the Underwriter upon payment to the Trustee for the account of the Issuer of the purchase price therefor specified in such request and authorization;

(D) signed copies of the opinions of counsel to the Issuer, the Borrower, and the Trustee, and of Bond Counsel, as required by the Initial Bond Purchase Agreement;

(E) the certificates and policies, if available, of the insurance required by the Loan Agreement;

(F) evidence that a completed Internal Revenue Service Form 8038 with respect to the Initial Bonds has been signed by the Issuer; and

(G) such other documents as the Trustee or Bond Counsel may reasonably require.

SECTION 211. CANCELLATION OF BONDS. All Bonds surrendered to the Trustee for payment, redemption, transfer or exchange, and Bonds surrendered to the Trustee by the Issuer, or by the Borrower on behalf of the Issuer, for cancellation, shall be promptly cancelled by the Trustee. No Bond shall be authenticated in lieu of or in exchange for any Bond cancelled as provided in this Section 211, except as expressly provided by this Indenture. All Bonds cancelled by the Trustee shall be disposed of by the Trustee in accordance with its customary procedures and shall not be reissued. At the request of the Borrower, certificates of disposition evidencing such disposition shall be furnished by the Trustee to the Issuer and the Borrower.

SECTION 212. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS. In any case where the date of maturity of interest or a Sinking Fund Payment on or the principal of any Bond, or the date fixed for redemption of any Bond, shall not be a Business Day, then payment of the interest or Sinking Fund Payment on or the principal or Redemption Price of such Bond shall be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 213. BOOK ENTRY BONDS. (A) Notwithstanding any other provision of this Indenture, the Bonds are hereby authorized (but not required) to be issued in book entry form as Book Entry Bonds. If a

Series of the Bonds are issued as Book Entry Bonds, the provisions of the Depository Letter and this Section 213 shall apply to such Series of the Bonds. The Book Entry Bonds shall remain in the Book Entry System, subject to the provisions below concerning termination of the Book Entry System. Until the Borrower revokes such specification in its discretion by written notice to the Issuer and the Trustee, the Borrower hereby specify that the Book Entry System shall be in effect while the Bonds are Outstanding.

(B) The Bonds in or to be in the Book Entry System shall be issued in the form of a separate single authenticated fully registered Bond for each stated maturity in substantially the form provided for in Schedule I hereto. Any legend required to be on the Bonds by the Depository may be added by the Issuer. On the date of original delivery thereof, the Bonds shall be registered in the registry books of the Trustee in the name of Cede & Co., as nominee of the Depository, as agent for the Issuer in maintaining the Book Entry System. With respect to Bonds registered in the registry books kept by the Trustee in the name of Cede & Co., as nominee of the Depository, the Issuer, the Borrower and the Trustee shall have no responsibility or obligation to any Participant (which means securities brokers and dealers, banks, trust companies, clearing corporations and various other entities, some of whom or their representatives own the Depository) or to any Beneficial Owner (which means, when used with reference to the Book Entry System, the person who is considered the Beneficial Owner of the Bonds pursuant to the arrangements for book entry determination of ownership applicable to the Depository) with respect to the following: (1) the accuracy of the records of the Depository, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (2) the delivery to or from any Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption or tender (whether mandatory or optional), or (3) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal or premium, if any, or interest on the Bonds or (4) any consent given or any other action taken by the Depository as Holder of the Book Entry Bonds. The Trustee shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the Depository, and all such payments shall be valid and effective fully to satisfy and discharge the Issuer's obligations with respect to the principal of and premium, if any, and interest on Bonds to the extent of the sum or sums so paid. No person other than the Depository shall be entitled to receive an authenticated Bond evidencing the obligation of the Issuer to make payments of principal and premium, if any, and interest pursuant to this Indenture. Upon delivery by the Depository to the Paying Agent of written notice to the effect that the Depository has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." in this Indenture shall refer to such new nominee of the Depository.

(C) Upon receipt by the Trustee of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities set forth herein, the Issuer shall issue and the Trustee shall transfer and exchange Bonds as requested in writing by the Depository in appropriate amounts and in authorized denominations, and whenever the Depository requests the Issuer and the Trustee to do so, the Trustee and the Issuer will, at the expense of the Borrower, cooperate with the Depository in taking appropriate action after reasonable notice (1) to arrange for a substitute bond depository willing and able upon reasonable and customary terms to maintain custody of the Bonds or (2) to make available for transfer and exchange Bonds registered in whatever name or names and in whatever authorized denominations as the Depository shall designate.

(D) In the event the Borrower determines that the Beneficial Owners should be able to obtain Bond certificates, the Borrower may so notify the Depository and the Trustee, whereupon the Depository will notify the Participants of the availability through the Depository of Bond certificates. In such event, the Issuer shall issue and the Trustee shall authenticate, transfer and exchange Bond certificates as requested by the Depository in appropriate amounts and in authorized denominations. Whenever the Depository, in writing, requests the Trustee to do so, the Trustee and the Issuer will cooperate with the

Depository in taking appropriate action after reasonable notice to make available for transfer and exchange Bonds registered in whatever name or names and in whatever authorized denominations as the Depository shall designate.

(E) Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of the Depository, all payments with respect to the principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Depository as provided in the Depository Letter from the Issuer to the Depository with respect to such Bond, as in effect from time to time. Bondholders shall have no lien or security interest in any rebate or refund paid by the Depository to the Trustee which arises from the payment by the Trustee of principal of and premium, if any, and interest and Sinking Fund Payments on the Bonds in immediately available funds to the Depository.

(F) Notwithstanding any provision in this Section 213 to the contrary, so long as the Bonds outstanding are held-in the Book Entry System, if less than all of such Bonds are to be redeemed upon any redemption of Bonds hereunder, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Depository in such manner as the Depository may determine.

(G) For all purposes of this Indenture, the Depository shall be deemed to be Holder of a Book Entry Bond and neither the Issuer, the Borrower nor the Trustee shall have any responsibility or obligation to the Beneficial Owner of such Bond or to any direct or indirect participant in such Depository.

(H) The Issuer, in its sole discretion, upon thirty (30) days prior written notice to the Trustee and without the consent of the Trustee or the Beneficial Owner of a Book Entry Bond or any other person, may terminate the services of the Depository with respect to a Book Entry Bond if the Issuer determines that (1) the Depository is unable to discharge its responsibilities with respect to such Book Entry Bond or (2) a continuation of the requirement that all of the Outstanding Bonds issued in book entry form be registered in the registration books of the Issuer in the name of the Depository, is not in the best interest of the Beneficial Owners of such Bonds, and the Issuer shall terminate the services of the Depository upon receipt by the Issuer and the Trustee of written notice from the Depository that it has received written requests that such Depository be removed from its participants having beneficial interests, as shown in the records of the Depository, in an aggregate amount of not less than fifty percent in principal amount of the then Outstanding Book Entry Bonds.

(I) Upon the termination of the services of a Depository with respect to a Book Entry Bond, or upon the resignation of a Depository with respect to a Book Entry Bond, after which no substitute securities depository willing to undertake the functions of such Depository can be found which, in the opinion of the Issuer, is able to undertake such functions upon reasonable and customary terms, such Bonds shall no longer be registered in the registration books kept by the Trustee in the name of a Depository, but may be registered in the name of the Beneficial Owners of such Bonds, and such Beneficial Owners, upon registration of such Bonds in their names, shall become the Holders of such Bonds.

(J) Nothing herein shall prevent the Trustee from giving effect to any proxy, written certificate or other authorization furnished by the Depository and its Participants pursuant to customary practices governing the exercise of rights of the Holder of any Bond.

SECTION 214. ADDITIONAL BONDS. (A) So long as the Loan Agreement is in effect and no Event of Default exists thereunder or hereunder (and no event exists which, upon notice or lapse of time or both, would become an Event of Default thereunder or hereunder), the Issuer may, upon a request from the

Borrower complying with the provisions of this Section 214, issue one or more Series of Additional Bonds to provide funds to pay any one or more of the following: (1) costs of completion of the Project Facility in excess of the amount in the Project Fund; (2) costs of any Additional Project; (3) costs of refunding or advance refunding any or all of the Bonds previously issued; (4) costs of making any modifications, additions or improvements to the Project Facility that the Borrower may deem necessary or desirable; and/or (5) costs of the issuance and sale of the Additional Bonds, capitalized interest, funding debt service reserves, and other costs reasonably related to any of the foregoing. Additional Bonds may mature at different times, bear interest at different rates and otherwise vary from the Initial Bonds authorized under Section 209 of this Indenture, all as may be provided in the supplemental Indenture authorizing the issuance of such Additional Bonds.

(B) Prior to the execution of a supplemental Indenture authorizing the issuance of Additional Bonds, the Issuer must deliver the following documents to the Trustee:

(1) an amendment to the Loan Agreement and the other Financing Documents, providing for timely payment by the Borrower of Loan Payments in an amount at least equal to the sum of the total Debt Service Payments due on the Initial Bonds and all Additional Bonds and all other costs in connection with the Project Facility and all Additional Projects covered thereby;

(2) evidence that the Financing Documents, as amended or supplemented in connection with the issuance of the Additional Bonds, provide that (a) the Bonds referred to therein shall mean and include the Additional Bonds being issued as well as the Initial Bonds originally issued under this Indenture and any Additional Bonds theretofore issued, and (b) the Project Facility referred to in the Financing Documents includes any Additional Facilities being financed;

(3) a copy of the resolution of the Board of Trustees of the Borrower, duly certified by the secretary or assistant secretary of the Borrower, which approves the issuance of the Additional Bonds and authorizes the execution and delivery by the Borrower of the amendments to the Financing Documents described in paragraphs (1) and (2) above;

(4) written opinion of counsel to the Borrower which shall state that (i) the amendments and supplements to the Financing Documents described in paragraphs (1) and (2) above have been duly authorized, executed and delivered by the Borrower, (ii) the Financing Documents, as amended and supplemented to the Closing Date for such Additional Bonds, constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms, subject to the standard exceptions with respect to bankruptcy laws, equitable remedies and specific performance, and (iii) all conditions precedent provided for in this Indenture to the issuance, execution and delivery of the Additional Bonds have been complied with;

(5) a copy of the resolution of the members of the board of directors of the Issuer, duly certified by the secretary or assistant secretary of the Issuer, authorizing the issuance of the Additional Bonds and the execution and delivery by the Issuer of the amendments to the Financing Documents described in paragraph (1) and paragraph (2) above to be executed by the Issuer in connection therewith;

(6) an opinion of counsel to the Issuer stating that the amendments and supplements to the Financing Documents described above have been duly authorized and lawfully executed and delivered on behalf of the Issuer; and that such amendments and supplements to the Financing Documents are in full force and effect and are valid and binding upon the Issuer,

subject to the standard exceptions with respect to bankruptcy laws, equitable remedies and specific performance;

(7) an opinion of Bond Counsel stating that, in the opinion of such Bond Counsel, the Issuer is duly authorized and entitled to issue such Additional Bonds and that, upon the execution, authentication and delivery thereof, such Additional Bonds will be duly and validly issued and will constitute valid and binding special obligations of the Issuer, enforceable in accordance with their terms, subject to the standard exceptions with respect to bankruptcy laws, equitable remedies and specific performance; that the issuance of the Additional Bonds will not, in and of itself, adversely affect the validity of the Initial Bonds originally issued under this Indenture or any Additional Bonds theretofore issued or the exclusion of the interest payable on the Initial Bonds and any Additional Bonds theretofore issued as Tax-Exempt Bonds from the gross income of the Holders thereof for federal income tax purposes; and that all conditions precedent provided for in this Indenture to the issuance, execution and delivery of the Additional Bonds have been complied with;

(8) written evidence from each Rating Agency, if any, by which the Bonds are then rated, to the effect that the issuance of such Additional Bonds will not, by itself, result in a reduction or withdrawal of the rating(s) on the Outstanding Bonds applicable immediately prior to the issuance of the Additional Bonds;

(9) a written order to the Trustee executed by an Authorized Representative of the Issuer requesting that the Trustee authenticate and deliver the Additional Bonds to the purchasers therein identified;

(10) written evidence from the Borrower that the Debt Service Coverage Ratio set forth in Section 2 of Schedule C to the Guaranty would be satisfied after taking into account the debt service on the Additional Bonds; and

(11) such other documents as the Trustee may reasonably request.

(C) Each Series of Additional Bonds shall be equally and ratably secured under this Indenture with the Initial Bonds issued on the Closing Date and with all other Series of Additional Bonds, if any, previously issued under this Indenture, without preference, priority or distinction of any Bond over any other Bond.

(D) The consent of the Holders of the Bonds shall not be required prior to the issuance of Additional Bonds, or to the execution and delivery of any amendments to the Financing Documents required in connection therewith. The Borrower shall provide to the Trustee the following: (1) a notice of the proposed issuance of such series of Additional Bonds; and (2) a proposed form of notice to be sent to the Holders of the Bonds and each Rating Agency, if any, by which the Bonds are then rated of the proposed issuance of the Additional Bonds (a "Notice to Holders"), detailing, at least, the aggregate principal amount of such Additional Bonds, and summarizing the nature of the amendments to the Financing Documents proposed to be executed in connection therewith. Within five (5) Business Days of receipt of the foregoing, the Trustee shall mail the Notice to Holders to the Holders of the Bonds and each Rating Agency, if any, by which the Bonds are then rated of the proposed issuance of the Additional Bonds.

ARTICLE III

REDEMPTION OF BONDS PRIOR TO MATURITY

SECTION 301. REDEMPTION OF BONDS PRIOR TO MATURITY. (A) The Bonds are subject to redemption prior to maturity (1) as a whole, without premium, as provided in Section 406 hereof, in the event of (a) a taking in Condemnation of, or failure of title to, all or substantially all of the Project Facility and election by the Borrower to redeem the Bonds in accordance with Section 7.2 of the Loan Agreement, (b) damage to or destruction of part or all of the Project Facility and election by the Borrower to redeem the Bonds in accordance with Section 7.1 of the Loan Agreement, or (c) a taking in Condemnation of part of the Project Facility and election by the Borrower to redeem the Bonds in accordance with Section 7.2 of the Loan Agreement, or (2) as a whole, without premium, in the event that the Loan Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as a result of any change in the United States Constitution or legislative or administrative action (whether state or federal), or by final decree or judgment of any court or administrative body, or (3) in part, without premium, (a) as provided in Section 406(G) hereof, in the event that (i) excess moneys remain in the Insurance and Condemnation Fund following damage or condemnation of a portion of the Project Facility and completion of the repair, rebuilding or restoration of the Project Facility by the Borrower, and (ii) such excess moneys are not paid to the Borrower pursuant to Section 406(G) hereof, (b) as provided in Section 404 hereof, in the event that excess moneys remain in the related account in the Project Fund after the Completion Date, or (c) in the event that excess proceeds of recoveries from contractors are applied to redeem Bonds pursuant to Section 4.6 of the Loan Agreement, in each case to the extent of such excess. In any such event, the Bonds shall be redeemed, as a whole or in part, as the case may be, in the manner provided in this Article III, on the earliest practicable date for which the Trustee can give notice of redemption pursuant to Section 303 hereof, at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

(B) The Initial Bonds maturing on or after October 1, 2029 are also subject to redemption prior to maturity on or after October 1, 2028, at the option of the Borrower by exercise of its right to prepay the Loan Payments payable under the Loan Agreement as provided in Section 5.3 thereof, as a whole or in part at any time, in denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof, at a Redemption Price equal, on any particular date, to the percentage of the principal amount to be redeemed applicable to such date, as set forth in the table below, plus accrued interest to the Redemption Date:

<u>REDEMPTION DATES</u>	<u>REDEMPTION PRICE</u>
October 1, 2028 and thereafter	100%

(C) (1) The Initial Bonds issued as Term Bonds maturing on October 1, 2037 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2032 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

Sinking Fund Payment Date (October 1)	<u>Sinking Fund Payment</u>
2032	\$840,000
2033	875,000
2034	905,000
2035	950,000
2036	980,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,025,000 principal amount of the Initial Bonds maturing on October 1, 2037 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

(2) The Initial Bonds issued as Term Bonds maturing on October 1, 2043 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2038 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

Sinking Fund Payment Date (October 1)	<u>Sinking Fund Payment</u>
2038	1,065,000
2039	1,115,000
2040	1,175,000
2041	1,235,000
2042	1,295,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,360,000 principal amount of the Initial Bonds maturing on October 1, 2043 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

(3) The Initial Bonds issued as Term Bonds maturing on October 1, 2048 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2044 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

Sinking Fund Payment Date (October 1)	<u>Sinking Fund Payment</u>
2044	\$1,425,000
2045	1,495,000
2046	1,570,000
2047	1,645,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,730,000 principal amount of the Initial Bonds maturing on October 1, 2048 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

(D) In the event of any partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee not more than sixty (60) days prior to the Redemption Date from maturities designated in writing by the Borrower, and within each maturity by lot, provided that for so long as the Bonds shall be Book Entry Bonds, the particular Bonds or portions thereof to be redeemed within a maturity may be selected by lot by the Depository in such manner as the Depository may determine. If any maturity of the Bonds which is subject to sinking fund redemption is to be redeemed in part, the Trustee shall apply any partial redemption payments (other than a scheduled mandatory redemption) to the schedule of mandatory Sinking Fund Payments thereon as designated by the Borrower. Further, the Trustee may provide for the selection for redemption of portions (equal to \$5,000 or any integral multiple of \$5,000 in excess thereof) of Bonds. In no event shall the principal amount of Bonds subject to any partial redemption be other than a whole multiple of \$5,000 thereof.

SECTION 302. BORROWER'S ELECTION TO REDEEM. (A) The Borrower shall give written notice to the Trustee and the Issuer of its election to cause redemption of Bonds prior to maturity pursuant to subsection (A) or subsection (B) of Section 301 hereof and of the Redemption Date.

(B) Except as otherwise provided in Section 303 hereof, in the event of an election by the Borrower to redeem the Bonds pursuant to Section 301(B) hereof, such notice shall be given at the time the Borrower delivers to the Trustee the prepayment of Loan Payments with which the Bonds are to be redeemed, as described in Section 5.3 of the Loan Agreement, and the Redemption Date specified in such notice shall be deemed to be (notwithstanding the actual date set forth therein) the first date occurring more than thirty (30) days after such payment is received by the Trustee.

SECTION 303. NOTICE OF REDEMPTION; PAYMENT OF REDEEMED BONDS. (A) Notice of the intended redemption of each Bond subject to redemption shall be given by the Trustee one time by first class mail postage prepaid to the registered Owner of such Bond at the address of such Owner shown on the bond register maintained by the Trustee as Bond Registrar. All such redemption notices shall be given not less than thirty (30) days prior nor more than sixty (60) days prior to the date fixed for redemption. A follow-up notice shall be given by the Trustee by registered or certified mail to each registered Owner who has not submitted a Bond subject to redemption within ninety (90) to one hundred twenty (120) days following the Redemption Date. Each notice shall specify the Redemption Price, the principal amount of the Bonds to be redeemed, the numbers of the Bonds to be redeemed if less than all of the Bonds are to be redeemed, the Redemption Date and the place or places where amounts due upon such redemption will be payable. Such notice shall further state that payment of the applicable Redemption Price plus accrued interest to the Redemption Date will be made upon presentation and surrender of the Bonds or portions thereof to be redeemed; that upon presentation and surrender to the Trustee of any Bond being redeemed in part, a new Bond in the principal amount of the unredeemed portion of such Bond will be issued; and that the Bonds or portions thereof so called for redemption will be deemed redeemed and will cease to bear interest on the specified Redemption Date, provided that moneys for their redemption have been duly deposited in the Bond Fund; and, except for the purpose of payment, that such Bonds will no longer be protected by this Indenture. The failure to give any such notice, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure to give notice, or defect therein, has occurred. Notwithstanding anything herein to the contrary, the Trustee shall not give any notice under this Section 303 in the case of an optional redemption pursuant to Section 301(A) hereof requiring the payment of a premium upon such redemption unless the Borrower shall have complied with the provisions of Section 302(B) hereof. Any notice of optional redemption may provide (and shall provide if the Borrower does not deposit with the Trustee moneys in an amount equal to the

Redemption Price of the Bonds being redeemed at the time the Borrower delivers to the Trustee its notice of its election to cause the redemption of such Bonds) that if, on the redemption date set forth in any such notice, there is on deposit with the Trustee and available therefor insufficient funds to pay the Redemption Price of all Bonds scheduled to be redeemed, such redemption may be rescinded (in which case the Trustee shall promptly so notify the Holders of such Bonds in the same manner in which notice of redemption was given), and if such redemption is rescinded, the Bonds scheduled to be redeemed shall remain Outstanding as if the notice of redemption had not been sent.

(B) After notice shall have been given in the manner provided in Subsection (A) above, the Bonds or portions thereof called for redemption shall become due and payable on the Redemption Date so designated. Upon presentation and surrender of such Bonds at the Office of the Trustee, such Bonds shall be paid at the Redemption Price for such Bonds, plus accrued interest (if any) to the Redemption Date. If there shall be selected for redemption less than all of a Bond, the Issuer shall, upon the surrender of such Bond and with no charge to the Owner thereof, (1) pay the Redemption Price of the principal amount thereof called for redemption, and (2) cause the Trustee to authenticate and deliver for the unredeemed balance of the principal amount of such Bond so surrendered a fully registered Bond of like maturity in any of the Authorized Denominations.

(C) If, on the Redemption Date, moneys for the redemption of all Bonds or portions thereof to be redeemed, in an amount equal to the principal of such Bonds or portions thereof to be redeemed, together with any premium due thereon and interest thereon to the Redemption Date, shall be held by the Trustee so as to be available therefor on such date, the Bonds or portions thereof so called for redemption shall cease to bear interest, and such Bonds or portions thereof shall no longer be Outstanding under this Indenture or be secured by or be entitled to the benefits of this Indenture. If such moneys shall not be so available on the Redemption Date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall remain Outstanding under this Indenture and shall continue to be secured by and be entitled to the benefits of this Indenture until paid.

(D) Notwithstanding any other provision of this Indenture, any notice of redemption given with respect to a Book Entry Bond shall comply with the requirements for notice contained in the Depository Letter from the Issuer to the Depository relating to such Book Entry Bond.

(E) If at the time of mailing of notice of any optional redemption in connection with a refunding of the Bonds the Borrower shall not have deposited with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional in that it is subject to the deposit of the proceeds of refunding bonds or notes with the Trustee not later than the redemption date, and such notice and such optional redemption shall be of no effect unless such moneys are so deposited.

(F) Notice of any redemption hereunder with respect to Bonds held under a book entry system shall be given by the Bond Registrar or the Trustee only to the Depository, or its nominee, as the Holder of such Bonds. Selection of book entry interests in the Bonds called for redemption is the responsibility of the Depository and any failure of any Direct Participant, Indirect Participant or Beneficial Owner to receive such notice and its contents or effect will not affect the validity of such notice or any proceedings for the redemption of such Bonds.

ARTICLE IV

FUNDS AND APPLICATION OF PROCEEDS OF BONDS AND REVENUES

SECTION 401. ESTABLISHMENT OF FUNDS. (A) The Issuer hereby establishes and creates the following special separate trust funds:

(1) Town of Amherst Development Corporation – Daemen College Project - Project Fund (the “Project Fund”), and, within the Project Fund, the following special accounts: (a) the Series 2018 Project Account; and (b) an additional, separate account for each Series of Additional Bonds, each such additional account to be known as the “Series _____ Project Account”, with the blank to be filled in with the same Series designation as borne by the related Series of Additional Bonds;

(2) Town of Amherst Development Corporation – Daemen College Project - Bond Fund (the “Bond Fund”);

(3) Town of Amherst Development Corporation – Daemen College Project - Insurance and Condemnation Fund (the “Insurance and Condemnation Fund”); and

(4) Town of Amherst Development Corporation – Daemen College Project - Rebate Fund (the “Rebate Fund”) and, within the Rebate Fund, the following special accounts: (a) the Rebate Fund Principal Account; and (b) the Rebate Fund Earnings Account.

(B) The funds created under this Indenture shall be maintained by the Trustee and shall be held in the custody of the Trustee. The Issuer authorizes and directs the Trustee to withdraw moneys from said funds for the purposes specified herein, which authorization and direction the Trustee hereby accepts. All moneys required to be deposited with or paid to the Trustee under any provision of this Indenture (1) shall be held by the Trustee in trust, and (2) (except for moneys held by the Trustee (a) for the redemption of Bonds, notice of redemption of which has been duly given, (b) as unclaimed monies under Section 408 hereof or (c) in the Rebate Fund) shall, while held by the Trustee, constitute part of the Trust Revenues and be subject to the Lien of this Indenture. Moneys which have been deposited with, paid to or received by the Trustee for the redemption of a portion of the Bonds or for the payment of Bonds or interest thereon due and payable otherwise than upon acceleration by declaration, shall be held in trust for and be subject to a Lien in favor of only the Holders of such Bonds so redeemed or so due and payable.

(C) Moneys held in the Rebate Fund shall not be subject to a security interest, pledge, assignment, Lien or charge in favor of the Trustee or any other Person.

SECTION 402. APPLICATION OF PROCEEDS OF BONDS AND OTHER MONEYS. (A) The Issuer shall deposit with the Trustee all of the proceeds from the sale of the Initial Bonds, including accrued interest payable on the Initial Bonds. The Trustee shall deposit the proceeds from the sale of the Initial Bonds as follows:

(1) the Trustee shall deposit the portion of the proceeds of the sale of the Initial Bonds representing accrued interest on the Initial Bonds, if any, into the Bond Fund; and

(2) the Trustee shall deposit the remainder of the proceeds of the sale of the Initial Bonds into the Series 2018 Project Account of the Project Fund.

(B) The amounts held in the Series 2018 Project Account shall be disbursed in accordance with the provisions of Section 404 hereof.

(C) The proceeds of any Additional Bonds shall be deposited as provided in the supplement to this Indenture authorizing the issuance of such Additional Bonds. Any such proceeds required to be deposited in the Project Fund shall be deposited in the appropriate account relating to such Additional Bonds within the Project Fund.

SECTION 403. TRANSFERS OF TRUST REVENUES TO FUNDS. (A) Commencing on the first date on which Loan Payments are received from the Borrower pursuant to Section 5.1(A) of the Loan Agreement, and thereafter, the Trustee shall deposit such payments, upon the receipt thereof, into the Bond Fund, as provided in Section 405(A) hereof.

(B) The Net Proceeds of any insurance settlement or Condemnation award received by the Trustee shall, upon receipt thereof, be deposited into the Insurance and Condemnation Fund.

SECTION 404. PROJECT FUND. (A) In addition to moneys deposited in the Project Fund from the proceeds of the sale of the Bonds pursuant to Section 402 hereof, there shall be deposited into the Project Fund all other moneys received by the Trustee under or pursuant to this Indenture or the other Financing Documents which, by the terms hereof or thereof, are to be deposited in the Project Fund. Moneys on deposit in the Series 2018 Project Account of the Project Fund with respect to the Initial Bonds shall be disbursed and applied by the Trustee to pay the Costs of the Project relating to the Initial Project pursuant to the provisions of Section 3.3 of the Loan Agreement, this Section 404 and the Initial Tax Regulatory Agreement. Moneys on deposit in the Project Fund with respect to the Additional Bonds shall be disbursed in accordance with the provisions of the supplemental Indenture authorizing issuance of such Additional Bonds.

(B) (1) The Trustee is hereby authorized and directed to disburse from the Project Fund an amount equal to \$23,791,053.56, as described in the Letter of Instructions, to the Prior Trustee in order to provide for the redemption of the Prior Bonds on the Closing Date.

(2) The Trustee is hereby authorized and directed to disburse the balance of the moneys on deposit in the Project Fund relating to the Initial Bonds upon receipt by the Trustee of a Request for Disbursement, in substantially the form attached hereto as Exhibit A, certified to by an Authorized Representative of the Company in accordance with the applicable provisions of this Indenture and the Loan Agreement and the Initial Tax Regulatory Agreement. The Trustee shall rely exclusively on such Requests for Disbursements and shall have no duty, express or implied, to make any inspections or investigations with respect thereto.

(C) Moneys on deposit in the Project Fund may be invested in Authorized Investments in accordance with Section 410 hereof. All interest and other income accrued and earned on amounts held in the Project Fund shall be deposited by the Trustee into the appropriate account of the Project Fund related to such monies and may be used to pay the Costs of the Project related to such account.

(D) (1) Except for any amount retained for the payment of incurred and unpaid items of the Cost of the Project, after the Completion Date related to a particular Project, all moneys in the related account in the Project Fund (in excess of any amount required to be transferred to the Rebate Fund pursuant to Section 407 hereof and the Tax Documents) shall be transferred from the Project Fund to an escrow fund to be created by the Trustee at the written direction of the Borrower, to be applied to the defeasance of a portion of the Bonds then Outstanding pursuant to the provisions of the Tax Documents.

(2) In the event that the unpaid principal amount of the Bonds shall be accelerated upon the occurrence of an Event of Default, the balance in the Project Fund (in excess of any amount required to be transferred to the Rebate Fund pursuant to Section 407 hereof and the Tax Documents) shall be transferred from the Project Fund to the Bond Fund as soon as possible and shall be used to pay the principal of, premium, if any, on and interest on the Bonds.

(E) The Trustee shall maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall, upon request of the Issuer or the Borrower and within sixty (60) days after the Completion Date, file an accounting thereof with the Issuer and the Borrower.

SECTION 405. BOND FUND. (A) In addition to the moneys deposited into the Bond Fund (1) from the proceeds of the Bonds pursuant to Section 402 hereof and (2) pursuant to Sections 403, 404 and 409 hereof, there shall be deposited into the Bond Fund (a) all Loan Payments received from the Borrower under the Loan Agreement (except payments made with respect to the Unassigned Rights, which shall be paid to the Issuer), (b) any amount in the Insurance and Condemnation Fund directed to be paid into the Bond Fund under Section 406 hereof, (c) any amounts received from the Borrower pursuant to Section 3.6 of the Loan Agreement, (d) all prepayments by the Borrower in accordance with Section 5.3 of the Loan Agreement in connection with which notice has been given to the Trustee pursuant to Section 302 hereof, and (e) all other moneys received by the Trustee under and pursuant to this Indenture or the other Financing Documents which by the terms hereof or thereof are to be deposited into the Bond Fund, or are accompanied by directions from the Borrower or the Issuer that such moneys are to be paid into the Bond Fund.

(B) Moneys on deposit in the Bond Fund may be invested in Authorized Investments in accordance with Section 409 hereof. All interest and other income accrued and earned on moneys on deposit in the Bond Fund shall be deposited by the Trustee into the Bond Fund. Moneys on deposit in the Bond Fund shall, subject to Section 405(C) hereof, be applied by the Trustee to pay the principal of, premium, if any, and interest on the Bonds as the same become due, whether at Stated Maturity, upon acceleration of the Bonds or upon redemption of the Bonds, except as provided in Section 410 hereof.

(C) Notwithstanding anything herein to the contrary, in NO EVENT shall moneys deposited in the Bond Fund be retained therein for a period in excess of one (1) year, except as otherwise provided in the Tax Documents.

SECTION 406. INSURANCE AND CONDEMNATION FUND. (A) The Net Proceeds of any insurance settlement or Condemnation award received by the Trustee in connection with damage to or destruction of or the taking of part or all of the Project Facility shall be deposited into the Insurance and Condemnation Fund.

(B) If, pursuant to Sections 7.1 or 7.2 of the Loan Agreement, following damage to or Condemnation of all or a portion of the Project Facility, (1) the Borrower exercises its option not to repair, rebuild or restore the Project Facility and to provide for the defeasance of the Bonds, or (2) if a taking in Condemnation as described in Section 7.2(C) of the Loan Agreement occurs, the Trustee shall, after any transfer to the Rebate Fund required by the Tax Documents and Section 407 hereof is made, transfer all moneys held in the Insurance and Condemnation Fund to an escrow fund to be created by the Trustee at the written direction of the Borrower, to be applied to the defeasance of the Bonds then Outstanding pursuant to the provisions of the Tax Documents, except as provided in Section 410 hereof.

(C) If, following damage to or Condemnation of all or a portion of the Project Facility, the Borrower elects to repair, rebuild or restore the Project Facility, and provided no Event of Default

hereunder or under any other Financing Document has occurred and is continuing, moneys held in the Insurance and Condemnation Fund and attributable to the damage to or the destruction of or the taking of the Project Facility shall, after any transfer to the Rebate Fund required by the Tax Documents and Section 407 hereof is made, be applied to pay the costs of such repairs, rebuilding or restoration in accordance with the terms and conditions set forth in Section 406(D) hereof.

(D) Upon satisfaction of the conditions set forth in Section 406(C) and 406(H) hereof, the Trustee is hereby authorized to and shall make such disbursements, at the Borrower's request, either upon the completion of such repairs, rebuilding or restoration or periodically as such repairs, rebuilding or restoration progress, upon receipt by the Trustee of a certificate of an Authorized Representative of the Borrower, stating, with respect to each payment to be made: (1) the amount or amounts to be paid, the Person or Persons (which may include the Borrower for reimbursement of such costs) to whom an amount is to be paid and the total sum of all such amounts; (2) that the Borrower has expended, or is expending, concurrently with the delivery of such certificate, such amount or amounts on account of costs incurred in connection with the repair, rebuilding or restoration of the Project Facility; (3) that all contractors, workmen and suppliers have been or will be paid through the date of such certificate from the funds to be disbursed; (4) that there exists no Event of Default hereunder or under any other Financing Document and no condition, event or act which, with notice or the lapse of time or both, would constitute an Event of Default hereunder or under any other Financing Document; (5) that such Authorized Representative of the Borrower has no knowledge, after diligent inquiry and after searching the records of the appropriate state and local filing offices, of any vendor's Lien, mechanic's Lien or security interest which should be satisfied, discharged or bonded before the payment as requisitioned is made or which will not be discharged by such payment; (6) that no certificate with respect to such expenditures has previously been delivered to the Trustee; (7) that there remain sufficient moneys in the Insurance and Condemnation Fund attributable to the damage to, destruction of, or taking of the Project Facility to complete the repair, rebuilding or restoration of the Project Facility; and (8) that the requested payment is a proper charge against the Insurance and Condemnation Fund. Each such requisition shall be accompanied by bills, invoices or other evidences reasonably satisfactory to the Trustee. The Trustee shall be entitled to conclusively rely on such requisition and shall have no duty, express or implied, to make any inspections or investigations with respect thereto.

(E) Upon completion of the repair, rebuilding or restoration of the Project Facility, an Authorized Representative of the Borrower shall deliver to the Issuer and the Trustee a certificate stating (1) the date of such completion, (2) that all labor, services, materials and supplies used therefor and all costs and expenses in connection therewith have been paid, (3) that the Project Facility has been restored to substantially its condition immediately prior to the damage or Condemnation thereof, or to a condition of at least equivalent value, operating efficiency and function, (4) that the Issuer or the Borrower has good and valid title to all Property constituting part of the restored Project Facility, and that the Project Facility is subject to the Loan Agreement and the Liens and security interests of this Indenture and the other applicable Financing Documents, (5) the applicable Rebate Amount with respect to the Net Proceeds of the insurance settlement or Condemnation award and the earnings therefrom (with a statement as to the determination of the Rebate Amount and a direction to the Trustee with respect to any required transfer to the Rebate Fund), and (6) that the restored Project Facility is ready for occupancy, use and operation for its intended purposes. Notwithstanding the foregoing, such certificate may state (a) that it is given without prejudice to any rights of the Borrower against third parties which exist at the date of such certificate or which may subsequently come into being, (b) that it is given only for the purposes of this Section 406, and (c) that no Person other than the Issuer or the Trustee may benefit therefrom. Such certificate shall be accompanied by a certificate of occupancy, if required, and any and all permissions, licenses or consents required of Governmental Authorities for the occupancy, operation and use of the Project Facility for its intended purposes.

(F) (1) All earnings on amounts held in the Insurance and Condemnation Fund shall be transferred by the Trustee to the Insurance and Condemnation Fund.

(2) All moneys which remain in the Insurance and Condemnation Fund following the date on which the Borrower shall have no further right to draw on the same shall be transferred to the Bond Fund pursuant to Section 406(G) hereof.

(G) If the cost of the repairs, rebuilding or restoration of the Project Facility effected by the Borrower shall be less than the amount in the Insurance and Condemnation Fund, then on the completion of such repairs, rebuilding or restoration, the Trustee shall transfer such difference to the Bond Fund and use such amounts so transferred to provide for the defeasance of the Bonds in accordance with the Tax Documents; provided that such amounts may be transferred to the Borrower for its purposes if (1) the Borrower so requests and (2) the Borrower furnishes to the Trustee an opinion of Bond Counsel to the effect that payment of such moneys to the Borrower will not, in and of itself, adversely affect the exclusion of the interest paid or payable on the Tax-Exempt Bonds from gross income for federal income tax purposes.

(H) If the cost of the repair, rebuilding or restoration of the Project Facility shall be in excess of the moneys held in the Insurance and Condemnation Fund, the Borrower shall deposit such additional moneys in the Insurance and Condemnation Fund as are necessary to pay the cost of completing such repair, rebuilding or restoration. Prior to making any disbursement pursuant to Section 406(D) hereof, the Trustee shall receive a certificate from the Borrower certifying as to the cost of repair, rebuilding or restoration of the Project Facility and the proposed sources of repayment thereof.

SECTION 407. REBATE FUND. (A) The Trustee shall make information regarding the Bonds and investments hereunder available to the Borrower. If a deposit to the Rebate Fund is required as a result of the computations made or caused to be made by the Borrower, the Trustee shall upon receipt of written direction from the Borrower accept such payment for the benefit of the Borrower. If amounts in excess of that required to be rebated to the United States of America accumulate in the Rebate Fund, the Trustee shall upon written direction from the Authorized Representative of the Borrower transfer such amount to the Borrower. Records of the determinations required by this Section and the instructions must be retained by the Trustee until six (6) years after the Bonds are no longer outstanding. Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder.

(B) (1) The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Representative of the Borrower, shall deposit in the Rebate Fund Principal Account, within thirty (30) days after the end of each Bond Year commencing with the first Bond Year, an amount such that the amount held in the Rebate Fund Principal Account after such deposit is equal to the Rebate Amount calculated as of the last day of the prior Bond Year and so certified to the Trustee. If there has been delivered to the Trustee a certification of the Rebate Amount in conjunction with the completion of the Project pursuant to Section 404(D) hereof or the restoration of the Project Facility pursuant to Section 406(E) hereof at any time during a Bond Year, the Trustee shall deposit in the Rebate Fund Principal Account upon receipt of such certification an amount such that the amount held in the Rebate Fund Principal Account after such deposit is equal to the Rebate Amount calculated on the Completion Date or at the time of restoration of the Project Facility, as the case may be. The amount to be deposited in the Rebate Fund shall be withdrawn from the fund or funds established hereunder designated by the Borrower, or, in the event the amounts held in such fund or funds are less than the Rebate Amount, the amount to be deposited shall be withdrawn from the fund or funds established hereunder designated by the Borrower or from other moneys made available by the Borrower.

(2) The Trustee shall make deposits and disbursements from the Rebate Fund in accordance with the written instructions received from the Authorized Representative of the Borrower, shall invest the amounts held in the Rebate Fund pursuant to written instructions from the Authorized Representative of the Borrower and shall deposit income from such investments immediately upon receipt thereof in the Rebate Fund. Amounts on deposit in the Rebate Fund Principal Account shall be invested in accordance with the provisions of Section 410 hereof and the Tax Documents. All income from such investments shall be deposited in the Rebate Fund Earnings Account and paid to the United States on the date of any payment made pursuant to Section 407(D) hereof.

(C) In the event that on the first day of any Bond Year, after the calculation of the Rebate Amount, the amount on deposit in the Rebate Fund Principal Account exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Representative of the Issuer or the Borrower, shall withdraw such excess amount and (1) prior to the Completion Date, shall transfer such excess to the Project Fund to be applied to the payment of Costs of the Project or (2) after the Completion Date, shall transfer such excess to the Bond Fund to be applied to the payment of the principal and interest and Sinking Fund Payments coming due on the Bonds on the next following Bond Payment Date.

(D) The Trustee, upon the receipt of written instructions satisfactory to the Trustee from an Authorized Representative of the Borrower, shall pay to the United States, from amounts on deposit in the Rebate Fund or from other moneys supplied by the Borrower, (1) not later less frequently than once every five (5) years after the date of original issuance of a Series of Tax-Exempt Bonds (or such other date as the Borrower may choose, provided the Borrower and the Trustee receive an opinion of Bond Counsel that such change will not cause interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes) and every five years thereafter until final retirement of the Bonds, an amount such that, together with prior amounts paid to the United States, the total amount paid to the United States is equal to ninety percent (90%) of the Rebate Amount with respect to the Bonds as of the date of such payment plus all amounts then held in the Rebate Fund Earnings Account, and (2) not later than thirty (30) days after the date on which all Bonds of any particular Series of Tax-Exempt Bonds have been paid in full, one hundred percent (100%) of the Rebate Amount with respect to such Bonds as of the date of such payment plus all amounts relating thereto then held in the Rebate Fund Earnings Account.

(E) Notwithstanding any other provision in this Indenture, general or specific, to the contrary, the Trustee shall have no obligations hereunder relating to arbitrage restrictions or rebate requirements, except to comply with specific written instructions received by the Trustee from the Borrower with respect to deposits into the Rebate Fund and release of moneys therefrom. The Trustee shall not have any responsibility to make any calculations relating to arbitrage restrictions or rebate requirements, or to make any other determinations with respect to the excludability of the interest on the Bonds from gross income for federal income tax purposes or to verify, confirm or review (and the Trustee shall not verify, confirm or review) any such calculations or requirements or determinations made hereunder or under the Tax Regulatory Agreement relating to arbitrage restrictions or rebate requirements, or with respect to the excludability of the interest on the Tax-Exempt Bonds from gross income for federal income tax purposes or to take any other action with respect thereto hereunder. The Trustee shall not have any responsibility for verifying (and the Trustee shall not verify, confirm or review) that the use of proceeds of the Bonds is in compliance with the requirements of the Code. The Trustee shall not have any responsibility to notify the Borrower or any other person of any failure by the Borrower or any other person to provide to the Trustee timely written directions relating to arbitrage restrictions or rebate requirements as required hereunder or under the Tax Regulatory Agreement, including, without limitation, Borrower certifications or directions regarding rebate determinations or rebate payments which may be due and payable to the Internal Revenue Service.

(F) This Section 407 may be amended, without notice to or consent of the Bondholders, at the request of the Issuer or the Borrower, to comply with the applicable regulations of the Treasury Department, upon the delivery by the Issuer or the Borrower to the Trustee of an opinion of Bond Counsel that such amendment will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purposes of the interest payable on the Tax-Exempt Bonds which exists on the Closing Date.

(G) Accompanying each certification of a Rebate Amount shall be a complete copy of the report of the Accountant or other service provider engaged by the Borrower in making such determination, which report is provided to the Trustee for informational purposes, and the Trustee shall be under no obligation to review or evaluate the same.

(H) As indicated in Section 513(B) hereof, the Issuer shall not be responsible for the calculation or payment of any rebate amount required by Section 148 of the Code.

SECTION 408. NON-PRESENTMENT OF BONDS. (A) Subject to the provisions of Sections 205, 206 and 207 hereof, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof or otherwise, or in the event any interest payment on a Bond shall be unclaimed, if moneys sufficient to pay such Bond or interest shall have been deposited with the Trustee for the benefit of the Holder thereof, such Bond shall be deemed cancelled, redeemed or retired on such date even if not presented on such date or such interest shall be deemed paid, as the case may be, and all liability of the Issuer to the Holder thereof for the payment of such Bond or interest shall forthwith cease, terminate and be completely discharged; and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Holder of such Bond or interest thereon who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or with respect to such Bond or interest.

(B) Subject to any law to the contrary, if any Bond shall not be presented for payment or any interest payment shall not be claimed prior to the earlier of (1) two years following the date when such Bond or interest becomes due, either at maturity or at the date fixed for redemption or otherwise, or (2) the Business Day prior to the date on which such moneys would escheat to the State, the Trustee shall, upon written request of the Borrower, return to the Borrower all funds held by the Trustee for the payment of such Bond or interest. Thereafter, (a) the Owner of such Bond shall be entitled to look only to the Borrower for payment of such Bond or interest, and then only to the extent of the amount so repaid to the Borrower, who shall not be liable for any interest thereon and shall not be regarded as a trustee of such money, (b) all liability of the Trustee with respect to such moneys shall terminate, and (c) such Bond shall, subject to the defense of any applicable statute of limitations, thereafter be an unsecured obligation of the Borrower. The Trustee shall, at least sixty (60) days prior to the expiration of the above described period, give notice to the Borrower and any Owner who has not presented any Bond for payment or claimed any interest that any moneys held for the payment of any such Bond or interest will be returned as provided in this Section 409 at the expiration of such period. The failure of the Trustee to give any such notice shall not affect the validity of any transfer of funds pursuant to this Section 409.

SECTION 409. INVESTMENT OF FUNDS. (A) Any moneys held as part of any fund created herein shall be continuously invested and reinvested, from time to time, by the Trustee in Authorized Investments at the written direction of an Authorized Representative of the Borrower, or, in the absence of such direction, in any money market fund customarily invested in by the Trustee, which may be a proprietary fund of the Trustee.

(B) The Borrower shall direct, and be solely responsible for assuring, that any moneys held in any fund shall be invested so that (1) all investments shall mature or be subject to mandatory redemption by the holder of such investments (at not less than the principal amount thereof, or the cost of acquisition, whichever is lower), and all deposits in time accounts shall be subject to withdrawal, without penalty, not later than the date when the amounts will foreseeably be needed for purposes of this Indenture, (2) investments of moneys on deposit in the Bond Fund shall mature or be subject to mandatory redemption by the holder (at not less than the principal amount thereof) not more than ninety (90) days from the date of acquisition, and further shall mature or be redeemable at the option of the Trustee at the times and in the amounts necessary to provide moneys to pay Debt Service Payments as they become due on the Bonds, whether at Stated Maturity or by redemption, (3) no portion of the proceeds derived from the sale of the Tax-Exempt Bonds or any other moneys held in any fund established under this Article shall be invested, directly or indirectly, in such manner as to cause any Tax-Exempt Bond to be an “arbitrage bond” within the meaning of that quoted term in Section 148 of the Code, (4) in no event shall any moneys transferred from the Project Fund to the Bond Fund pursuant to Section 404(D) hereof be invested at a “yield” (as defined in Section 148 of the Code) greater than the “yield” on the Tax-Exempt Bonds, and (5) investments of moneys on deposit in the Rebate Fund shall mature or be redeemable at such time as may be necessary to make payments from the Rebate Fund required pursuant to Section 148 of the Code or Section 513 hereof. At no time shall any funds constituting gross proceeds of any Tax-Exempt Bonds be used in any manner to cause or result in a prohibited payment under applicable regulations pertaining to, or in any other fashion as would constitute failure of compliance with, Section 148 of the Code, or otherwise violate Section 513 hereof. The investments so purchased shall be held by the Trustee and shall be deemed at all times to be a part of the fund in which such moneys were held.

(C) The Trustee is directed to sell and reduce to cash a sufficient amount of such investments (in its sole discretion and without any liability therefor) whenever the cash balance in said fund shall be insufficient to cover a proper disbursement from said fund, and the Trustee shall have no liability with respect to any choice made by it of investments to sell pursuant to this subsection.

(D) Net income or gain received and collected from such investments shall be credited and losses charged to (1) the Rebate Fund Earnings Account, with respect to the investment of amounts held in the Rebate Fund, and (2) the Project Fund, the Bond Fund, or the Insurance and Condemnation Fund, as the case may be, with respect to the investment of amounts held in such funds.

(E) The Trustee may make any investment permitted by this Section 409 through its own investment department. Subject to any directions from an Authorized Representative of the Borrower with respect thereto, from time to time, the Trustee may sell any investments authorized hereunder and reinvest the proceeds therefrom in Authorized Investments maturing or redeemable as aforesaid. Any such investments may be purchased from or sold to the Trustee, the Bond Registrar, an Authenticating Agent or a Paying Agent, or any bank, trust company or savings and loan association affiliated with any of the foregoing. The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient moneys applicable hereunder to and at the times required for the purposes of paying Debt Service Payments on the Bonds when due as aforesaid, and shall do so without necessity for any order on behalf of the Issuer and without restriction by reason of any order. For purposes of this Indenture, those investments shall be valued at face amount or market value, whichever is less. The Trustee shall not be liable (except for gross negligence or willful misconduct) for any depreciation in the value of any investment made pursuant to this Section 409 or for any loss arising from such investment.

SECTION 410. FINAL DISPOSITION OF MONEYS. In the event there are no Bonds Outstanding, and subject to any applicable law to the contrary, after payment of all fees, charges and expenses, including, but not limited to reasonable attorney’s fees, of the Issuer and the Trustee and all other amounts required to be paid hereunder and under the other Financing Documents and after payment of any amounts

required to be rebated to the United States hereunder and under the Tax Documents or any provision of the Code, all amounts remaining in any fund established under this Indenture shall be transferred to the Borrower (except amounts held with respect to the Unassigned Rights, which amounts shall be paid to the Issuer, and except for moneys held for the payment or redemption of Bonds which have matured or been defeased or notice of the redemption of which has been duly given and any other monies held under Section 409, which shall be held for the benefit of the Owners of such Bonds).

SECTION 411. PERIODIC REPORTS BY TRUSTEE. Within thirty (30) days after each January 1 and July 1, and within thirty (30) days after any request from the Issuer or the Borrower, the Trustee shall furnish to the Issuer and the Borrower a report on the status of each of the funds established under this Article IV and any other funds held by the Trustee hereunder, including funds held under Section 408 hereof, showing at least the balance in each such fund as of the final day of the period with respect to which the last such report described (or, if such report is the first such report, as of the Closing Date), the total of deposits into (including interest on investments) and the total of disbursements from each such fund, the dates of such deposits and disbursements, and the balance in each such fund on the last day of the period to which such report relates (which date shall be not earlier than the last day of the calendar month preceding the date of such report), and such other information as the Issuer or the Borrower may reasonably request.

ARTICLE V

GENERAL COVENANTS

SECTION 501. AUTHORITY OF ISSUER; VALIDITY OF INDENTURE AND BONDS. The Issuer hereby represents, warrants and covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Enabling Act, to issue the Bonds authorized hereby, to execute this Indenture and to pledge the revenues and receipts in the manner necessary for the issuance of the Bonds authorized hereby; that the execution and delivery of this Indenture has been duly and effectively authorized; and that such Bonds in the hands of the Owners thereof are and will be valid and enforceable special obligations of the Issuer according to the import thereof.

SECTION 502. PAYMENT OF PRINCIPAL AND INTEREST. The Issuer covenants that it shall promptly pay or cause to be promptly paid, the principal of, premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in the Bonds, according to the true intent and meaning thereof, subject to the provisions of Section 202 and Section 1109 hereof.

SECTION 503. PROCESSING OF TRANSFERS. Subject to the provisions of Section 206 and Section 213 hereof, the Trustee represents to and covenants with the Issuer and the Bondholders that it will take all reasonable action required and capable of performance on its part to process transfers of Bonds within three (3) Business Days of receipt of a request therefor.

SECTION 504. PERFORMANCE OF COVENANTS; AUTHORITY OF ISSUER. The Issuer covenants (subject to Section 202, Section 515 and Section 1109 hereof), and the Trustee by executing this Indenture covenants, that each will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings pertaining thereto. The Issuer covenants and represents that it is duly authorized under the laws of the State to issue the Bonds authorized hereby and to execute and deliver this Indenture, to convey the interests described herein and conveyed hereby, to pledge the revenues, receipts and other moneys hereby pledged in the manner and to the extent herein set forth and to execute and deliver the Financing Documents to which it is a party; that all action on its part for the issuance of the Initial Bonds and the execution and delivery of the Financing Documents to which it is a party has been duly and effectively taken; and that the Bonds in the hands of the Holders and Owners thereof are and will be valid and enforceable special obligations of the Issuer according to the import thereof.

SECTION 505. PRIORITY OF LIEN OF INDENTURE. The Issuer hereby represents, warrants and covenants that this Indenture is and will be a first Lien upon the Trust Revenues and the Issuer agrees not to create or suffer to be created any Lien having priority or preference over the Lien of this Indenture upon the Trust Revenues or any part thereof, except as otherwise specifically provided herein.

SECTION 506. INSTRUMENTS OF FURTHER ASSURANCE. The Issuer covenants (subject to Section 202, Section 515 and Section 1109 hereof) that the Issuer will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such indentures supplemental hereto, and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee all and singular its interest in all Property purported to be made subject to the Lien of this Indenture by the Granting Clauses hereof, and in the Trust Estate herein described and pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds. Any and all interest in the Trust Estate or any other Property

hereafter acquired which is of any kind or nature herein provided to be and become subject to the Lien of this Indenture shall, without any further conveyance, assignment or act on the part of the Issuer or the Trustee, become and be subject to the Lien of this Indenture as fully and completely as though specifically described herein, but nothing in this sentence contained shall be deemed to modify or change the obligations of the Issuer under this Section. The Issuer covenants and agrees that, except as herein otherwise provided, it has not and will not sell, convey, mortgage, encumber or otherwise dispose of any part of its interest in the Trust Estate.

SECTION 507. INSPECTION OF PROJECT BOOKS. The Issuer covenants and agrees that all books and documents in its possession relating to the Project Facility and the Bonds shall at all reasonable times and upon reasonable notice be open to inspection by such accountants or other agencies as the Trustee may from time to time reasonably designate.

SECTION 508. NO MODIFICATION OF SECURITY; LIMITATION ON LIENS. The Issuer covenants that it will not, without the written consent of the Trustee, alter, modify or cancel, or agree to alter, modify or cancel, the Loan Agreement or any other Financing Document to which the Issuer is a party, or which has been assigned to the Issuer, and which relates to or affects the security for the Bonds, except as contemplated hereby or pursuant to the terms of such document. The Issuer further covenants that, except for the Financing Documents and other Permitted Encumbrances, the Issuer will not incur, or suffer to be incurred, any mortgage, Lien, charge or encumbrance on or pledge of any of the Trust Estate prior to or on a parity with the Lien of this Indenture.

SECTION 509. DAMAGE OR DESTRUCTION. The rights and obligations of the Borrower, the Issuer and the Trustee in the event of damage or destruction of the Project Facility or part thereof shall be determined by reference to Section 7.1 of the Loan Agreement and this Indenture.

SECTION 510. CONDEMNATION. The rights and obligations of the Borrower, the Issuer and the Trustee in the event of a taking of part or all of the Project Facility by Condemnation shall be determined by reference to Section 7.2 of the Loan Agreement and this Indenture.

SECTION 511. ACCOUNTS AND AUDITS. The Trustee shall keep proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Project Facility or any part thereof, and which, together with all other books and papers of the Trustee in connection with the Project Facility, shall at all reasonable times be subject to the inspection of the Borrower and the Issuer, or the Holder or Holders of not less than five percent (5%) in aggregate principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

SECTION 512. RECORDATION; FINANCING STATEMENTS. (A) The Liens on the Project Facility created by the Financing Documents (if any) shall be perfected by the recording by the Issuer, at the sole cost and expense of the Borrower, of the relevant Financing Documents in the office of the County Clerk of Erie, New York. The security interests in favor of the Trustee created by this Indenture and the other relevant Financing Documents and the security interests of the Issuer assigned to the Trustee shall be perfected by the filing by the Borrower (which filings the Borrower agrees to make) in the office of the New York State Department of State, Uniform Commercial Code Unit, of financing and continuation statements required to be filed pursuant to the Uniform Commercial Code of the State in order to perfect and to maintain the perfection of the security interests created by this Indenture and the other Financing Documents.

(B) The Borrower shall furnish, from time to time as reasonably requested by the Trustee, satisfactory evidence to the Trustee of the recording and filing of all financing statements and

continuation statements in such manner and in such places as may be required by law to preserve, protect and maintain the perfection of the Liens of, and security interests created by, the Financing Documents.

(C) The Issuer and the Borrower irrevocably appoint the Trustee as their lawful attorney and agent to execute and file any such additional financing statements after the initial filings by the Issuer and continuation statements on their behalf (and without their signature where allowed by law) and at their written direction, which, in the opinion of Independent Counsel, are necessary to preserve, perfect and maintain the perfection of the Liens created by this Indenture and the other Financing Documents.

(D) The Mortgage, the Mortgage Assignment and financing statements relating to the security interests created and/or assigned thereby shall be recorded or filed, as the case may be, by the Issuer (but at the sole cost and expense of the Borrower) in the office of the County Clerk of Erie, New York, or in such other office as may at the time be provided by law as the proper place for the recordation or filing thereof.

SECTION 513. COVENANT AGAINST ARBITRAGE BONDS. (A) Notwithstanding any other provision of this Indenture, so long as any Tax-Exempt Bonds shall be Outstanding, the Issuer shall not use or direct or permit the use of the proceeds of the Tax-Exempt Bonds or any other moneys in its control (including, without limitation, the proceeds of any insurance settlement or Condemnation award with respect to the Project Facility) in such manner as would cause any of the Tax-Exempt Bonds to be an “arbitrage bond” within the meaning of such quoted term in Section 148 of the Code. Notwithstanding the foregoing, there shall be no such obligation upon the Issuer with respect to the use or investment of its administrative fee, provided, however, that if the Borrower is required to rebate any amount with respect to such administrative fee, the Issuer shall provide, upon the reasonable request of the Borrower, such information concerning the investment of such administrative fee as shall be requested by the Borrower and as shall be reasonably available to the Issuer.

(B) The Issuer shall not be responsible for the calculation or payment of any rebate amount required by Section 148 of the Code.

(C) The Trustee shall not be responsible for the calculation, or the payment from its own funds, of any amount required to be rebated to the United States under Section 148 of the Code. The Trustee shall, however, make such transfers to the Rebate Fund and pay such amounts from the funds and accounts created hereunder and from the Borrower’s funds to the United States as the Borrower, in accordance with this Indenture and the Tax Documents, shall direct.

SECTION 514. COVENANT REGARDING ADJUSTMENT OF DEBTS. In any case under Chapter 9 of Title 11 of the United States Code involving the Issuer as debtor, the Issuer, unless compelled by a court of competent jurisdiction, shall neither list the Trust Revenues or any part thereof or the Project Facility or any part thereof as an asset or property of the Issuer nor list any amounts owed upon the Bonds Outstanding as a debt of or claim against the Issuer.

SECTION 515. LIMITATION ON OBLIGATIONS OF THE ISSUER. (A) Notwithstanding any provision of this Indenture to the contrary, no order or decree of specific performance with respect to any of the obligations of the Issuer hereunder shall be sought or enforced against the Issuer unless (1) the party seeking such order or decree shall first have requested the Issuer in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Issuer shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request within such ten (10) day period) or failed to respond within such notice period, (2) if the Issuer refuses to comply with such request and the Issuer’s

refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Issuer an amount or undertaking sufficient to cover such reasonable fees and expenses, and (3) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it or any of its members, directors, officers, agents (other than the Borrower), servants or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify and hold harmless the Issuer and its members, directors, officers, agents (other than the Borrower), servants and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Issuer, furnish to the Issuer satisfactory security to protect the Issuer and its members, directors, officers, agents (other than the Borrower), servants and employees against all liability expected to be incurred as a result of compliance with such request; provided, however, that no limitation on the obligations of the Issuer contained in this Section 515 by virtue of any lack of assurance provided in (1), (2) or (3) hereof shall be deemed to prevent the occurrence and full force and effect of any Event of Default hereunder.

(B) In the event that the party seeking an order or decree of specific performance with respect to any of the obligations of the Issuer hereunder is the Trustee, the Issuer agrees to contact the Borrower for the purpose of obtaining from the Borrower (1) the undertaking described in Section 515(A)(2) above, or (2) the indemnification described in Section 515(A)(3) above, as the case may be.

SECTION 516. AGREEMENT TO PROVIDE INFORMATION; CONTINUING DISCLOSURE.

(A) The Trustee agrees, whenever requested in writing by the Issuer or the Borrower, to provide at the Borrower's expense such information that is known to the Trustee relating to the Bonds as the Issuer or the Borrower from time to time may reasonably request, including, but not limited to, such information as may be necessary to enable the Issuer or the Borrower to make any reports required by any Federal, state or local law or regulation.

(B) The Trustee further agrees to act as dissemination agent with respect to the Initial Bonds and to enter into the Initial Continuing Disclosure Agreement relating to the Initial Bonds on the Closing Date.

(C) If a Series of Additional Bonds is issued under this Indenture and a continuing disclosure agreement is required to be executed by the Borrower with respect thereto, the Trustee agrees to act as dissemination agent with respect to said Series of the Bonds and to enter into a written continuing disclosure agreement with the Borrower for the benefit of the Holders of such Series of the Bonds, which shall be executed and delivered solely to assist the Borrower in complying with Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934, as in effect on such date.

SECTION 517. CERTIFICATES WITH RESPECT TO \$150,000,000 LIMITATION OF SECTION 145(b) OF THE CODE. If the Tax Documents indicate that the \$150,000,000 limit in Section 145(b) of the Code applies to a particular Series of Tax-Exempt Bonds, then, upon receipt by the Trustee of a certificate of the Borrower delivered pursuant to the relevant Tax Regulatory Agreement indicating that such \$150,000,000 limit has been or may have been exceeded at any time during the three-year period commencing on the later to occur of (A) the date that such particular Series of Tax-Exempt Bonds was issued or (B) the date the facilities financed thereby were placed in service, the Borrower shall deliver to the Trustee an opinion of Bond Counsel as to whether, on the basis of the written statements, certificates, audits, filings and other documentation delivered to the Trustee in accordance with the Tax Regulatory Agreement, the \$150,000,000 limit (or any greater or lesser limit that may hereafter be imposed by the Code) of Section 145(b) of the Code was exceeded at any time during such three-year period. If at any time Bond Counsel shall opine that the \$150,000,000 limit of Section 145(b) of the Code was exceeded during such three-year period, the Trustee shall give notice thereof to all Holders of such Series of Tax-Exempt Bonds.

ARTICLE VI

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

SECTION 601. EVENTS OF DEFAULT. The following shall be “Events of Default” under this Indenture, and the terms “Event of Default” shall mean, when they are used in this Indenture, any one or more of the following events:

(A) failure by the Issuer to make due and punctual payment of the interest or premium or Sinking Fund Payments on any Bond, or failure by the Issuer to make due and punctual payment of the principal of any Bond, whether at the Stated Maturity thereof, or upon proceedings for the redemption thereof, or upon the maturity thereof by declaration;

(B) subject to any right to waive the same as set forth in the Financing Documents, receipt by the Trustee of notice, or actual notice on the part of the Trustee, of the occurrence of an Event of Default under any of the other Financing Documents; or

(C) subject to Section 614 hereof, default in the performance or observance of any other covenant, agreement or condition on the part of the Issuer in this Indenture or in any Bond to be performed or observed and the continuance thereof for a period of thirty (30) days after written notice thereof is given to the Issuer and the Borrower by the Trustee or by the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding.

SECTION 602. ACCELERATION. (A) Upon (1) the occurrence of an Event of Default under Section 601(A) hereof the Trustee shall, or (2) the occurrence of an Event of Default under Section 601(B) or Section 601(C) hereof and so long as such Event of Default is continuing, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding, the Trustee shall, by notice in writing delivered to the Borrower, with a copy of such notice being sent to the Issuer, declare the entire principal amount of all Bonds then Outstanding and the interest accrued thereon to be immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Upon any such declaration, the Trustee shall immediately declare an amount equal to all amounts then due and payable on the Bonds to be immediately due and payable under the Loan Agreement.

(B) Upon the occurrence of any declaration by the Trustee under this Section 602, the principal of the Bonds then Outstanding and the interest accrued thereon shall thereupon become and be immediately due and payable, and interest shall continue to accrue thereon until the date of payment.

SECTION 603. ENFORCEMENT OF REMEDIES. (A) Upon the occurrence and during the continuance of any Event of Default, the Trustee shall exercise such of the rights and powers vested in the Trustee by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. In considering what actions are or are not prudent in the circumstances, the Trustee shall consider whether or not to take such action as may be permitted to be taken by the Trustee under any of the Financing Documents.

(B) Upon the occurrence and during the continuance of any Event of Default, the Trustee may proceed forthwith to protect and enforce its rights under the Enabling Act, the Loan Agreement and the other Financing Documents by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient.

(C) Upon the occurrence and during the continuance of any Event of Default, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce payment of and receive any amounts due or becoming due from the Issuer or the Borrower under any of the provisions of this Indenture, the Loan Agreement and the other Financing Documents, without prejudice to any other right or remedy of the Trustee or the Bondholders. The Trustee may sue for, enforce payment of and receive any amounts due or becoming due from the Borrower for principal, premium, interest or otherwise under any of the provisions of this Indenture or the other Financing Documents, without prejudice to any other right or remedy of the Trustee.

(D) Regardless of the happening of an Event of Default, the Trustee may institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Indenture and the other Financing Documents by any acts which may be unlawful or in violation of this Indenture or of any other Financing Document or of any resolution authorizing the Bonds, or to preserve or protect the interest of the Trustee and/or the Bondholders.

SECTION 604. APPOINTMENT OF RECEIVERS. Upon the occurrence and during the continuance of an Event of Default and upon the filing of a suit or commencement of other judicial proceedings to enforce the rights of the Trustee under this Indenture and the other Financing Documents, the Trustee shall, to the extent permitted by law, be entitled, as a matter of right, to the appointment of a receiver or receivers of the Project Facility and of the revenues and receipts thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

SECTION 605. RIGHTS OF BONDHOLDERS TO OBLIGATE TRUSTEE TO PROTECT BONDHOLDERS. If an Event of Default shall have occurred, and if requested in writing so to do by the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding, and if secured and indemnified as provided in Section 701(I) herein, the Trustee shall be obligated to proceed to protect its rights and the rights of the Bondholders under applicable law, the Loan Agreement, the Bonds, this Indenture and the other Financing Documents, as the Trustee, being advised by Independent Counsel, shall deem most expedient in the interest of the Bondholders.

SECTION 606. REMEDIES NOT EXCLUSIVE; WAIVER AND NON-WAIVER OF EVENT OF DEFAULT. (A) No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

(B) No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

(C) No waiver of any Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent or concurrent Event of Default or shall impair any rights or remedies consequent thereto.

SECTION 607. RIGHTS OF BONDHOLDERS TO DIRECT PROCEEDINGS. The Holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right at any time, by an instrument in writing executed and delivered to the Trustee and upon offering the Trustee the security and indemnity provided for in Section 701(I) herein, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this

Indenture, the Loan Agreement or the other Financing Documents, or for the appointment of a receiver or any other proceedings hereunder, provided that such direction, in the opinion of Independent Counsel, is in accordance with the provisions of law and is not unduly prejudicial to the interests of the Bondholders not joining such direction.

SECTION 608. WAIVER BY ISSUER. Upon the occurrence of an Event of Default, to the extent that such right may then lawfully be waived, neither the Issuer, nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture or any other Financing Document; and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it may lawfully do so, the benefit of all such laws and all rights of appraisal and redemption to which it may be entitled under the laws of the State.

SECTION 609. APPLICATION OF MONEYS. (A) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VI shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances (including reasonable attorneys' fees) incurred or made by the Trustee, be deposited into the Bond Fund; and all moneys in the Bond Fund shall be applied, together with the other moneys held by the Trustee hereunder (other than amounts on deposit in the Rebate Fund and unclaimed funds held pursuant to Section 410 hereof), as follows:

(1) Unless the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied:

FIRST - to the payment to the Persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;

SECOND - to the payment to the Persons entitled thereto of the unpaid principal of and any premium on the Bonds (other than Bonds called for redemption for the payment of which moneys shall be held pursuant to the provisions of this Indenture) which shall have become due, in order of their maturities, with interest from the date upon which they became due and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, and interest on the Bonds due on any particular date, then to the payment ratably, according to amounts due respectively for principal, interest and premium, if any, to the Persons entitled thereto, without any discrimination or privilege; and

THIRD - to the payment to the Persons entitled thereto of the principal of, premium, if any, on, or interest on the Bonds which may thereafter become due and payable, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest and premium, if any, then due and owing thereon, payment shall be made ratably according to the amount of interest, principal and premium, if any, due on such date to the Persons entitled thereto, without any discrimination or privilege.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due and unpaid upon the Bonds, without preference or priority

of principal and premium over interest or of interest over principal and premium, or of any installment of interest over any other installment of interest, or of any Bonds over any other Bonds, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the Persons entitled thereto without any discrimination or privilege.

(B) Whenever moneys are to be applied pursuant to the provisions of Section 609(A)(1) hereof, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for such application and the likelihood of additional moneys becoming available in the future. Whenever the Trustee shall apply such moneys under Section 609(A)(1) hereof, the Trustee shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. Whenever moneys are to be applied pursuant to the provisions of Section 609(A)(2) hereof, such moneys shall be applied as soon as practicable upon receipt thereof. In either case, the Trustee shall give such notice as the Trustee may deem appropriate of the deposit with the Trustee of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee and a new Bond is issued or the Bond is cancelled if fully paid.

SECTION 610. REMEDIES VESTED IN TRUSTEE. All rights of action, including the right to file proof of claims, under this Indenture, under any other Financing Document or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Holders of the Bonds. Subject to the provisions of Section 609 hereof, any recovery or judgment shall be for the equal benefit of the Holders of the Outstanding Bonds.

SECTION 611. LIMITATIONS ON RIGHTS AND REMEDIES OF BONDHOLDERS. No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or any other Financing Document or for the execution of any trust under this Indenture or for the appointment to the extent permitted by law of a receiver or any other remedy hereunder, unless an Event of Default under Section 601(A) hereof has occurred or a default under Section 601(B) or Section 601(C) hereof has occurred of which the Trustee has been notified as provided in Section 614 hereof; nor unless also (A) such default, in the case of a default under Section 601(B) or Section 601(C), shall have become an Event of Default, and (B) the Holders of at least fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; nor unless also they have offered to the Trustee indemnity as provided in Section 701(I) hereof; nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding for a period of thirty (30) days after receipt by the Trustee of such request and offer of indemnity; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment to the extent permitted by law of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the Lien of this Indenture by any action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Holders of all Bonds then Outstanding. Nothing in this Indenture shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest on each of the Bonds issued

hereunder to the respective Holders thereof, at the time and place and from the source and in the manner in the Bonds expressed.

SECTION 612. TERMINATION OF PROCEEDINGS. In case the Trustee shall have undertaken any proceedings to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the Issuer, the Borrower and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

SECTION 613. WAIVERS OF EVENTS OF DEFAULT. The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on the Bonds upon the written request of the Holders of a majority of the aggregate principal amount of all the Bonds then Outstanding; provided, however, that there shall not be waived (A) any default in the payment of the principal of any Outstanding Bond at the date of maturity specified therein, or upon proceedings for mandatory redemption, or (B) any default in the payment when due of the interest or premium on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the respective rates borne by the Bonds in respect of which such default shall have occurred on overdue installments of interest or all arrears of payments of principal when due (whether at the stated maturity thereof or upon proceedings for redemption) as the case may be, shall have been paid or provided for, and no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereto. The Trustee shall not grant any waiver or rescission hereunder unless all ordinary and extraordinary fees and expenses of the Trustee, including, but not limited to, reasonable attorneys' fees, incurred in connection with said default have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then, and in every such case, the Issuer, the Trustee and the Bondholders, respectively, shall be restored to their former positions and rights hereunder.

SECTION 614. NOTICE OF DEFAULTS; OPPORTUNITY TO CURE. (A) Anything herein to the contrary notwithstanding, no default under Section 601(B) or Section 601(C) hereof shall constitute an Event of Default until the Trustee shall have received written notice thereof or shall have actual notice thereof and until actual notice of such default by registered or certified mail shall be given by the Trustee or by the Holders of not less than fifty-one (51%) percent of the aggregate principal amount of Bonds then Outstanding to the Issuer and the Borrower (with a copy to the Trustee if given by the Holders), and the Issuer and the Borrower shall have had thirty (30) days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided, however, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the Borrower within the applicable period and diligently pursued until the default is corrected.

(B) The Trustee shall immediately notify the Issuer and the Borrower of any Event of Default or Event of Taxability known to the Trustee.

SECTION 615. STATEMENT OF INCOME AND EXPENDITURES. Upon the occurrence and during the continuance of an Event of Default, the Trustee shall render annually to the Bondholders a summarized statement of income and expenditures prepared by the Borrower in connection with the Project Facility, but only to the extent, if any, that the Trustee can obtain such information without unreasonable effort or expense.

ARTICLE VII
THE TRUSTEE

SECTION 701. ACCEPTANCE OF THE TRUSTS. The Trustee hereby accepts the trusts imposed upon it by this Indenture and agrees to perform said trusts upon the following terms and conditions:

(A) The Trustee may execute any of the trusts or powers hereof and perform any of its duties hereunder by or through attorneys, agents, receivers or employees, but shall not be answerable for the conduct of the same if appointed without gross negligence, and shall be entitled to advice of counsel concerning all matters of the trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may be reasonably employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney appointed without gross negligence, who may be the attorney or attorneys for the Issuer, and shall not be responsible for any loss or damage resulting from any action or nonaction in reliance upon any such opinion or advice.

(B) Except as expressly provided herein, the Trustee shall not be responsible for any recital herein or in the Bonds (except in respect to the authentication certificate of the Trustee endorsed on the Bonds), or for the validity of the execution by the Issuer or the Borrower of this Indenture or of any supplements thereto or instruments of further assurance or of any other Financing Document, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for insuring the Property subject to the Lien of the Financing Documents, or for the value or title of any of the Property subject to the Lien of the Financing Documents, or for the payment of, or for minimizing taxes, charges, assessments or Liens upon the same, or otherwise as to the maintenance of the security hereof, except as to the safekeeping of the pledged collateral held by the Trustee and except that, in the event the Trustee enters into possession of part or all of the Property subject to the Lien of the Financing Documents pursuant to any provision thereof, it shall use due diligence in preserving the same, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenant, condition or agreement on the part of the Issuer or the Borrower, but the Trustee may require of the Issuer and the Borrower full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the Property subject to the Lien of the Financing Documents.

(C) The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee.

(D) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the Owner of any Bond shall be conclusive and binding upon all future Owners of the same Bond and of any Bond or Bonds issued in exchange therefor or in place thereof.

(E) The Trustee may accept a certificate of the Secretary or Assistant Secretary of the Issuer under its corporate seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted and is in full force and effect. As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Borrower signed by an

Authorized Representative of the Borrower, or a certificate of an Authorized Representative of the Issuer under seal, as the case may be, as sufficient evidence of the facts therein contained and, prior to the occurrence of a default of which it has been notified as provided in paragraph (M) of this Section or of which by said paragraph it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is or is not necessary or expedient, but may at its discretion, at the reasonable expense of the Borrower, in every case secure such further evidence as it may think necessary or advisable, but shall in no case be bound to secure the same.

(F) The permissive right of the Trustee to do things enumerated in the Financing Documents shall not be construed as a duty unless so specified herein, and in doing or not doing so the Trustee shall not be answerable for other than its own active gross negligence or willful misconduct.

(G) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Project Facility and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(H) Notwithstanding anything elsewhere in this Indenture, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any moneys, the release of any interest in Property or any action whatsoever, within the purview of this Indenture or of any Financing Document, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to those required herein.

(I) Before taking any action under this Indenture (except declaring an Event of Default, a mandatory redemption or an acceleration of the Bonds pursuant to the Indenture), the Trustee may require that a security and indemnity reasonably satisfactory to it be deposited with it for the reimbursement of all fees, costs and expenses including, but not limited to, reasonable attorney's fees and expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct by reason of any action so taken.

(J) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law or by this Indenture. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon with the Issuer. The Trustee shall not be liable for any loss pertaining to an Authorized Investment executed in accordance with written instructions from the Borrower.

(K) The Trustee, prior to an Event of Default hereunder and after curing all Events of Default which may have occurred, undertakes to perform only such duties as are specifically set forth in this Indenture. In case an Event of Default has happened which has not been cured, the Trustee shall exercise the rights, duties and powers vested in the Trustee by this Indenture in good faith and with that degree of diligence, care and skill which ordinarily prudent persons would exercise under similar circumstances in handling their own affairs.

(L) The Trustee shall furnish to the Issuer during the term of this Indenture upon the written request of the Issuer any reports or other account of the use of any of the Issuer's funds held by the Trustee that may be required by any governmental body.

(M) The Trustee shall not be required to take notice or be deemed to have notice of the occurrence of any Event of Default or an Event of Taxability other than an Event of Default under Section 601(A) hereof, unless the Trustee shall have actual knowledge of such Event of Default or Event of

Taxability or unless the Trustee shall be specifically notified in writing of such Event of Default or Event of Taxability by the Issuer or the Borrower or the Owners of at least fifty-one percent (51%) in aggregate principal amount of Bonds Outstanding hereunder, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Office of the Trustee, and, in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default or Event of Taxability, except as aforesaid.

(N) The Trustee shall not be personally liable for any debts contracted or for damages to Persons or to personal Property injured or damaged, or for salaries or nonfulfillment of contracts, during any period in which it may be in the possession of or managing any Property subject to the Lien of the Financing Documents as in this Indenture provided.

(O) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(P) All notices to, or requests of, the Trustee hereunder shall be in writing.

SECTION 702. FEES, CHARGES AND EXPENSES OF TRUSTEE. The Trustee shall be entitled to payment from the Borrower for its Ordinary Services and Ordinary Expenses, including, but not limited to, reasonable attorney's fees, rendered or incurred hereunder and, in the event that it should become necessary for the Trustee to perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor from the Borrower, and to reimbursement from the Borrower for reasonable and necessary Extraordinary Expenses, including, but not limited to, reasonable attorney's fees, in connection therewith; provided that, if such Extraordinary Services or Extraordinary Expenses are occasioned by the gross negligence or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The fees, charges and expenses of the Trustee shall be payable by the Borrower in accordance with Section 5.1(B)(1) of the Loan Agreement. The Trustee shall not be required to expend any of its own funds in the performance of its duties under this Indenture.

SECTION 703. NOTICE TO BONDHOLDERS OF DEFAULT. If an Event of Default occurs of which the Trustee is, by Section 614 or subsection (M) of Section 701 hereof, required to take notice or if notice of an Event of Default has been given to the Trustee as in said Section 614 or Section 701(M) provided, then the Trustee shall give written notice thereof by mail to all Owners of Bonds then Outstanding as shown on the bond register maintained by the Trustee.

SECTION 704. INTERVENTION BY TRUSTEE. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Bondholders, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the Owners of at least fifty-one percent (51%) in aggregate principal amount of all Bonds then Outstanding and if offered the security and indemnity provided for in Section 701(I) of this Indenture. The rights and obligations of the Trustee under this Section 704 are subject to the approval of a court of competent jurisdiction.

SECTION 705. SUCCESSOR TRUSTEE. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall, ipso facto, be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 706. RESIGNATION BY THE TRUSTEE. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving sixty (60) days' written notice to the Issuer and the Borrower and by registered or certified mail to each Owner of Bonds then Outstanding and such resignation shall take effect at the end of such sixty (60) day period, but not prior to the acceptance of appointment by a successor Trustee under Section 709 hereof. Such notice to the Issuer and the Borrower may be served personally or sent by registered mail. If an instrument of acceptance by a successor Trustee shall not be delivered to the Trustee within sixty (60) days after the giving of such notice of resignation, the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

SECTION 707. REMOVAL OF THE TRUSTEE. (A)(1) The Trustee may be removed at any time, by the Owners of a majority in aggregate principal amount of all Bonds then Outstanding, by an instrument or concurrent instruments in writing delivered to the Trustee, the Issuer and the Borrower, and signed by the Owners of a majority in aggregate principal amount of all Bonds then Outstanding, prior to an Event of Default for cause and after an Event of Default for any reason, by an instrument or concurrent instruments in writing delivered to the Trustee, the Issuer and the Borrower, stating the cause or reason for such removal. Any such notice shall specify the date that such removal shall take effect.

(2) So long as no Event of Default has occurred and is continuing, the Trustee may also be removed by the Borrower, by an instrument in writing signed by the Borrower and delivered to the Trustee and the Issuer. Such removal shall be subject to the consent of the Issuer, which consent may be withheld in the absolute discretion of the Issuer and, upon a determination by the Issuer, subject to the requirement that the Borrower obtain the consent of the Owners of a majority in aggregate principal amount of all Bonds then Outstanding. Any such notice shall specify the date that such removal shall take effect.

(B) No removal of the Trustee under this Section 707 shall be effective until a successor Trustee shall have been appointed and shall have accepted the terms and conditions imposed hereby.

SECTION 708. APPOINTMENT OF SUCCESSOR TRUSTEE BY THE BONDHOLDERS; TEMPORARY TRUSTEE. (A) In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their duly authorized attorneys; provided, nevertheless, that in case of vacancy, the Issuer (at the written direction of the Borrower) by an instrument executed and signed by the Chairman, Vice Chairman or Chief Executive Officer and attested by the Secretary or Assistant Secretary of the Issuer under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by such Bondholders in the manner above provided; and any such temporary Trustee so appointed by the Issuer (at the written direction of the Borrower) shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders.

(B) Every such successor or temporary Trustee appointed pursuant to the provisions of this Section 708 shall (1) be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, (2) be located within or outside the State, (3) be duly authorized to exercise trust powers in the State, (4) be subject to examination by a federal or state authority, and (5) maintain a reported capital and surplus of not less than \$20,000,000 (or a combined capital and surplus in excess of \$5,000,000 and the obligations of which, whether now in existence or hereafter incurred, are fully guaranteed by a corporation organized and doing business under

the laws of the United States, and State or territory thereof or of the District of Columbia, that has a combined capital and surplus of at least \$50,000,000), if there be one able and willing to accept the trust on reasonable and customary terms.

SECTION 709. CONCERNING ANY SUCCESSOR TRUSTEE. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, Properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, and upon payment of all amounts due such predecessor, execute and deliver an instrument transferring to such successor Trustee all the estates, Properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee (subject to such payment) shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by a successor Trustee for more fully and certainly vesting in such successor the estates, Properties, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VII, shall be filed and/or recorded by the successor Trustee in each recording office where this Indenture shall have been filed and/or recorded.

SECTION 710. TRUSTEE PROTECTED IN RELYING UPON RESOLUTIONS, ETC. The resolutions, opinions, certificates and other instruments provided for in this Indenture or any other Financing Document may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property under any other Financing Document and the withdrawal of moneys hereunder or for any other action to be taken by the Trustee in reliance thereon.

SECTION 711. SUCCESSOR TRUSTEE AS TRUSTEE, PAYING AGENT AND BOND REGISTRAR. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or has been removed shall cease to be Trustee and paying agent on the Bonds and Bond Registrar, and the successor Trustee shall become such Trustee and paying agent and Bond Registrar.

SECTION 712. TRUST MAY BE VESTED IN SEPARATE OR CO-TRUSTEE. (A) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction, including particularly the law of the State, denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, and in particular in case of the enforcement of any such instrument on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the trust herein created, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee.

(B) In the event that the Trustee appoints an additional institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee, but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies; and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

(C) Should any deed, conveyance or instrument in writing from the Issuer be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such Properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. In case any separate trustee or co-trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, Properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

SECTION 801. SUPPLEMENTAL INDENTURES NOT REQUIRING CONSENT OF BONDHOLDERS. (A) The Issuer and the Trustee, without the consent of, or notice to, any of the Bondholders, may enter into an indenture or indentures supplemental to this Indenture and not inconsistent with the terms and provisions hereof or, in the sole judgment of the Trustee, materially adverse to the interests of the Trustee or the Holders of the Bonds, for any one or more of the following purposes:

- (1) to cure any ambiguity, inconsistency or formal defect or omission in this Indenture;
- (2) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or any of them;
- (3) to subject additional rights and revenues to the Lien of this Indenture, or to identify more precisely the Trust Estate;
- (4) to obtain or maintain a rating on the Bonds from Moody's, Standard & Poor's or Fitch;
- (5) to comply with the provisions of the Code necessary to maintain the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes;
- (6) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar Federal statute hereafter in effect or under any state blue sky law;
- (7) to enable the issuance of Additional Bonds;
- (8) to permit the Bonds to be converted to certificated securities to be held by the registered Owners thereof; or
- (9) for any other purpose not materially adverse to the interests of the Holders of the Bonds.

(B) The Issuer and the Trustee may rely on an opinion of Independent Counsel as conclusive evidence that the execution and delivery of any amendment or supplemental indenture has been effected in compliance with this Section 801.

(C) The Trustee may, but shall not be obligated to, enter into any such supplemental indenture that modifies the Trustee's rights, duties or immunities under this Indenture or otherwise.

SECTION 802. SUPPLEMENTAL INDENTURES REQUIRING CONSENT OF BONDHOLDERS. (A) Except for supplemental indentures as provided in Section 801 hereof, the Holders of not less than two-thirds in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything in this Indenture to the contrary notwithstanding, to consent to and approve the execution

by the Issuer and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Issuer or the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing contained in this Section 802 shall permit or be construed as permitting (1) without the consent of the Holder of such Bond, (a) a reduction in the rate, or extension of the time of payment, of interest on any Bond, (b) a reduction of any premium payable on the redemption of any Bond, or an extension of time for such payment, or (c) a reduction in the principal amount payable on any Bond, or an extension of time in which the principal amount of any Bond is payable, whether at the stated or declared maturity or redemption thereof, (2) the creation of any Lien prior to or on a parity with the Lien of this Indenture (other than that parity Lien created to secure the Additional Bonds), (3) a reduction in the aforesaid aggregate principal amount of Bonds, the Holders of which are required to consent to any such supplemental indenture, without the consent of the Holders of all the Bonds at the time Outstanding which would be affected by the action to be taken, (4) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee, or (5) a privilege or priority of any Bond or Bonds over any other Bond or Bonds.

(B) If at any time the Issuer and the Trustee propose to enter into any such supplemental indenture for any of the purposes specified in this Section 802, the Trustee shall, upon being satisfactorily secured and indemnified as provided in Section 701(I) hereof with respect to fees, costs and expenses, including, but not limited to, reasonable attorneys' fees, cause notice of the proposed execution of such supplemental indenture to be mailed to each Bondholder. Such notice, which shall be prepared by Independent Counsel, shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the Office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Trustee following the mailing of such notice, the Holders of not less than two-thirds in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section 802 permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

(C) The Issuer and the Trustee may rely upon an opinion of Independent Counsel as conclusive evidence that the execution and delivery of a supplemental indenture has been effected in compliance with the provisions of this Section 802.

SECTION 803. SUPPLEMENTAL INDENTURES; CONSENT OF THE BORROWER.

(A) Notwithstanding anything contained in this Indenture to the contrary, no supplemental indenture which affects any rights or liabilities of the Borrower shall become effective unless or until the Borrower shall have consented in writing to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice, which shall be prepared by Independent Counsel, of the proposed execution and delivery of any such supplemental indenture to be mailed by certified or registered mail to the Borrower at least fifteen (15) days prior to the proposed date of execution and delivery of any supplemental indenture. The Borrower shall be deemed to have consented to the execution and delivery of any supplemental indenture if the Trustee has not received a letter of protest or objection signed by the Borrower within fifteen (15) days after the mailing of said notice and a copy of the supplemental indenture.

(B) The Issuer and the Trustee may rely upon an opinion of Independent Counsel as conclusive evidence whether or not a supplemental indenture affects any rights or liabilities of the Borrower within the meaning of, and for the purposes of, this Section 803.

SECTION 804. EFFECT OF SUPPLEMENTAL INDENTURES. Any supplemental indenture executed in accordance with the provisions of this Article VIII shall thereafter form part of the terms and conditions of this Indenture for any and all purposes.

ARTICLE IX

AMENDMENT TO LOAN AGREEMENT, OR OTHER FINANCING DOCUMENTS

SECTION 901. AMENDMENTS TO LOAN AGREEMENT OR OTHER FINANCING DOCUMENTS NOT REQUIRING CONSENT OF BONDHOLDERS. (A) The Issuer, the Borrower and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Loan Agreement or any other Financing Document (other than this Indenture) as may be required (1) by the provisions of any Financing Document, (2) for the purpose of curing any ambiguity, inconsistency or formal defect therein or omission therefrom, (3) so as to identify more precisely the Trust Estate or the Project Facility, (4) in connection with any supplemental indenture entered into pursuant to Section 801 hereof, or to effect any purpose for which there could be a supplemental indenture pursuant to Section 801 hereof, (5) to obtain or maintain a rating on the Bonds from Moody's, Standard & Poor's or Fitch, (6) to permit the issuance of Additional Bonds, (7) to comply with the provisions of the Code necessary to maintain the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes, or (8) in connection with any other supplemental indenture, but only if any such amendment, change or modification, in the sole judgment of the Trustee, is not materially adverse to the interests of the Trustee or the Bondholders.

(B) The Issuer and the Trustee may rely upon an opinion of Independent Counsel as conclusive evidence that the execution and delivery of any amendment, change or modification to the Loan Agreement or any other Financing Document (other than this Indenture) has been effected in compliance with the provisions of this Section 901.

SECTION 902. AMENDMENTS TO LOAN AGREEMENT OR OTHER FINANCING DOCUMENTS REQUIRING CONSENT OF BONDHOLDERS. (A) Except for the amendments, changes or modifications as provided in Section 901 hereof, neither the Issuer, the Borrower nor the Trustee shall consent to any other amendment, change or modification of the Loan Agreement or any other Financing Document (other than this Indenture) without mailing notice thereof to, and obtaining the written approval or consent thereto of, the Holders of not less than two-thirds in aggregate principal amount of the Bonds at the time Outstanding given as in this Section 902 provided.

(B) If at any time the Issuer and the Borrower shall request the consent of the Trustee to any such proposed amendment, change or modification of the Loan Agreement or any other Financing Document (other than this Indenture) not authorized by Section 901 hereof, the Trustee shall, upon being satisfactorily secured and indemnified as provided in Section 701(I) hereof with respect to fees, costs and expenses including, but not limited to, reasonable attorney's fees, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 802 hereof with respect to supplemental indentures. Such notice, which shall be prepared by Independent Counsel, shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Office of the Trustee for inspection by all Bondholders.

(C) The Issuer and the Trustee may rely upon an opinion of Independent Counsel as conclusive evidence that the consent to the execution and delivery of any amendment, change or modification to the Loan Agreement or any other Financing Document (other than this Indenture) has been effected in compliance with the provisions of this Section 902.

ARTICLE X

SATISFACTION AND DISCHARGE OF INDENTURE

SECTION 1001. SATISFACTION AND DISCHARGE OF LIEN. (A) If the Issuer (1) shall pay or cause to be paid, to the Holders and Owners of the Bonds, the principal of the Bonds and premium, if any, due on the Bonds, at the times and in the manner stipulated therein and herein, (2) shall pay or cause to be paid from any source, to the Holders and Owners of the Bonds, the interest to become due on the Bonds, at the times and in the manner stipulated therein and herein, (3) shall have paid all fees, costs and expenses including, but not limited to, reasonable attorney's fees of the Trustee and each paying agent, (4) shall pay or cause to be paid the entire Rebate Amount to the United States in accordance with the Tax Documents and Section 407 hereof, and (5) shall cause to be delivered an opinion of Independent Counsel stating that all conditions precedent with respect to the satisfaction and discharge of the Indenture have been met, then these presents and the trust and rights hereby granted shall cease, terminate and be void, and thereupon the Trustee shall (a) cancel and discharge the Lien of this Indenture upon the Trust Estate and the Trustee's rights under the other Financing Documents and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy same, (b) reconvey to the Issuer the Loan Agreement and the trust hereby conveyed, and (c) assign and deliver to the Borrower any interest in Property at the time subject to the Lien of this Indenture and the other Financing Documents which may then be in its possession, except amounts held by the Trustee for the payment of principal of, and the interest and premium, if any, on, the Bonds.

(B) All Outstanding Bonds shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in Section 1001(A) if, under circumstances which, in the opinion of Bond Counsel, do not adversely affect the exclusion under the Code of interest on the Tax-Exempt Bonds from the gross income of the Holders thereof for Federal income tax purposes, the following conditions shall have been fulfilled: (1) in case any of the Bonds are to be redeemed on any date prior to their maturity, the Borrower shall have given to the Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Bonds on said date as provided herein; and (2) there shall be on deposit with the Trustee moneys, which shall be either cash or Defeasance Obligations, in an amount sufficient, without the need for further investment or reinvestment, but including any scheduled interest on or increment to such obligations, to pay when due the principal, premium, if any, and interest due and to become due on the Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, and to pay the Trustee for its Ordinary Services and Ordinary Expenses and for its Extraordinary Services and Extraordinary Expenses under this Indenture.

(C) The Trustee may rely upon an opinion of an Accountant as to the sufficiency of the cash or such Defeasance Obligations on deposit.

(D) Anything in Article VIII to the contrary notwithstanding, if moneys or Defeasance Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of the principal or redemption price of the Bonds and the interest thereon and the principal or redemption price of such Bonds and the interest thereon shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Owner of each of the Bonds affected thereby.

(E) Notwithstanding the foregoing, those provisions relating to the maturity of Bonds, interest payments and dates thereof, optional and mandatory redemption provisions, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and repayments to the

Borrower from the Bond Fund, the rebate of moneys to the United States in accordance with Section 407 hereof, and the duties of the Trustee and the Bond Registrar in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee, the Bond Registrar, the Paying Agents and the Bondholders notwithstanding the release and discharge of this Indenture. The provisions in this Article shall survive the release, discharge and satisfaction of this Indenture.

SECTION 1002. DEFEASANCE. (A) So long as the Bonds shall remain outstanding, then, notwithstanding the provisions of Section 1001, the Bonds may not be defeased, unless (1) no less than five (5) Business Days prior to the scheduled defeasance, the Trustee shall be notified and provided with draft copies of the proposed escrow agreement (the "Escrow Agreement"), a verification report from a verifier acceptable to the Trustee (in form and substance satisfactory to the Trustee) stating that the escrow is sufficient to meet the standards of Section 1001 hereof (the "Verification Report"), and an opinion of Bond Counsel to the effect that all of the requirements of the Financing Documents for defeasance of the Bonds have been complied with (the "Defeasance Opinion") and (2) such defeasance shall be accomplished only with an irrevocable deposit in escrow of Defeasance Obligations which constitute Available Moneys.

(B) Further substitutions of securities in the escrow are not permitted. The deposit in the escrow must be sufficient, without reinvestment, to pay all principal, premium, if any, and interest as scheduled on the Bonds to and including the date of redemption.

ARTICLE XI

MISCELLANEOUS

SECTION 1101. CONSENTS AND OTHER INSTRUMENTS OF BONDHOLDERS. (A) Any consent, request, direction, approval, waiver, objection, appointment or other instrument required by this Indenture to be signed and executed by the Bondholders may be signed and executed in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such instrument, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such instrument, namely:

(A) The fact and date of the execution by any Person of any such instrument may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying to the execution thereof, or in any other manner satisfactory to the Trustee. Where such execution is by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such affidavit or certificate shall also constitute sufficient proof of his authority.

(B) The ownership of Bonds shall be proven by the bond register.

(C) Any request, consent or vote of the Holder of any Bond shall bind every future holder of the same Bond and the holder of every Bond issued in exchange therefor or in lieu thereof or upon registration of transfer thereof, in respect of anything done or permitted to be done by the Trustee or the Issuer pursuant to such request, consent or vote.

(D) In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the Issuer, the Borrower or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Issuer or the Borrower shall be disregarded and deemed not to be Outstanding. For the purposes of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 1101 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

SECTION 1102. LIMITATION OF RIGHTS. With the exception of rights herein expressly conferred, nothing expressed or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions hereof.

SECTION 1103. NOTICES. (A) All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (1) delivered to the applicable address stated below by registered or certified mail, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE ISSUER:

Town of Amherst Development Corporation
4287 Main Street
Amherst, New York 14226
Attention: Chief Executive Officer

WITH A COPY TO:

Hurwitz & Fine, P.C.
1300 Liberty Building
Buffalo, New York 14202
Attention: Joseph M. Reynolds, Esq.

AND:

Hodgson Russ LLP
677 Broadway, Suite 301
Albany, New York 12207
Attention: Christopher C. Canada, Esq.

IF TO THE BORROWER:

Daemen College
4380 Main Street
Amherst, New York 14226
Attention: President

WITH A COPY TO:

Hodgson Russ LLP
140 Pearl Street
Buffalo, New York 14202
Attention: Terrence M. Gilbride, Esq.

IF TO THE TRUSTEE:

The Bank of New York Mellon, as Trustee
101 Barclay Street, 7 East
New York, New York 10286
Attention: Christopher Spinelli, Vice President

WITH A COPY TO:

Buchanan Ingersoll & Rooney PC
640 Fifth Avenue, 9th Floor
New York, New York 10019
Attention: David Fernandez, Esq.

(C) A duplicate copy of each notice, certificate and other communication given hereunder by the Trustee or the Issuer shall also be given to the Borrower.

(D) The Issuer, the Borrower and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

SECTION 1104. TRUSTEE AS PAYING AGENT AND BOND REGISTRAR. The Trustee is hereby designated and agrees to act as paying agent and the Bond Registrar for and in respect to the Bonds.

SECTION 1105. COUNTERPARTS. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 1106. SUCCESSORS AND ASSIGNS. All the covenants and representations contained in this Indenture, by or on behalf of the Issuer, shall bind and inure to the benefit of its successors and assigns, whether so expressed or not.

SECTION 1107. INFORMATION UNDER UNIFORM COMMERCIAL CODE. The Issuer is the Debtor. The Trustee is the Secured Party. The address of the Trustee from which information concerning the security interest may be obtained and the address of the Issuer are set forth in Section 1103 of this Indenture.

SECTION 1108. APPLICABLE LAW. This Indenture shall be governed exclusively by the applicable laws of the State.

SECTION 1109. NO RECOURSE; SPECIAL OBLIGATION. (A) All covenants, stipulations, promises, agreements and obligations of the Issuer contained in this Indenture, in the Bonds, in the other Financing Documents executed by the Issuer and in the other documents and instruments connected herewith or therewith, and in any documents supplemental thereto (collectively, the "Financing Documents") shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any member, director, officer, agent, servant or employee of the Issuer in his individual capacity, and no recourse under or upon any obligation, covenant or agreement in the Financing Documents contained or otherwise based upon or in respect of the Financing Documents, or for any claim based hereon or thereon or otherwise in respect hereof or thereof, shall be had against any past, present or future member, director, officer, agent, servant or employee, as such, of the Issuer or of any successor entity or political subdivision or any Person executing any of the Financing Documents on behalf of the Issuer, either directly or through the Issuer or any successor entity or political subdivision or any Person so executing any of the Financing Documents on behalf of the Issuer, it being expressly understood that the Financing Documents and the Bond issued thereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, director, officer, agent, servant or employee of the Issuer or of any successor entity or political subdivision or any Person so executing any of the Financing Documents on behalf of the Issuer because of the creation of the indebtedness thereby authorized, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom; and that any and all such personal liability

of, and any and all such rights and claims against, every such member, director, officer, agent, servant or employee because of the creation of the indebtedness authorized by the Financing Documents, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom, are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution by the Issuer of the Financing Documents and the issuance, sale and delivery of the Bonds.

(B) The obligations and agreements of the Issuer contained herein shall not constitute or give rise to an obligation of the State or the Town of Amherst, New York, and neither the State nor the Town of Amherst, New York shall be liable thereon, and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from the sale or other disposition of the Project Facility (except for revenues derived by the Issuer with respect to the Unassigned Rights).

(C) No order or decree of specific performance with respect to any of the obligations of the Issuer hereunder (other than pursuant to Section 502 hereof, and then only to the extent of the Issuer's obligations thereunder) shall be sought or enforced against the Issuer unless the party seeking such order or decree shall first have complied with Section 515 hereof.

(D) The Issuer shall be entitled to the advice of counsel (who may be counsel to any party or to any Bondholder) appointed with due care and shall be wholly protected as to any action taken or omitted to be taken in good faith in reliance on such advice. The Issuer may rely conclusively on any notice, certificate or other document furnished to it under any Financing Document and reasonably believed by it to be genuine. The Issuer shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or in good faith omitted to be taken by it and reasonably believed to be beyond such discretion or power, or taken by it pursuant to any direction or instruction by which it is governed under any Financing Document, or omitted to be taken by it by reason of the lack of direction or instruction required for such action under any Financing Document, and shall not be responsible for the consequences of any error of judgment reasonably made by it. When any payment, consent or other action by the Issuer is called for by this Indenture, the Issuer may defer such action pending an investigation or inquiry or receipt of such evidence, if any, as it may require in support thereof. A permissive right or power to act shall not be construed as a requirement to act, and no delay in the exercise of a right or power shall affect the subsequent exercise thereof. The Issuer shall in no event be liable for the application or misapplication of funds or for other acts or defaults by any Person except by its own directors, officers and employees.

(E) In approving, concurring in or consenting to any action or in exercising any discretion or in making any determination under this Indenture, the Issuer may consider the interests of the public, which shall include the anticipated effect of any transaction on tax revenues and employment, as well as the interests of the other parties hereto and the Bondholders; provided, however, that nothing herein shall be construed as conferring on any Person other than the Trustee and the Bondholders any right to notice, hearing or participation in the Issuer's consideration, and nothing in this Section 1109 shall be construed as conferring on any of them any right additional to those conferred elsewhere herein. Subject to the foregoing, the Issuer shall not unreasonably withhold any approval or consent to be given by it hereunder.

SECTION 1110. NOTICES TO RATING AGENCIES. (A) If the Bonds have received a rating from Fitch or any other Rating Agency, the Trustee shall immediately notify Fitch and/or such other Rating Agency if any of the following events occur: (1) any redemption (other than pursuant to the sinking fund redemption provisions of the Indenture), purchase or defeasance of all Outstanding Bonds; (2) any amendment to any Financing Document entered into or consented to by the Trustee pursuant to Article

VIII or Article IX hereof; (3) the occurrence of any Event of Default hereunder; (4) the appointment of a successor Trustee; or (5) the redemption in whole or defeasance of the Bonds.

(B) If the Bonds have received a rating from Fitch or any other Rating Agency, no amendment to any Financing Document shall be executed by the Issuer or the Trustee unless Fitch and/or such other Rating Agency has received notice of such proposed amendment, and a copy thereof, at least fifteen (15) Business Days in advance of the execution thereof.

(C) All notices to Fitch required by this Section 1110 shall be sent to the following address:

Fitch Ratings Inc.
33 Whitehall Street
New York, New York 10004
Attention: Rating Surveillance Department

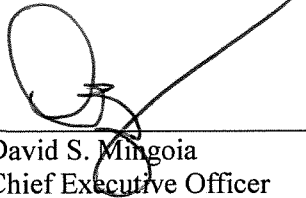
(D) Any Rating Agency may, by notice in writing to the Trustee, designate any further or different address to which subsequent notices under this Section 1110 shall be sent.

(F) Prior to the occurrence of an Event of Default under this Indenture, the Trustee's agreement to give notices to Rating Agencies pursuant to Section 1110(A) is made as a matter of courtesy and accommodation only and the Trustee shall have no liability to any Person for any failure to comply with said Section.

SECTION 1111. U.S.A. PATRIOT ACT. The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name and behalf by its Chairman, Vice Chairman or Chief Executive Officer, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and behalf by one of its duly authorized trust officers, all as of the day and year first hereinabove written.

TOWN OF AMHERST
DEVELOPMENT CORPORATION

BY: 
David S. Mingoia
Chief Executive Officer

THE BANK OF NEW YORK MELLON, as
Trustee

BY: _____
Authorized Officer

CONSENT BY THE BORROWER

The Borrower hereby approves, consents to and agrees to be bound by all of the terms and provisions of this Indenture insofar as such terms or provisions, directly or indirectly, relate to, apply to, require or prohibit action by or deal with the Borrower, or Property of the Borrower, including, without limitation, the Project Facility, and including, but not limited to, all provisions for the deposit or payment of moneys to funds held by the Trustee under this Indenture. The Borrower hereby agrees, at its own expense, to do all things and take all actions as shall be necessary to enable the Issuer to perform its obligations under this Indenture. This paragraph shall bind the Borrower and its successors and assigns.

DAEMEN COLLEGE

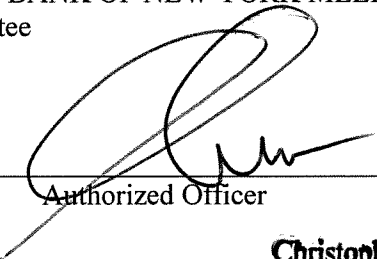
BY: 
Authorized Officer

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name and behalf by its Chairman, Vice Chairman or Chief Executive Officer, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and behalf by one of its duly authorized trust officers, all as of the day and year first hereinabove written.

TOWN OF AMHERST
DEVELOPMENT CORPORATION

BY: _____
David S. Mingoia
Chief Executive Officer

THE BANK OF NEW YORK MELLON, as
Trustee

BY:  _____
Authorized Officer

Christopher Spinelli
Vice President

CONSENT BY THE BORROWER

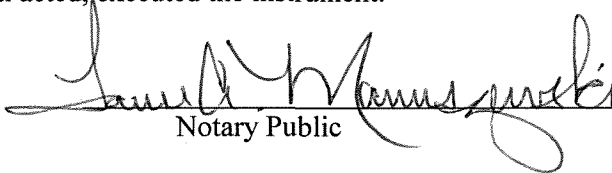
The Borrower hereby approves, consents to and agrees to be bound by all of the terms and provisions of this Indenture insofar as such terms or provisions, directly or indirectly, relate to, apply to, require or prohibit action by or deal with the Borrower, or Property of the Borrower, including, without limitation, the Project Facility, and including, but not limited to, all provisions for the deposit or payment of moneys to funds held by the Trustee under this Indenture. The Borrower hereby agrees, at its own expense, to do all things and take all actions as shall be necessary to enable the Issuer to perform its obligations under this Indenture. This paragraph shall bind the Borrower and its successors and assigns.

DAEMEN COLLEGE

BY: _____
Authorized Officer

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 7 day of June, in the year 2018, before me, the undersigned, personally appeared DAVID S. MINGOIA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

LAURE A. MANUSZEWSKI
Notary Public, State of New York
No. 01MA5034933
Qualified in Erie County 2019
Commission Expires October 24, 2019

STATE OF NEW YORK)
) SS.:
COUNTY OF)

On the 8th day of June, in the year 2018, before me, the undersigned, personally appeared CHRISTOPHER SPINELLI, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

Tamara L. Nolbers
Notary Public State of New York
No. 01WO6177935
Qualified in Nassau County
Commission Expires 11/19/2019

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 13th day of June, in the year 2018, before me, the undersigned, personally appeared LISA ARIDA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

Pamella Weisberg
Notary Public, State of New York
Qualified in Rensselaer County
No. 01WE4943734
Commission Expires October 31, 2018

APPENDIX A

SCHEDULE OF DEFINITIONS

The following words and terms used in the document to which this Appendix is attached shall have the respective meanings set forth below unless the context or use indicates another or different meaning or intent:

“Account” means, with respect to any Series of Bonds, an account created within any Fund designated and created pursuant to Section 401 of the Indenture.

“Accountant” means an independent certified public accountant or a firm of independent certified public accountants selected by the Borrower.

“Act” means the Enabling Act.

“Additional Bonds” means any bonds issued by the Issuer pursuant to Section 214 of the Indenture.

“Additional Equipment” means, in connection with any Additional Project, any additional materials, machinery, equipment, fixtures or furnishings intended to be acquired with the proceeds of a related Series of Additional Bonds, or intended to be acquired with any payment which the Borrower incurred in anticipation of the issuance of such Series of Additional Bonds and for which the Borrower will be reimbursed from the proceeds of such Series of Additional Bonds, and such substitutions and replacements therefor and additions thereto as may be made from time to time pursuant to the Loan Agreement.

“Additional Facility” means, in connection with any Additional Project, any buildings, improvements, structures, and other related facilities (A) located on the Land or the Additional Land, (B) financed or refinanced with the proceeds of the sale of a Series of Additional Bonds or any payment made by the Borrower pursuant to Section 3.5 of the Loan Agreement or any payment which the Borrower incurred in anticipation of the issuance of such Series of Additional Bonds and for which the Borrower will be reimbursed from the proceeds of such Series of Additional Bonds, and (C) not constituting a part of the Additional Equipment, all as they may exist from time to time.

“Additional Land” means, with respect to any Series of Additional Bonds, any real estate which will be the site of an Additional Project Facility intended to be financed with the proceeds of such Series of Additional Bonds.

“Additional Project” means the purposes for which any Series of Additional Bonds may be issued.

“Additional Project Facility” means any Additional Land, Additional Facility or Additional Equipment acquired by the Issuer in connection with the issuance of any Series of Additional Bonds.

“Applicable Laws” means all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all Governmental Authorities, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to or affect the Project Facility or any part thereof or the conduct of work on the Project Facility or any part thereof or to the operation, use, manner of use or condition of the Project Facility or any part thereof (the applicability of such statutes, codes, laws, acts, ordinances, orders, rules,

regulations, directions and requirements to be determined both as if the Issuer were the owner of the Project Facility and as if the Borrower and not the Issuer were the owner of the Project Facility), including but not limited to (1) applicable building, zoning, environmental, planning and subdivision laws, ordinances, rules and regulations of Governmental Authorities having jurisdiction over the Project Facility, (2) restrictions, conditions or other requirements applicable to any permits, licenses or other governmental authorizations issued with respect to the foregoing, and (3) judgments, decrees or injunctions issued by any court or other judicial or quasi-judicial Governmental Authority.

“Arbitrage Certificate” means (A) with respect to the Initial Bonds, the Initial Arbitrage Certificate and (B) with respect to any Series of Additional Bonds intended to be issued as Tax-Exempt Bonds, any similar document executed by the Issuer in connection with the issuance and sale of such Series of Additional Bonds.

“Authorized Denominations” means: (A) with respect to the Initial Bonds, \$5,000 and any integral multiple of \$5,000 in excess thereof, except that, if as a result of a redemption, partially redeemed Initial Bonds cannot be issued in such denominations, such partially redeemed Initial Bonds shall be reissued in such other denominations to the extent required to effect such redemption; and (B) with respect to any Series of Additional Bonds, the authorized denominations for such Series of Additional Bonds as set forth in the supplemental indenture relating thereto.

“Authorized Investments” means any of the following: (A) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America; (B) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (1) U.S. Export-Import Bank (“Eximbank”), (2) Farmers Home Administration (“FmHA”), (3) Federal Financing Bank, (4) Federal Housing Administration Debentures (“FHA”), (5) General Services Administration, (6) Government National Mortgage Association (“GNMA” or “Ginnie Mae”), (7) U.S. Maritime Administration, and (8) U.S. Department of Housing and Urban Development (“HUD”); (C) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (1) Federal Home Loan Bank System, (2) Federal Home Loan Mortgage Corporation (“FHLMC” or “Freddie Mac”), (3) Federal National Mortgage Association (“FNMA” or “Fannie Mae”), (4) Student Loan Marketing Association (“SLMA” or “Sallie Mae”), (5) Resolution Funding Corp. (“REFCORP”) obligations, and (6) Farm Credit System; (D) money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor’s of “AAA-m”, “AAA-m”; or “AA-m” and if rated by Moody’s rated “Aaa”, “Aa1” or “Aa2”; (E) certificates of deposit secured at all times by collateral described in (A) and/or (B) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral; (F) certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF; (G) investment agreements, including GIC’s, Forward Purchase Agreements and Reserve Fund Put Agreements acceptable to the Trustee; (H) commercial paper rated, at the time of purchase, “Prime - 1” by Moody’s and “A-1” or better by Standard & Poor’s; (I) bonds or notes issued by any state or municipality which are rated by Moody’s and Standard & Poor’s in one of the two highest rating categories assigned by such agencies; (J) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime - 1” or “A3” or better by Moody’s and “A-1” or “A” or better by Standard & Poor’s; and (K) repurchase

agreements for 30 days or less must follow the following criteria. The criteria is described as follows: (1) Repos must be between the municipal entity and a dealer bank or securities firm (a) primary dealers on the Federal Reserve reporting dealer list which are rated A or better by Standard & Poor's Corporation and Moody's Investor Services, or (b) banks rated "A" or above by Standard & Poor's Corporation and Moody's Investor Services; (2) the written repo contract must include the following: (a) securities which are acceptable for transfer are: (i) direct U.S. governments, or (ii) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA & FHLMC), (b) the term of the repo may be up to 30 days, (c) the collateral must be delivered to the municipal entity, trustee (if trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities), (d) valuation of collateral - the securities must be valued weekly, marked-to-market at current market price plus accrued interest. The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%, and (3) legal opinion which must be delivered to the municipal entity: (a) repo meets guidelines under state law for legal investment of public funds.

"Authorized Representative" means the Person or Persons at the time designated to act on behalf of the Issuer or the Borrower, as the case may be, by written certificate furnished to the Trustee containing the specimen signature of each such Person and signed on behalf of (A) the Issuer by its Chairman, Vice-Chairman or Chief Executive Officer, or such other person as may be authorized by resolution of the Issuer to act on behalf of the Issuer, (B) the Borrower by its President, Chief Executive Officer or Chief Financial Officer, or such other person as may be authorized by the board of trustees of the Borrower to act on behalf of the Borrower and (C) the Trustee by any Vice President, Assistant Vice President or Trust Officer, or such other person as may be authorized by the board of directors of the Trustee to act on behalf of the Trustee.

"Available Moneys" means any moneys on deposit with the Trustee for the benefit of the Bondholders which are (A) proceeds of the Bonds, or of any bonds issued for the purpose of refunding the Bonds, (B) amounts on deposit for a period of 124 consecutive days during which no petition in bankruptcy under the Bankruptcy Code has been filed against the entity which paid such money, and no similar proceedings have been instituted under state insolvency or other laws affecting creditors' rights generally, or (C) any moneys with respect to which an unqualified opinion from nationally recognized counsel has been received stating that such payments to Bondholders would not constitute voidable preferences under Section 547 of the Bankruptcy Code, or similar state or federal laws with voidable preferences in the event of the filing of a petition for relief under the Bankruptcy Code, or similar state or federal laws with voidable preference provisions by or against the entity from which the money is received.

"Bankruptcy Code" means the United States Bankruptcy Code, constituting Title 11 of the United States Code, as amended from time to time, and any successor statute.

"Beneficial Owner" means, with respect to a Bond, a Person owning a Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee.

"Beneficial Ownership Interest" means the beneficial right to receive payments and notices with respect to the Bonds which are held by the Depository under a Book Entry System.

"Bond" or "Bonds" means, collectively, (A) the Initial Bonds and (B) any Additional Bonds.

“Bond Counsel” means the law firm of Hodgson Russ LLP, Albany, New York or such other attorney or firm of attorneys located in the State whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and who are acceptable to the Issuer.

“Bond Fund” means the fund so designated established pursuant to Section 401(A)(3) of the Indenture.

“Bondholder” or “Holder” or “Owner of the Bonds” means the registered owner of any Bond, as indicated on the bond register maintained by the Bond Registrar, except that wherever appropriate the term “Owners” shall mean the owners of the Bonds for federal income tax purposes.

“Bond Payment Date” means each Interest Payment Date and each date on which principal or interest or premium, if any, or a Sinking Fund Payment, shall be payable on the Bonds according to their terms and the terms of the Indenture, including without limitation scheduled mandatory Redemption Dates, unscheduled mandatory Redemption Dates, dates of acceleration of the Bonds pursuant to Section 602 of the Indenture, optional Redemption Dates and Stated Maturity, so long as any Bonds shall be Outstanding.

“Bond Proceeds” means (A) with respect to the Initial Bonds, the proceeds of the sale of the Initial Bonds, including any accrued interest, paid to the Trustee on behalf of the Issuer by the Underwriter as the purchase price of the Initial Bonds, and (B) with respect to any Series of Additional Bonds, the proceeds of the sale of such Series of Additional Bonds, including any accrued interest, paid to the Trustee on behalf of the Issuer by the purchasers of such Series of Additional Bonds as the purchase price of such Series of Additional Bonds.

“Bond Purchase Agreement” means (A) with respect to the Initial Bonds, the Initial Bond Purchase Agreement, and (B) with respect to any Series of Additional Bonds, any similar document executed by the Issuer and/or the Borrower in connection with the issuance and sale of such Series of Additional Bonds.

“Bond Rate” means, with respect to any Bond, the applicable rate of interest on such Bond, as set forth in such Bond.

“Bond Register” means the register maintained by the Bond Registrar in which, subject to such reasonable regulations as the Issuer, the Trustee or the Bond Registrar may prescribe, shall provide for the registration of the Bonds and for the registration of transfers of the Bonds.

“Bond Registrar” means the Trustee, acting in its capacity as bond registrar under the Indenture, and its successors and assigns as bond registrar under the Indenture.

“Bond Resolution” means (A) with respect to the Initial Bonds, the Initial Bond Resolution and (B) with respect to any Series of Additional Bonds, any resolution adopted by the members of the board of directors of the Issuer authorizing the issuance of such Series of Additional Bonds.

“Bond Year” (A) with respect to the Initial Bonds, means each one (1) year period ending on the anniversary of the Closing Date relating to the Initial Bonds, or such other bond year as the Borrower and the Issuer may select from time to time in a manner complying with the Code, and (B) with respect to any Series of Additional Bonds issued as Tax-Exempt Bonds, shall have the meaning set forth in the supplemental indenture related to such Series of Additional Bonds.

“Book Entry Bonds” means Bonds held in Book Entry Form with respect to which the provisions of Section 213 of the Indenture shall apply.

“Book Entry Form” or “Book Entry System” means, with respect to the Bonds, a form or system, as applicable, under which (A) the Beneficial Ownership Interests may be transferred only through a book entry and (B) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Bondholder, with the physical Bond certificates “immobilized” in the custody of the Depository or a custodian on behalf of the Depository. The Book Entry System which is maintained by and the responsibility of the Depository (and which is not maintained by or the responsibility of the Issuer or the Trustee) is the record that identifies, and records the transfer of the interests of, the Owners of book entry interests in the Bonds.

“Borrower” means Daemen College, a not-for-profit education corporation organized and existing under the laws of the State of New York, and its successors and assigns, to the extent permitted by Section 8.4 of the Loan Agreement.

“Business Day” means any day of the year other than (A) a Saturday or Sunday, (B) a day on which the New York Stock Exchange is closed or (C) a day on which commercial banks in New York, New York, or the city or cities in which the Office of the Trustee is located, are authorized or required by law, regulation or executive order to close.

“Certificate of Authentication” means the certificate of authentication in substantially the form attached to the form of the Initial Bonds attached as Schedule I to the Indenture.

“Certificate of Determination” means, (A) with respect to the Initial Bonds, the certificate of determination executed by the Chairman, Vice Chairman or Chief Executive Officer of the Issuer relating to the Initial Bonds, and (B) with respect to any Series of Additional Bonds, the document by which the Issuer evidences its approval of the terms of such Series of Additional Bonds.

“Closing Date” means (A) with respect to the Initial Bonds, the date on which authenticated Initial Bonds are delivered to or upon the order of the Underwriter and payment is received therefor by the Trustee on behalf of the Issuer, and (B) with respect to any Series of Additional Bonds, the date on which such Additional Bonds of such Series are authenticated and delivered to the purchaser thereof and payment therefor is received by the Trustee on behalf of the Issuer.

“Code” means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of said Code, and the applicable regulations (whether proposed, temporary or final) of the United States Treasury Department promulgated under said Code and the statutory predecessor of said Code, and any official rulings and judicial determinations under the foregoing applicable to the Bonds.

“Completion Date” means (A) with respect to the Initial Project, the date of substantial completion of the undertaking of the Initial Project, as evidenced in the manner provided in Section 3.4 of the Loan Agreement and (B) with respect to any Additional Project, the date of substantial completion of the undertaking of such Additional Project, as evidenced in the manner provided in Section 3.4 of the Loan Agreement.

“Condemnation” means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any Governmental Authority.

“Construction Period” means, with respect to the 2018 Project Facility and Initial Project or any Additional Project, as the case may be, the period (A) beginning on the earlier of the Inducement Date or the Official Action Date relating thereto and (B) ending on the Completion Date relating thereto.

“Continuing Disclosure Agreement” means (A) with respect to the Initial Bonds, the Initial Continuing Disclosure Agreement and (B) with respect to any Series of Additional Bonds, any similar document executed by the Borrower in connection with the issuance of such Series of Additional Bonds.

“Cost of the Project” means (A) with respect to the Initial Project, all those costs and items of expense relating thereto enumerated in Section 3.3(A) of the Loan Agreement incurred subsequent to the Inducement Date, including costs which the Borrower incurred prior to the Inducement Date with respect to the Initial Project in anticipation of the issuance of the Initial Bonds and for which the Borrower may be reimbursed from proceeds of the Initial Bonds pursuant to the provisions of the Initial Tax Regulatory Agreement, and (B) with respect to any Additional Project, all those costs and items of expense relating thereto enumerated in Section 3.3 of the Loan Agreement, including costs which the Borrower incurred with respect to such Additional Project in anticipation of the issuance of the related Series of Additional Bonds and for which the Borrower will be reimbursed from proceeds of the related Series of Additional Bonds.

“Debt Service Coverage Ratio” means the ratio of the Net Revenues Available for Debt Service for a Fiscal Year to Maximum Annual Debt Service (expressed as the number of times covered).

“Debt Service Payment” means, with respect to any Bond Payment Date, (A) the interest payable on the Bonds on such Bond Payment Date, plus (B) the principal, if any, payable on the Bonds on such Bond Payment Date, plus (C) the premium, if any, payable on the Bonds on such Bond Payment Date, plus (D) the Sinking Fund Payments, if any, payable on the Bonds on such Bond Payment Date.

“Default Interest Rate” means the rate of interest equal to 9% per annum, or the maximum permitted by law, whichever is less.

“Defaulted Payment” shall have the meaning ascribed to such term in Section 207(C) of the Indenture.

“Defeasance Obligations” means (A) cash, or (B) direct obligations of the United States of America or of any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States, including, but not limited to, United States Treasury obligations.

“Depository” means, initially, The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other securities depository designated in any supplemental resolution of the Issuer to serve as securities depository for the Bonds that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of book entry interests in Bonds, and to effect transfers of book entry interests in Book Entry Bonds.

“Depository Letter” means (A) with respect to the Initial Bonds, the Initial Depository Letter, and (B) with respect to any Series of Additional Bonds issued as Book Entry Bonds, any letter of representations by and among the Issuer, the Trustee and the Depository relating to such Series of Additional Bonds, and any amendments or supplements thereto entered into with respect thereto.

“Direct Participant” means a Participant as defined in the Depository Letter.

“Equipment” means, collectively, the Initial Equipment and any Additional Equipment.

“Enabling Act” means Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended.

“Event of Default” means (A) with respect to the Indenture, any of those events defined as an Event of Default by the terms of Article VI of the Indenture, (B) with respect to the Loan Agreement, any of those events defined as an Event of Default by the terms of Article X of the Loan Agreement, and (C) with respect to any other Financing Document, any of those events defined as an Event of Default by the terms thereof.

“Event of Taxability” means, with respect to any Series of Tax-Exempt Bonds, (A) the enactment of a statute or promulgation of a regulation eliminating, in whole or in part, the applicable exemption, as such exists on the Closing Date, from gross income for federal income tax purposes for interest payable under such Series of Tax-Exempt Bonds, (B) a “final determination by decision or ruling by a duly constituted administrative authority” to the effect that such exemption for interest payable under such Series of Tax-Exempt Bonds is not available, is no longer available or is contrary to law, (C) the expiration of the right to further administrative review of any determination, decision or ruling to the effect that such exemption for interest payable under such Series of Tax-Exempt Bonds is not available, is no longer available or is contrary to law, or (D) receipt by the Trustee of a written opinion of Bond Counsel that there is no longer a basis for the Holders of such Series of Tax-Exempt Bonds (or any former Holder, other than a Holder who is or was a Substantial User of the Project Facility or a Related Person thereto) to claim that any interest paid and payable on such Series of Tax-Exempt Bonds is not excluded from gross income for federal income tax purposes. For the purposes of clause (B) above, a “final determination by decision or ruling by a duly constituted administrative authority” shall mean (1) the issuance of a ruling (including, but not limited to, a revenue ruling or a letter ruling) by the IRS or any successor thereto, or (2) the issuance of a preliminary notice of proposed deficiency (“30-Day Letter”), a statutory notice of deficiency (“90-Day Letter”), or other written order or directive of similar force and effect by the IRS, or any other United States Governmental Authority having jurisdiction therein. Notwithstanding the foregoing, nothing in this definition of “Event of Taxability” shall be construed (x) to mean or include consideration of the interest payable on a Series of the Tax-Exempt Bonds for purposes of calculating the interest expense which may be deducted by a bank or other Financial Borrower, or (y) to mean that the any Holder of such Series of the Tax-Exempt Bonds shall have any obligation to contest or appeal any assertion or decision that any interest payable under such Series of the Tax-Exempt Bonds is subject to taxation, or (z) to mean or include the imposition of an alternative minimum tax or preference tax or environmental tax or branch profits tax on any Holder of a Series of the Tax-Exempt Bonds, in the calculation of which is included the interest paid or payable under the Tax-Exempt Bonds.

“Excluded Facility” means, collectively, Rosary Hall, the Business & Commerce Building, the Existing Equipment, the 2018 Project Facility and related Land.

“Extraordinary Services” and “Extraordinary Expenses” means all reasonable services rendered and all reasonable expenses incurred by the Trustee or any paying agent under the Indenture, other than Ordinary Services and Ordinary Expenses, including, but not limited to, reasonable attorneys fees and any services rendered and any expenses incurred with respect to an Event of Default or with respect to the occurrence of an event which upon the giving of notice or the passage of time would ripen into an Event of Default under any of the Financing Documents.

“Facility” means the Initial Facility and any Additional Facilities.

“Final Maturity” means, with respect to any particular Bond, the final Stated Maturity of the principal due on such Bond, unless such Bond is called for redemption in whole prior to such date, in which case any such term shall mean the Redemption Date relating to such Bond.

“Financing Documents” means (A) with respect to the Initial Bonds, the Initial Financing Documents and (B) with respect to any Series of Additional Bonds, any similar documents executed by the Borrower and/or the Issuer in connection with the issuance of such Series of Additional Bonds.

“Financing Statements” means any and all financing statements (including continuation statements) or other instruments filed or recorded from time to time to perfect the security interests created in the Financing Documents.

“Fiscal Year” means (i) the period of twelve (12) months beginning June 1 of each year, or (ii) such other consecutive twelve (12) month period selected by the Borrower as its fiscal year for accounting purposes.

“Fitch” means Fitch Ratings Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of the Borrower.

“Fund” means any Fund designated and created pursuant to Section 401 of the Indenture.

“Government Obligations” means (A) cash, (B) direct obligations of the United States of America, (C) obligations unconditionally guaranteed by the United States of America and (D) securities or receipts evidencing ownership interests in obligations or specified portions (such as principal or interest) of obligations described in (B) or (C).

“Governmental Authority” means the United States of America, the State, any political subdivision thereof, any other state and any agency, department, commission, board, bureau or instrumentality of any of them.

“Gross Bond Proceeds” means “gross proceeds” as defined in Section 148(f)(6)(B) of the Code, presently including, without limitation, the original proceeds of the Bonds, investment proceeds, amounts held in a sinking fund, amounts invested in a reasonably required reserve or replacement fund, certain investment-type property pledged as security for the Bonds by the Borrower or by the Issuer, amounts received with respect to the Loan Agreement, any amounts used to pay Debt Service Payments on the Bonds, and any amounts received as a result of investing any of the foregoing.

“Gross Proceeds” means one hundred percent (100%) of the proceeds of the transaction with respect to which such term is used, including, but not limited to, the settlement of any insurance claim or Condemnation award.

“Guaranty” means the guaranty dated as of June 1, 2018 from the Borrower to the Trustee, as said guaranty may be amended or supplemented from time to time.

“Holder” or “holder”, when used with respect to a Bond, means Bondholder.

“Immediate Notice” means notice transmitted through a time-sharing terminal, if operative as between any two parties, or if not operative, same-day notice by telephone, telecopy or telex, followed by prompt written confirmation sent by overnight delivery.

“Indebtedness” means (A) the payment of the Debt Service Payments on the Bonds according to their tenor and effect, (B) all other payments due from the Borrower or the Issuer to the Trustee pursuant to any Financing Document, (C) the performance and observance by the Issuer and the Borrower of all of the covenants, agreements, representations and warranties made for the benefit of the Trustee pursuant to any Financing Document, (D) the monetary obligations of the Borrower to the Issuer and its members, directors, officers, agents, servants and employees under the Loan Agreement and the other Financing Documents, and (E) all interest, penalties and late charges accruing on any of the foregoing.

“Indemnified Parties” shall mean the Trustee, the Issuer, the Underwriter and the payee and holder of any Initial Bond.

“Indenture” means the trust indenture dated as of June 1, 2018 by and between the Issuer and the Trustee, as said trust indenture may be amended or supplemented from time to time.

“Independent Counsel” means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not a full-time employee of the Borrower or the Issuer.

“Indirect Participant” means a Person utilizing the Book Entry System of the Depository by, directly or indirectly, clearing through or maintaining a custodial relationship with a Direct Participant.

“Inducement Date” means (A) with respect to the Initial Project, the date which is sixty (60) days prior to the earlier of (1) May 18, 2018 or (2) the date on which the Borrower declared its official intent to reimburse expenditures made with respect to the Initial Project with proceeds of borrowed money, and (B) with respect to any Additional Project, the date which is sixty (60) days prior to the earlier of (1) the date on which the Issuer adopts an inducement resolution with respect to such Additional Project or (2) the date on which the Borrower declares its official intent to reimburse expenditures made with respect to such Additional Project with proceeds of borrowed money.

“Initial Arbitrage Certificate” means the certificate dated the Closing Date for the Initial Bonds executed by the Issuer and relating to certain requirements set forth in Section 148 of the Code applicable to the Initial Bonds and the Initial Project.

“Initial Bond Purchase Agreement” means the bond purchase agreement dated June 7, 2018 by and among the Underwriter, the Issuer and the Borrower relating to the purchase of the Initial Bonds by the Underwriter, as said bond purchase agreement may be amended or supplemented from time to time.

“Initial Bond Resolution” means the resolution of the members of the board of directors of the Issuer duly adopted on May 18, 2018 authorizing the Issuer to undertake the Initial Project, to issue and sell the Initial Bonds and to execute and deliver the Initial Financing Documents to which the Issuer is a party.

“Initial Bonds” means the Issuer’s Revenue Bonds (Daemen College Project), Series 2018 in the aggregate principal amount of \$28,600,000, issued pursuant to the Initial Bond Resolution and Article II of the Indenture and sold to the Underwriter pursuant to the provisions of the Initial Bond Purchase Agreement, in substantially the form attached to the Indenture as Schedule I thereto, and any Initial Bonds issued in exchange or substitution therefor.

“Initial Continuing Disclosure Agreement” means the continuing disclosure agreement dated as of June 14, 2018 by and between the Borrower and the Trustee relating to the Initial Bonds, as said continuing disclosure agreement may be amended or supplemented from time to time.

“Initial Depository Letter” means any letter of representations by and among the Issuer and the Depository relating to the Initial Bonds, and any amendments or supplements thereto entered into with respect thereto.

“Initial Equipment” means all materials, machinery, equipment, fixtures or furnishings intended to be acquired with the proceeds of the Initial Bonds, or acquired with any payment which the Borrower incurred in anticipation of the issuance of the Initial Bonds and for which the Borrower will be reimbursed from the proceeds of the Initial Bonds, and such substitutions and replacements therefor and additions thereto as may be made from time to time pursuant to the Loan Agreement, including, without limitation, all of the Property described in Exhibit B attached to the Loan Agreement.

“Initial Facility” means all buildings (or portions thereof), improvements, structures and other related facilities, and improvements thereto, (A) located on the Initial Land, (B) financed or refinanced with the proceeds of the sale of the Initial Bonds or any payment which the Borrower incurred in anticipation of the issuance of the Initial Bonds and for which the Borrower will be reimbursed from the proceeds of the Initial Bonds or any payment made by the Borrower pursuant to Section 3.5 of the Loan Agreement, and (C) not constituting a part of the Initial Equipment, all as they may exist from time to time.

“Initial Financing Documents” means the Initial Bonds, the Indenture, the Loan Agreement, the Pledge and Assignment, the Guaranty, the Initial Tax Documents, the Initial Underwriter Documents and any other document now or hereafter executed by the Issuer or the Borrower in favor of the Holders of the Initial Bonds or the Trustee which affects the rights of the Holders of the Initial Bonds or the Trustee in or to the Initial Project Facility, in whole or in part, or which secures or guarantees any sum due under the Initial Bonds or any other Initial Financing Document, each as amended from time to time, and all documents related thereto and executed in connection therewith.

“Initial Land” means the real estate described on Exhibit A attached to the Loan Agreement, which is the site of the Initial Project.

“Initial Official Statement” means the official statement delivered in connection with the sale of the Initial Bonds by the Underwriter.

“Initial Preliminary Official Statement” means the preliminary official statement delivered in connection with the sale of the Initial Bonds by the Underwriter.

“Initial Project” shall have the meaning assigned to such term in the fourth recital clause to the Indenture and the Loan Agreement.

“Initial Project Facility” means, collectively, the Initial Land, the Initial Facility and the Initial Equipment.

“Initial Tax Documents” means, collectively, the Initial Arbitrage Certificate and the Initial Tax Regulatory Agreement.

“Initial Tax Regulatory Agreement” means the tax regulatory agreement dated the Closing Date for the Initial Bonds executed by the Borrower in favor of the Issuer and the Trustee regarding, among other things, the restrictions prescribed by the Code in order for interest on the Initial Bonds to be and remain excludable from the gross income of the Holders thereof for federal income tax purposes.

“Initial Underwriter Documents” means the Initial Bond Purchase Agreement, the Initial Letter of Representation, the Initial Continuing Disclosure Agreement, the Initial Preliminary Official Statement, the Initial Official Statement and any other document now or hereafter executed by the Issuer or the Borrower in connection with the sale of the Initial Bonds by the Underwriter.

“Insurance and Condemnation Fund” means the fund so designated established pursuant to Section 401(A)(3) of the Indenture.

“Interest Payment Date” means (A) with respect to the Initial Bonds, April 1 and October 1 of each year, commencing October 1, 2018, and (B) with respect to any Additional Bonds, the Stated Maturity of each installment of interest on such Additional Bonds, as set forth in the supplemental Indenture authorizing the issuance of such Series of Additional Bonds. In any case, the final Interest Payment Date of any Series of the Bonds shall be the Maturity Date relating thereto.

“Issuer” means (A) the Town of Amherst Development Corporation and its successors and assigns, and (B) any public instrumentality or political subdivision resulting from or surviving any consolidation or merger to which Town of Amherst Development Corporation or its successors or assigns may be a party.

“Land” means the Initial Land and any Additional Land.

“Letter of Instructions” means the letter of instructions dated June 14, 2018 by and among the Prior Issuer, the Prior Trustee and the Borrower, as acknowledged by the Trustee and the Issuer.

“Letter of Representation” means the Initial Letter of Representation.

“Lien” means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including but not limited to a security interest arising from a mortgage, security agreement, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term “Lien” includes reservations, exceptions, encroachments, projections, easements, rights of way, covenants, conditions, restrictions, leases and other similar title exceptions and encumbrances, including but not limited to mechanics’, materialmen’s, warehousemen’s and carriers’ liens and other similar encumbrances affecting real property. For purposes hereof, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

“Loan” means the loan by the Issuer of the proceeds received from the sale of the Bonds to the Borrower pursuant to the provisions of the Loan Agreement.

“Loan Agreement” means the loan agreement dated as of June 1, 2018 by and between the Issuer and the Borrower, as said loan agreement may be amended or supplemented from time to time.

“Loan Payments” means the amounts required to be paid by the Borrower pursuant to the provisions of Section 5.1 of the Loan Agreement.

“Long-Term Indebtedness” means Indebtedness having an original maturity of greater than one (1) year or Indebtedness on which the Borrower has an option to extend the maturity thereof for a period of greater than one (1) year beyond the date of the original incurrence thereof.

“Maturity Date” means, with respect to any Bond, the final Stated Maturity of the principal of such Bond.

“Maximum Annual Debt Service” means on any date, when used with respect to any Long-Term Indebtedness, the greatest amount required in the then current or any future Bond Year to pay the sum of: (1) interest on such Long-Term Indebtedness payable in such Bond Year, excluding accrued interest received upon the issuance of such Long-Term Indebtedness and capitalized interest financed by the issuance of such Long-Term Indebtedness; and (2) the principal and the Sinking Fund Payments due on such Long-Term Indebtedness in such Bond Year.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of the Borrower.

“Mortgage” means the mortgage and security agreement dated as of June 1, 2018 from the Borrower to the Issuer, which, among other things, (a) grants to the Issuer a first mortgage lien on, and a security interest in, among other things, the Initial Project Facility, excluding the Excluded Facility and (b) assigns to the Issuer the rents, issues and profits of the Initial Project Facility, excluding the Excluded Facility, as said mortgage and security agreement may be amended or supplemented from time to time.

“Mortgage Assignment” means the assignment of mortgage dated as of June 1, 2018 from the Issuer to the Trustee, pursuant to which the Issuer will assign the Mortgage to the Trustee, as said assignment of mortgage may be amended or supplemented from time to time.

“Mortgaged Property” means all Property which may from time to time be subject to the Lien of the Mortgage.

“Net Proceeds” means so much of the Gross Proceeds with respect to which that term is used as remain after payment of all fees for services, expenses, costs and taxes (including attorneys’ fees) incurred in obtaining such Gross Proceeds.

“Net Revenues Available For Debt Service” means the amount of unrestricted revenues, gains and other support less unrestricted expenses and losses (excluding from such revenues and expenses unrealized capital gains or losses, the receipt of insurance proceeds (except business interruption insurance), and extraordinary items and further excluding from such expenses depreciation, interest on long-term indebtedness, all as determined in accordance with generally accepted accounting principles.

“Nonexempt Entity” means any Person other than (A) a state or local governmental entity or (B) a Person described in Section 501(c)(3) of the Code which has been recognized in writing by the Internal Revenue Service as being exempt from taxation under Sections 501(a) and Section 501(c)(3) of the Code.

“Office of the Trustee” means the corporate trust office of the Trustee specified in Section 1103 of the Indenture, or such other address as the Trustee shall designate pursuant to Section 1103 of the Indenture.

“Official Statement” means (A) with respect to the Initial Bonds, the Initial Official Statement, and (B) with respect to any Series of Additional Bonds, any similar document approved by the Issuer and the Borrower in connection with the sale by the Underwriter of the related Series of Additional Bonds.

“Ordinary Services” and “Ordinary Expenses” means those reasonable services normally rendered with those reasonable expenses, including reasonable attorneys’ fees, normally incurred by a trustee or a paying agent, as the case may be, under instruments similar to the Indenture.

“Outstanding” means, when used with reference to the Bonds as of any date, all Bonds which have been duly authenticated and delivered by the Trustee under the Indenture, except:

(A) Bonds theretofore cancelled or deemed cancelled by the Trustee or theretofore delivered to the Trustee for cancellation;

(B) Bonds for the payment or redemption of which moneys or Defeasance Obligations shall have been theretofore deposited with the Trustee (whether upon or prior to the maturity or Redemption Date of any such Bonds) in accordance with the Indenture (whether upon or prior to the maturity or Redemption Date of any such Bonds); provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form and substance to the Trustee shall have been filed with the Trustee; and

(C) Bonds in lieu of or in substitution for which other Bonds have been authenticated and delivered under the Indenture.

In determining whether the Owners of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions hereof, Bonds which are held by or on behalf of the Borrower (unless all of the outstanding Bonds are then owned by the Borrower) shall be disregarded for the purpose of any such determination. If the Indenture shall be discharged pursuant to Article X of the Indenture, no Bonds shall be deemed to be Outstanding within the meaning of this definition.

“Owner” or “owner”, when used with respect to a Bond, means the Registered Owner of such Bond, except that wherever appropriate the term “Owner” shall mean the owner of such Bond for federal income tax purposes.

“Participant” shall have the meaning assigned to such term in Section 213(B) of the Indenture.

“Paying Agent” means the Trustee, acting as such, and any additional paying agent for the Bonds appointed pursuant to Article VII of the Indenture, their respective successors and any other corporation that may at any time be substituted in their respective places pursuant to the Indenture.

“Permitted Encumbrances” means (A) utility, access and other easements, rights of way, restrictions, encroachments and exceptions that benefit or do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (B) mechanics’, materialmen’s, warehousemen’s, carriers’ and other similar Liens, (C) Liens for taxes, assessments and utility charges (1) to the extent permitted by Section 6.2(B) of the Loan Agreement, or (2) at the time not delinquent, (D) any Lien on the Project Facility obtained through any Financing Document, (E) any Lien on the Project Facility in favor of the Trustee, (F) the Conveyance Documents, and (G) any Lien on the Project Facility approved or granted by the Borrower.

“Person” means an individual, partnership, corporation, limited liability company, trust, unincorporated organization or Governmental Authority.

“Plans and Specifications” means: (A) with respect to the Initial Project, the description of the Initial Project Facility appearing in the fourth recital clause to the Indenture and the Loan Agreement; and (B) with respect to any Additional Project, (1) as to the Issuer, the description of such Additional Project appearing in the Issuer’s preliminary inducement resolution relating thereto, and (2) as to the Trustee, the plans and specifications for such Additional Project prepared by the Borrower, and all amendments and modifications thereof made by approved change orders; and, if an item for the construction of the Additional Facility is not specifically detailed in the aforementioned plans and specifications, but rather is described by way of manufacturer’s or supplier’s or contractor’s shop drawings, catalog references or similar descriptions, the term also includes such shop drawings, catalog references and descriptions.

“Pledge and Assignment” means the pledge and assignment dated as of June 1, 2018 from the Issuer to the Trustee, and acknowledged by the Borrower, pursuant to which the Issuer has assigned to the Trustee its rights under the Loan Agreement (except the Unassigned Rights), as said pledge and assignment may be amended or supplemented from time to time.

“Predecessor Bonds” of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond; and, for purposes of this definition, any Bond authenticated and delivered under Section 205 of the Indenture in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

“Preliminary Official Statement” means (A) with respect to the Initial Bonds, the Initial Preliminary Official Statement, and (B) with respect to any Series of Additional Bonds, any similar document approved by the Issuer and the Borrower for use in connection with the issuance of the related Series of Additional Bonds.

“Principal Payment Date” means (A) with respect to the Initial Bonds, each Interest Payment Date on which a Sinking Fund Payment is due on the Bonds, and the Maturity Date of each of the Initial Bonds, and (B) with respect to any Additional Bonds, the Stated Maturity of each installment of principal due on such Additional Bonds.

“Prior Bonds” means, collectively, the (i) Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006A and (ii) the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006B.

“Prior Indenture” means the trust indenture dated as of June 1, 2006 by and between the Prior Issuer and the Prior Trustee, as amended and supplemented by a first supplemental indenture dated as of February 1, 2008 by and between the Prior Issuer and the Prior Trustee, as amended and supplemented by the second supplemental indenture dated as of February 25, 2010 by and between the Prior Issuer and the Prior Trustee, and as further amended and supplemented by the First Omnibus Amendment to the Indenture and Related Financing Documents dated as of December 1, 2017 by and among the Prior Issuer, the Prior Trustee, the Borrower, Manufacturers and Traders Trust Company, as credit facility issuer, and Assured Guaranty Corp., as successor to Radian Asset Assurance Inc.

“Prior Issuer” means the Town of Amherst Industrial Development Agency.

“Prior Project Facility” shall have the meaning assigned to such term in the 4th WHEREAS clause of the Indenture.

“Prior Reserve Fund” means the reserve fund held by the Prior Trustee with respect to the Prior Bonds.

“Prior Trustee” means Manufacturers and Traders Trust Company, a banking corporation constituting a trust company organized and existing under the laws of the State of New York, acting as trustee under the Prior Indenture.

“Project” means (A) with respect to the Initial Bonds, the Initial Project, and (B) with respect to any Series of Additional Bonds, the Additional Project with respect to which such Series of Additional Bonds were issued.

“Project Costs” means Costs of the Project.

“Project Facility” means, collectively, the Initial Project Facility and all Additional Project Facilities.

“Project Fund” means the fund so designated established pursuant to Section 401(A)(1) of the Indenture.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Rating Agency” means Fitch, if the Bonds are rated by Fitch at the time, Moody’s, if the Bonds are rated by Moody’s at the time, and Standard & Poor’s, if the Bonds are rated by Standard & Poor’s at the time, and their successors and assigns.

“Rebate Amount” shall have the meaning assigned to such term in the Tax Documents.

“Rebate Fund” means the fund so designated established pursuant to Section 401(A)(4) of the Indenture.

“Rebate Fund Earnings Account” means the special account so designated within the Rebate Fund established pursuant to Section 401(A)(4)(b) of the Indenture.

“Rebate Fund Principal Account” means the account so designated within the Rebate Fund established pursuant to Section 401(A)(4)(a) of the Indenture.

“Record Date” means either a Regular Record Date or a Special Record Date.

“Redemption Date” means, when used with respect to a Bond, the date upon which a Bond is scheduled to be redeemed pursuant to the Indenture.

“Redemption Price” means, when used with respect to a Bond, the principal amount thereof plus the applicable premium, if any, payable upon the prior redemption thereof pursuant to the provisions of the Indenture and such Bond.

“Regular Record Date” means, with respect to the interest and any Sinking Fund Payment or principal payment due on the Bonds on or prior to maturity payable on any Bond on any Interest Payment Date, the fifteenth (15th) day (whether or not a Business Day) of the calendar month preceding the calendar month in which such Interest Payment Date occurs.

“Request for Disbursement” means a request from the Borrower, as agent of the Issuer, signed by an Authorized Representative of the Borrower, stating the amount of the disbursement sought and

containing the statements, representations and other items required by Article IV of the Indenture and by Section 3.3 of the Loan Agreement, which Request for Disbursement shall be in substantially the form of Exhibit A attached to the Indenture.

“Requirement” or “Local Requirement” means any law, ordinance, order, rule or regulation of a Governmental Authority.

“Securities Laws” means the Securities Act of 1933, as amended, and all other securities laws of the United States of America or the State to the extent that such laws may now or hereafter be applicable to or affect the issuance, sale and delivery of the Bonds and any transfer or resale thereof.

“Security Documents” shall have the meaning assigned to such term in Section 4.1 of the loan Agreement.

“Series” or “Series of Bonds” means all of the Bonds of a single series authenticated and delivered pursuant to the Indenture.

“SEQRA” means Article 8 of the Environmental Conservation Law of the State and the statewide and local regulations thereunder.

“Series 2018 Project Account” means the account so designated within the Project Fund established pursuant to Section 401(A)(1)(a) of the Indenture.

“Sinking Fund Payments” means (A) with respect to the Initial Bonds, the sinking fund redemption payments due on the Initial Bonds pursuant to Section 301(C) of the Indenture and (B) with respect to any Additional Bonds, the sinking fund redemption payments (if any) required pursuant to the supplemental Indenture authorizing issuance of such Additional Bonds.

“Special Record Date” means a date for the payment of any Defaulted Payment on the Bonds fixed by the Trustee pursuant to Section 207(C) of the Indenture.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc., and its successors and assigns, and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Standard & Poor’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of the Borrower.

“State” means the State of New York.

“Stated Maturity” means, when used with respect to any Bond or any installment of interest thereon, the date specified in such Bond as the fixed date on which the principal of such Bond or such installment of interest on such Bond is due and payable.

“Substantial User” means any Person constituting a “substantial user” within the meaning ascribed to such term in Section 147(a) of the Code.

“Supplemental Indenture” means any indenture supplemental to or amendatory of the Indenture executed by the Issuer in accordance with Article VIII of the Indenture.

“Tax Documents” means, collectively, (A) with respect to the Initial Bonds, the Initial Tax Documents and (B) with respect to any Series of Additional Bonds intended to be issued as Tax-Exempt

Bonds, any similar documents executed by the Issuer and/or the Borrower in connection with the issuance of such Series of Additional Bonds.

“Tax-Exempt Bond” means any Bond issued as an obligation of the Issuer, the interest on which is intended to be excluded from the gross income of the Holder thereof for federal income tax purposes pursuant to Section 103 and Section 145 of the Code, including but not limited to the Initial Bonds.

“Tax Regulatory Agreement” means (A) with respect to the Initial Bonds, the Initial Tax Regulatory Agreement and (B) with respect to any Series of Additional Bonds intended to be issued as Tax-Exempt Bonds, any similar document executed by the Borrower in connection with the issuance and sale of such Series of Additional Bonds.

“Term Bonds” means Bonds having a single stated maturity for which Sinking Fund Installments are specified in Section 301(C) of the Indenture (or, if such Bonds are Additional Bonds, in the supplemental indenture authorizing the issuance of such Bonds).

“Termination of Loan Agreement” means a termination of Loan Agreement by and between the Borrower, as borrower, and the Issuer, as lender, intended to evidence the termination of the Loan Agreement, substantially in the form attached as Exhibit C to the Loan Agreement.

“Trust Estate” means all Property which may from time to time be subject to a Lien in favor of the Trustee created by the Indenture or any other Financing Document.

“Trust Revenues” means (A) all payments of loan payments made or to be made by or on behalf of the Borrower under the Loan Agreement (except payments made with respect to the Unassigned Rights), (B) all other amounts pledged to the Trustee by the Issuer or the Borrower to secure the Bonds or performance of their respective obligations under the Loan Agreement and the Indenture, (C) the Net Proceeds (except proceeds with respect to the Unassigned Rights) of insurance settlements and Condemnation awards with respect to the Project Facility, (D) moneys and investments held from time to time in each fund and account established under the Indenture and all investment income thereon, except (1) moneys and investments held in the Rebate Fund, (2) moneys deposited with or paid to the Trustee for the redemption of Bonds, notice of the redemption of which has been duly given, (3) unclaimed funds held under Section 410 of the Indenture, and (4) as specifically otherwise provided, and (E) all other moneys received or held by the Trustee for the benefit of the Bondholders pursuant to the Indenture. Notwithstanding anything to the contrary, amounts held in the Rebate Fund shall not be considered Trust Revenues and shall not be subject to the Lien of the Indenture, and amounts held therein shall not secure any amount payable on the Bonds.

“Trustee” means The Bank of New York Mellon, a banking corporation organized and existing under the laws of the State of New York, or any successor trustee or co-trustee acting as trustee under the Indenture.

“Unassigned Rights” means (A) the rights of the Issuer granted pursuant to Sections 2.2, 3.1, 3.2, 3.3, 3.8, 4.4, 5.1(B)(2), 5.1(C), 6.1, 6.2, 6.3, 6.4, 6.5, 7.1, 7.2, 8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.11, 8.14, 8.16, 8.17, 8.18, 9.1, 9.2, 11.1, 11.4, 11.8 and 11.10 of the Loan Agreement, (B) the moneys due and to become due to the Issuer for its own account or the members, directors, officers, agents (other than the Borrower), servants and employees of the Issuer for their own account pursuant to Sections 2.2, 5.1(B)(2), 5.1(C), 6.4(B), 8.2, 10.2 and 10.4 of the Loan Agreement, and (C) the right to enforce the foregoing pursuant to Article X of the Loan Agreement. Notwithstanding the preceding sentence, to the extent the obligations of the Borrower under the Sections of the Loan Agreement listed in (A), (B) and (C) above do not relate to the payment of moneys to the Issuer for its own account or to the members,

officers, directors, agents (other than the Borrower), servants and employees of the Issuer for their own account, such obligations, upon assignment of the Loan Agreement by the Issuer to the Trustee pursuant to the Pledge and Assignment, shall be deemed to and shall constitute obligations of the Borrower to the Issuer and the Trustee, jointly and severally, and either the Issuer or the Trustee may commence an action to enforce the Borrower's obligations under the Loan Agreement.

“Underwriter” means (A) with respect to the Initial Bonds, Janney Montgomery Scott LLC, as original purchaser of the Initial Bonds on the Closing Date relating thereto, and (B) with respect to any Series of Additional Bonds, the original purchaser of such Series of Additional Bonds on the Closing Date relating thereto.

“Underwriter Documents” means, collectively, (A) with respect to the Initial Bonds, the Initial Underwriter Documents and (B) with respect to any Additional Bonds, any similar documents executed by the Issuer and/or the Borrower in connection with the issuance of such Additional Bonds.

“Yield”, when used with respect to the Initial Bonds, shall have the meaning assigned to such term in the Initial Tax Regulatory Agreement.

“2001 Project Facility” shall have the meaning assigned to such term in the 4th WHEREAS clause of the Indenture.

“2006 Project Facility” shall have the meaning assigned to such term in the 4th WHEREAS clause of the Indenture.

“2018 Project Facility” shall have the meaning assigned to such term in the 4th WHEREAS clause of the Indenture.

SCHEDULE I

FORM OF INITIAL BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company (“DTC”) to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-1	PRINCIPAL AMOUNT: \$ _____
INTEREST RATE: _____% per annum	MATURITY DATE: OCTOBER 1, 20__
DATED DATE: June 14, 2018	CUSIP NO: _____
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the “Issuer”), a not-for-profit corporation of the State of New York (the “State”) constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an “Interest Payment Date”), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the “Office of the Trustee”) of The Bank of New York Mellon, as trustee (together with its successors in trust, the “Trustee”) under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the “Indenture”) by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms

used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Except when the Bonds are Book Entry Bonds, the installments of interest described above and any Sinking Fund Payment or principal payment due prior to maturity on this Bond shall, as provided in the Indenture, be paid to the Person in whose name this Bond (or one or more Predecessor Bonds) is registered at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding the calendar month in which the applicable Interest Payment Date occurs (the "Regular Record Date"), and shall be paid by check or draft of the Trustee mailed by the Trustee on such Interest Payment Date to such registered Owner at his address appearing on the registration books of the Issuer, or at the written request of any Holder of Bonds in an aggregate principal amount of \$28,600,000 or greater be transmitted on such Interest Payment Date by wire transfer at such Holder's written request to the bank account number on file with the Trustee, provided such Holder has delivered adequate instructions regarding same to the Trustee at least ten (10) Business Days prior to such Bond Payment Date. Any such interest, Sinking Fund Payment or principal payment not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the Person in whose name this Bond (or one or more Predecessor Bonds) is registered at the close of business on a date for the payment of such Defaulted Payment to be fixed by the Trustee (the "Special Record Date"), notice whereof being mailed one time, first-class postage prepaid, to registered owners of the Bonds not less than ten (10) days prior to such Special Record Date, or may be paid in any other lawful manner as shall be determined by the Trustee. Notwithstanding anything herein to the contrary, when this Bond is registered in the name of a Depository (as hereinafter defined) or its nominee, the principal and redemption price of and interest on this Bond shall be payable in same day funds delivered or transmitted to the Depository or its nominee by 2:30 o'clock p.m. (New York time) on any date on which the principal and redemption price of and interest on any Bond is due and payable.

(Project Description)

This Bond is one of a duly authorized issue of bonds of the Issuer designated "Town of Amherst Development Corporation Revenue Bonds (Daemen College Project), Series 2018 in the aggregate principal amount of \$28,600,000 (the "Initial Bonds") are issued for the purpose of assisting in providing financing to the Issuer for a project (the "Initial Project") being undertaken by the Issuer for the benefit of Daemen College (the "Borrower"), a New York not-for-profit education corporation, which Initial Project consists of the following: (A) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006A issued on June 30, 2006 in the original aggregate principal amount of \$20,925,000 (the "Series 2006A Bonds"), which Series 2006A Bonds financed the following project: (1) the refinancing of the Town of Amherst Industrial Development Agency Civic Facility Revenue Bonds (Daemen College Project), Series 2001A (the "Series 2001A Bonds") used to finance (a) the acquisition by the Town of Amherst Industrial Development Agency (the "Prior Issuer") of a leasehold interest in an approximately 5.7 acre parcel of land (the "Student Housing Land") located on the campus of the Borrower at 4380 Main Street in the Town of Amherst, Erie County, New York (the "Campus") on which is located Rosary Hall and the Business & Commerce Building (the "Other Land" and, together with the Student Housing Land, the "Land"), (b) the acquisition by the Prior Issuer of an interest in the existing buildings located on the Student Housing Land containing 23 existing student housing units (the "Existing Student Housing") and of an interest in Rosary Hall and an interest in the Business & Commerce Building, both of which are

located on the Other Land (the Existing Student Housing, Rosary Hall and the Business & Commerce Building being collectively referred to as the “Existing Facility”), (c) the demolition of the Existing Student Housing, (d) the construction on the Student Housing Land of 7 new apartment style housing units with a total of approximately 384 beds (the “New Housing Facility”) and (e) the acquisition and installation by the Prior Issuer of an interest in certain existing furniture and fixtures located in Rosary Hall and in the Business and Commerce Building (the “Existing Equipment”) (the Land, the Existing Facility, the New Housing Facility and the Existing Equipment being collectively referred to as the “2001 Project Facility”); and (2) paying a portion of the costs incidental to the issuance of the Series 2006A Bonds, including issuance costs of the Series 2006A Bonds and a debt service reserve fund to secure the Series 2006A Bonds; (B) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006B issued on June 30, 2006 in the original aggregate principal amount of \$17,075,000 (the “Series 2006B Bonds” and, together with the Series 2006A Bonds, the “Prior Bonds”), which Series 2006B Bonds financed the following project: (1) the acquisition of an interest or interests in portions of the Land; (2) the construction of a new library and information center on the Land to contain approximately 47,200 gross square feet of space (the “Library Facility” and together with the Existing Facility, the “Facility”); (3) the acquisition of an interest in and installation of equipment and fixtures to be located in or attached to the Library Facility (the “Library Equipment” and, together with the Existing Equipment, the “Equipment”) (the Library Facility and the Library Equipment being collectively referred to as the “2006 Project Facility”); and (4) paying a portion of the costs incidental to the issuance of the Series 2006B Bonds, including issuance costs of the Series 2006B Bonds and a debt service reserve fund to secure the Series 2006B Bonds; (C) (1) the renovation of and improvements to the science facilities in Duns Scotus Hall, all on the Land, and (2) the undertaking of various deferred maintenance improvements to Campus facilities, all on the Land (collectively, the “2018 Project Facility” and, together with the Facility, the “Project Facility”); (D) the financing of all or a portion of the costs of the foregoing by the issuance of the Initial Bonds; and (E) paying a portion of the costs incidental to the issuance of the Initial Bonds, including issuance costs of the Initial Bonds and any reserve funds as may be necessary to secure the Initial Bonds. Pursuant to the terms of a loan agreement dated as of June 1, 2018 (the “Loan Agreement”) between the Issuer, as lender, and the Borrower, as borrower, the Issuer made a loan to the Borrower of the proceeds of the Initial Bonds (the “Loan”) for the purpose of assisting in financing the Initial Project.

(Additional Bonds)

As provided in the Indenture, additional Series of Bonds (the “Additional Bonds”, and collectively with the Initial Bonds, the “Bonds”) may be issued from time to time pursuant to supplements to the Indenture on a parity with, and secured and payable equally and ratably with, all other Series of Bonds issued under the Indenture, which Additional Bonds may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture and the supplement thereto authorizing any such Series of Additional Bonds. The aggregate principal amount of Bonds which may be issued under the Indenture is not limited, except as otherwise provided in the Indenture.

(Security for the Bonds)

The Bonds are issued under and are equally and ratably secured by the Indenture. The Indenture grants the Trustee a first security interest in the Trust Revenues (as defined in the Indenture).

As security for the Bonds, the Issuer will execute and deliver to the Trustee a pledge and assignment dated as of June 1, 2018 (the “Pledge and Assignment”) from the Issuer to the Trustee, which Pledge and Assignment will assign to the Trustee certain of the Issuer’s rights under the Loan Agreement. Pursuant to the Pledge and Assignment, loan payments made by the Borrower under the Loan Agreement

are to be paid directly to the Trustee. The Pledge and Assignment and a memorandum relating to the Loan Agreement are to be recorded in the office of the County Clerk of Erie, New York.

Reference is hereby made to the Indenture, the Loan Agreement, the Pledge and Assignment, and to all amendments and supplements thereto, for a description of the nature and extent of the security for the Bonds, the terms and conditions upon which the Bonds are issued and secured and the rights, duties and obligations of the Issuer, the Trustee, the Borrower and the Bondholders. Copies of such documents are on file in the Office of the Trustee.

(Limited Liability)

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM PAYMENTS MADE BY THE BORROWER UNDER THE LOAN AGREEMENT, MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE INDENTURE, AND THE SECURITY PROVIDED BY THE PLEDGE AND ASSIGNMENT AND THE GUARANTY.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PRICE OF OR THE INTEREST ON THIS BOND OR FOR ANY CLAIM BASED HEREON OR ON THE INDENTURE, AGAINST ANY PAST, PRESENT OR FUTURE MEMBER, DIRECTOR, OFFICER, AGENT (EXCEPT THE BORROWER), SERVANT OR EMPLOYEE, AS SUCH, OF THE ISSUER OR OF ANY PREDECESSOR OR SUCCESSOR CORPORATION, EITHER DIRECTLY OR THROUGH THE ISSUER OR OTHERWISE, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE HEREOF, EXPRESSLY WAIVED AND RELEASED.

THE BONDS DO NOT CONSTITUTE AND SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE TOWN OF AMHERST, NEW YORK AND NEITHER THE STATE OF NEW YORK NOR THE TOWN OF AMHERST, NEW YORK SHALL BE LIABLE THEREON. THE BONDS DO NOT GIVE RISE TO A PECUNIARY LIABILITY OR CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE OF NEW YORK OR THE TOWN OF AMHERST, NEW YORK.

(Extraordinary Redemption Without Premium)

The Initial Bonds are subject to redemption prior to maturity (1) as a whole, without premium, in the event of (a) a taking in Condemnation of, or failure of title to, all or substantially all of the Project Facility, (b) damage to or destruction of part or all of the Project Facility and election by the Borrower to redeem the Initial Bonds, or (c) a taking in Condemnation of part of the Project Facility and election by the Borrower to redeem the Initial Bonds, or (2) as a whole, without premium, in the event that (a) the Loan Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as a result of any change in the United States Constitution or legislative or administrative action (whether state or federal), or by final decree or judgment of any court or administrative body, or (b) the Authorized Representative of the Borrower certifies that unreasonable burdens or excessive liabilities have been imposed on the Borrower or its property, including, without limitation, taxes not being imposed on the date of the Loan Agreement, or (3) in part, without premium, in the event that (a) excess moneys remain in the Insurance and Condemnation Fund following damage or condemnation of a portion of the Project Facility and completion of the repair, rebuilding or restoration of the Project Facility and, pursuant to the Indenture, such excess moneys are not paid to the Borrower, (b) excess moneys remain in the related account of the Project Fund on the Completion Date or (c) excess proceeds of recoveries from contractors are applied to redeem Bonds pursuant to the Loan Agreement. In

any such event, the Initial Bonds will be redeemed, as a whole or in part, at such time as the Trustee determines, at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

(Optional Redemption without Premium at the Borrower's Option)

The Initial Bonds maturing on or after October 1, 2029 are also subject to redemption prior to maturity on or after October 1, 2028, at the option of the Borrower by exercise of its right to prepay the loan payments payable under the Loan Agreement as provided in Section 5.3 thereof, as a whole or in part at any time, in denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof, at a Redemption Price equal, on any particular date, to the percentage of the principal amount to be redeemed applicable to such date, as set forth in the table below, plus accrued interest to the Redemption Date:

<u>REDEMPTION DATES</u>	<u>REDEMPTION PRICE</u>
October 1, 2028 and thereafter	100%

(Scheduled Mandatory Redemption without Premium)

The Initial Bonds issued as Term Bonds maturing on October 1, 2037 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2032 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

Sinking Fund Payment Date (October 1)	<u>Sinking Fund Payment</u>
2032	\$840,000
2033	875,000
2034	905,000
2035	950,000
2036	980,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,025,000 principal amount of the Initial Bonds maturing on October 1, 2037 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

The Initial Bonds issued as Term Bonds maturing on October 1, 2043 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2038 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

<u>Sinking Fund Payment Date</u> <u>(October 1)</u>	<u>Sinking Fund Payment</u>
2038	1,065,000
2039	1,115,000
2040	1,175,000
2041	1,235,000
2042	1,295,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,360,000 principal amount of the Initial Bonds maturing on October 1, 2043 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

The Initial Bonds issued as Term Bonds maturing on October 1, 2048 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2044 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

<u>Sinking Fund Payment Date</u> <u>(October 1)</u>	<u>Sinking Fund Payment</u>
2044	\$1,425,000
2045	1,495,000
2046	1,570,000
2047	1,645,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,730,000 principal amount of the Initial Bonds maturing on October 1, 2048 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

(Procedures for Redemption)

Notice of the intended redemption of each Bond subject to redemption shall be given not less than thirty (30) days nor more than sixty (60) days prior to the Redemption Date by the Trustee one time by first class mail postage prepaid to the registered owner at the address of such owner shown on the bond register maintained by the Trustee. The failure to give any such notice, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure to give notice, or defect therein, has occurred. Notice of any redemption hereunder with respect to Bonds held under a Book Entry System shall be given by the Bond Registrar or the Trustee only to the Depository, or its nominee, as the holder of such Bonds. Selection of book entry interests in the Bonds called for redemption is the responsibility of the Depository and any failure of any Direct Participant, Indirect Participant or Beneficial Owner to receive such notice and its contents or effect will not affect the validity of such notice or any proceedings for the redemption of such Bonds.

Any notice of optional redemption may provide (and shall provide if the Trustee shall be directed to do so by the Borrower) that if, on the redemption date set forth in any such notice, there is on deposit with the Trustee and available therefor insufficient funds to pay the Redemption Price of all Initial Bonds scheduled to be redeemed, such redemption may be rescinded (in which case the Trustee shall promptly

so notify the Holders of such Initial Bonds in the same manner in which notice of redemption was given), and if such redemption is rescinded, the Initial Bonds scheduled to be redeemed shall remain Outstanding as if the notice of redemption had not been sent.

In the event of any partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee not more than sixty (60) days prior to the redemption date from maturities designated in writing by the Borrower, and within each maturity by lot. If any maturity of the Bonds which is subject to sinking fund redemption is to be redeemed in part, the Trustee shall apply any partial redemption payments (other than a scheduled mandatory redemption) to the schedule of mandatory Sinking Fund Payments thereon as designated by the Borrower. Further, the Trustee may provide for the redemption of portions (equal to \$5,000 or any integral multiple of \$5,000 in excess thereof) of Outstanding Bonds. In no event shall the principal amount of Bonds subject to any partial redemption be other than \$5,000 or any integral multiple of \$5,000 in excess thereof.

Notice of any redemption hereunder with respect to Bonds held under a Book Entry System shall be given by the Bond Registrar or the Trustee only to the Depository, or its nominee, as the holder of such Bonds. Selection of book entry interests in the Bonds called for redemption is the responsibility of the Depository and any failure of any Direct Participant, Indirect Participant or Beneficial Owner to receive such notice and its contents or effect will not affect the validity of such notice or any proceedings for the redemption of such Bonds.

Bonds (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the Lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Notice of redemption having been duly mailed, this Bond, or the portion called for redemption, will become due and payable on the Redemption Date at the applicable redemption price and, moneys for the redemption having been deposited with the Trustee, from and after the date fixed for redemption, interest on this Series Bond (or such portion) will no longer accrue.

While a Depository is the sole holder of the Bonds, delivery or notation of partial redemption of the Bonds shall be effected in accordance with the provisions of the Depository Letters, as defined in the Indenture.

(Transfer and Exchange)

As provided in the Indenture and subject to certain limitations therein set forth, this Bond, upon surrender for transfer at the Office of the Trustee, as Bond Registrar, is transferable upon an assignment duly executed by the registered owner hereof or his duly authorized legal representative. Upon such transfer, one or more new Bonds of authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The Bonds are issuable only in fully registered form and shall be in original minimum denominations of \$5,000 and any multiple of five thousand dollars (\$5,000) in excess thereof.

No service charge shall be made for any transfer or exchange of Bonds, but the Issuer or the Trustee may make a charge for transfer or exchange of Bonds sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange, and such charge shall be paid before any new Bond shall be delivered.

In any case where the date for payment on this Bond, whether of interest or principal at maturity or a date fixed for redemption, shall be a day other than a Business Day, then such payment shall be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue on the amount due for the period after such date.

The Issuer, the Trustee and the Borrower may treat the registered owner as the absolute owner of this Bond for all purposes, notwithstanding any notice to the contrary.

(Miscellaneous)

If an Event of Default as defined in the Indenture occurs, the principal of all Bonds issued under the Indenture may become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

The Indenture permits certain amendments or supplements to the Loan Agreement, the Indenture and the other Financing Documents not prejudicial to the Bondholders to be made without the consent of or notice to the Bondholders, and other amendments or supplements thereto to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The principal hereof may be declared or may become due on the conditions and in the manner and at the time set forth in the Indenture upon the occurrence of an Event of Default as provided in the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication of the Trustee shall be endorsed hereon.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture, and the issuance of this Bond, do exist, have happened and have been performed in the time, form and manner as required by law, and that the issuance of the Bonds does not violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, Town of Amherst Development Corporation has caused this Bond to be duly executed in its name by the manual or facsimile signature of its Chairman, Vice Chairman or Chief Executive Officer, and its corporate seal to be impressed or reproduced hereon, attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the Dated Date identified above.

TOWN OF AMHERST
DEVELOPMENT CORPORATION

BY: _____
Authorized Officer

(SEAL)

ATTEST:

(Assistant) Secretary

(Form of Certificate of Authentication)

This Bond is one of the Bonds of the Series designated therein described in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON, as Trustee

BY: _____
Authorized Representative

Date of Authentication

[Form of Assignment for Transfer]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto (*please insert name, address and social security or tax identification number of assignee*):

_____ the within Bond and does hereby irrevocably constitute and appoint _____ to transfer the said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature(s) on this assignment must correspond with the name(s) as it (they) appear(s) on the face of the within Bond in every particular.

In the presence of:

Signature Guaranteed:

Signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Trustee, which requirements will include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Trustee in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT A

FORM OF REQUEST FOR DISBURSEMENT

To: The Bank of New York Mellon, as Trustee
101 Barclay Street, 7 East
New York, New York 10286
Attention: Eric Spinelli, Vice President

Re: Town of Amherst Development Corporation
Revenue Bonds
(Daemen College Project), Series 2018

Requisition Number: _____

Dated: _____, 20__

Dear Sir/Madam:

You are hereby authorized and directed to make the disbursements set forth in Schedule A attached hereto (in the total amount of \$ _____) from the moneys on deposit in the "Series 2018 Project Account" in the "Project Fund", as such quoted terms are defined in the trust indenture dated as of June 1, 2018 (the "Indenture") by and between Town of Amherst Development Corporation (the "Issuer") and The Bank of New York Mellon, as trustee (the "Trustee") (capitalized terms used herein, and not otherwise defined herein, shall have the meanings assigned to them in the Indenture). In connection with this request, the Borrower hereby represents and warrants to the Issuer and Trustee as follows:

(A) The name and address of each person to whom a disbursement is to be made, the amount to be paid to each, and the description of the purpose for which the requested disbursements from the Project Fund are to be made, are as set forth on Schedule A attached hereto;

(B) Each disbursement requested hereby is for a proper expenditure of moneys on deposit in the Project Fund under the Indenture. All of the conditions to the making of the disbursements requested hereby set forth in the Loan Agreement, in Article IV of the Indenture and in the Tax Regulatory Agreement have been satisfied;

(C) The items for which payment is to be made were not paid or incurred prior to the Inducement Date (except to the extent that you have received a letter from Bond Counsel to the effect that payment of amounts incurred prior to the Inducement Date will not adversely affect the tax-exempt status of the interest paid or payable on the captioned Initial Bonds), and the payment of all amounts requested hereby is consistent in all material respects with the Initial Tax Regulatory Agreement;

(D) If any amount requested hereby is to reimburse to the Borrower for costs or expenses of the Borrower incurred by reason of work performed or supervised by officers or employees of the Borrower, (1) such officers or employees were specifically employed or designated by the Borrower for such purpose, (2) the amount to be paid does not exceed the actual cost thereof to the Borrower, and (3) such costs or expenses will be treated by the Borrower on its books as capital expenditures in conformity with generally accepted accounting principles applied on a consistent basis (or would have

been so treated either with an election by the Borrower or but for an election by the Borrower to deduct the amount of such payment);

(E) The payment of the amount requested, when added to all other payments previously made from the Project Fund, will not result in (1) less than ninety-five percent (95%) of the proceeds of the Initial Bonds (including any investment earnings on the Initial Bonds) being used for the acquisition of Property which will be used for activities directly related to the exempt purposes for which the Borrower was created, for which it is an organization exempt from taxation under Section 501(c)(3) of the Code, and not in connection with any unrelated trade or business within the meaning of Section 513(a) of the Code, or (2) more than two percent (2%) of the proceeds of the Initial Bonds being used to pay issuance costs of the Initial Bonds or (3) the projected funds remaining available in the Project Fund being insufficient to cover all costs necessary to complete the Project Facility;

(F) As of the date of this Request for Disbursement, the representations and covenants made in Section 2.2 of the Loan Agreement are true and correct, and there is no Event of Default under any of the Financing Documents, nor any event, condition or act that, with the passage of time or the giving of notice or both, would ripen into such an event of default;

(G) The Initial Project Facility has not been materially injured or damaged by fire or other casualty; and

(H) None of the items for which this requisition is made has been the basis for any prior disbursement from the Project Fund.

DAEMEN COLLEGE

BY: _____
Authorized Representative

SCHEDULE A

Name and Address of
Person to Whom
Disbursement is to be

Made

Amount

Description of Purpose

<u>Made</u>	<u>Amount</u>	<u>Description of Purpose</u>

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-1	PRINCIPAL AMOUNT: \$455,000
INTEREST RATE: 3.000% per annum	MATURITY DATE: OCTOBER 1, 2019
DATED DATE: June 14, 2018	CUSIP NO: 03135N AA9
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-2	PRINCIPAL AMOUNT: \$470,000
INTEREST RATE: 4.000% per annum	MATURITY DATE: OCTOBER 1, 2020
DATED DATE: June 14, 2018	CUSIP NO: 03135N AB7
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State"), constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
 (a public instrumentality of Town of Amherst, New York)
 REVENUE BOND
 (DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-3	PRINCIPAL AMOUNT: \$495,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2021
DATED DATE: June 14, 2018	CUSIP NO: 03135N AC5
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

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Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-4	PRINCIPAL AMOUNT: \$515,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2022
DATED DATE: June 14, 2018	CUSIP NO: 03135N AD3
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Litho in U.S.A.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-5	PRINCIPAL AMOUNT: \$540,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2023
DATED DATE: June 14, 2018	CUSIP NO: 03135N AE1
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-6	PRINCIPAL AMOUNT: \$570,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2024
DATED DATE: June 14, 2018	CUSIP NO: 03135N AF8
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Litho in U.S.A.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-7 PRINCIPAL AMOUNT: \$600,000

INTEREST RATE: 5.000% per annum MATURITY DATE: OCTOBER 1, 2025

DATED DATE: June 14, 2018 CUSIP NO: 03135N AG6

REGISTERED OWNER: Cede & Co.

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-8	PRINCIPAL AMOUNT: \$630,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2026
DATED DATE: June 14, 2018	CUSIP NO: 03135N AH4
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-9	PRINCIPAL AMOUNT: \$655,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2027
DATED DATE: June 14, 2018	CUSIP NO: 03135N AJ0
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-10 PRINCIPAL AMOUNT: \$690,000

INTEREST RATE: 5.000% per annum MATURITY DATE: OCTOBER 1, 2028

DATED DATE: June 14, 2018 CUSIP NO: 03135N AK7

REGISTERED OWNER: Cede & Co.

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

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Litho in U.S.A.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-11	PRINCIPAL AMOUNT: \$730,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2029
DATED DATE: June 14, 2018	CUSIP NO: 03135N AL5
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

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Litho in U.S.A.

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TOWN OF AMHERST DEVELOPMENT CORPORATION
 (a public instrumentality of Town of Amherst, New York)
REVENUE BOND
 (DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-12	PRINCIPAL AMOUNT: \$760,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2030
DATED DATE: June 14, 2018	CUSIP NO: 03135N AM3
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

© GOES 340

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-13	PRINCIPAL AMOUNT: \$805,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2031
DATED DATE: June 14, 2018	CUSIP NO: 03135N AN1
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Litho in U.S.A.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
 (a public instrumentality of Town of Amherst, New York)
REVENUE BOND
 (DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-14	PRINCIPAL AMOUNT: \$5,575,000
INTEREST RATE: 4.000% per annum	MATURITY DATE: OCTOBER 1, 2037
DATED DATE: June 14, 2018	CUSIP NO: 03135N AP6
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
 (a public instrumentality of Town of Amherst, New York)
 REVENUE BOND
 (DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-15	PRINCIPAL AMOUNT: \$7,245,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2043
DATED DATE: June 14, 2018	CUSIP NO: 03135N AQ4
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York limited purpose trust company ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

TOWN OF AMHERST DEVELOPMENT CORPORATION
(a public instrumentality of Town of Amherst, New York)
REVENUE BOND
(DAEMEN COLLEGE PROJECT), SERIES 2018

NO.: R-16	PRINCIPAL AMOUNT: \$7,865,000
INTEREST RATE: 5.000% per annum	MATURITY DATE: OCTOBER 1, 2048
DATED DATE: June 14, 2018	CUSIP NO: 03135N AR2
REGISTERED OWNER: Cede & Co.	

TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation of the State of New York (the "State") constituting a public instrumentality of the Town of Amherst, New York, for value received, hereby promises to pay, solely from the sources hereinafter described, to the registered owner indicated above, and its registered successors or assigns, on the Maturity Date identified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount set forth above (subject to reduction as hereinafter provided) and interest thereon (computed on the basis of a 360-day year composed of twelve 30-day months) from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless authenticated after a Regular Record Date and on or before such succeeding Interest Payment Date, in which event from such succeeding Interest Payment Date), to the Maturity Date identified above (or such earlier date on which the principal hereof has been paid or duly provided for), at the Interest Rate identified above, on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2018.

The principal of this Bond due on the Maturity Date shall be paid on the Maturity Date upon presentation and surrender hereof at the corporate trust office presently located at 101 Barclay Street, 7 East, New York, New York 10286 (the "Office of the Trustee") of The Bank of New York Mellon, as trustee (together with its successors in trust, the "Trustee") under the trust indenture dated as of June 1, 2018 (from time to time, as amended or supplemented, the "Indenture") by and between the Issuer and the Trustee, or at the duly designated office of any successor trustee under the Indenture. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Indenture. Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Bondholders, and the terms and conditions upon which the Bonds are issued and secured. All terms used herein with initial capitalization where the rules of grammar or context do not otherwise require shall have the meanings ascribed to such terms in the Indenture. Each Bondholder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Except when the Bonds are Book Entry Bonds, the installments of interest described above and any Sinking Fund Payment or principal payment due prior to maturity on this Bond shall, as provided in the Indenture, be paid to the Person in whose name this Bond (or one or more Predecessor Bonds) is registered at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding the calendar month in which the applicable Interest Payment Date occurs (the "Regular Record Date"), and shall be paid by check or draft of the Trustee mailed by the Trustee on such Interest Payment Date to such registered Owner at his address appearing on the registration books of the Issuer, or at the written request of any Holder of Bonds in an aggregate principal amount of \$28,600,000 or greater be transmitted on such Interest Payment Date by wire transfer at such Holder's written request to the bank account number on file with the Trustee, provided such Holder has delivered adequate instructions regarding same to the Trustee at least ten (10) Business Days prior to such Bond Payment Date. Any such interest, Sinking Fund Payment or principal payment not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the Person in whose name this Bond (or one or more Predecessor Bonds) is registered at the close of business on a date for the payment of such Defaulted Payment to be fixed by the Trustee (the "Special Record Date"), notice whereof being mailed one time, first-class postage prepaid, to registered owners of the Bonds not less than ten (10) days prior to such Special Record Date, or may be paid in any other lawful manner as shall be determined by the Trustee. Notwithstanding anything herein to the contrary, when this Bond is registered in the name of a Depository (as hereinafter defined) or its nominee, the principal and redemption price of and interest on this Bond shall be payable in same day funds delivered or transmitted to the Depository or its nominee by 2:30 o'clock p.m. (New York time) on any date on which the principal and redemption price of and interest on any Bond is due and payable.

(Project Description)

This Bond is one of a duly authorized issue of bonds of the Issuer designated "Town of Amherst Development Corporation Revenue Bonds (Daemen College Project), Series 2018 in the aggregate principal amount of \$28,600,000 (the "Initial Bonds") are issued for the purpose of assisting in providing financing to the Issuer for a project (the "Initial Project") being undertaken by the Issuer for the benefit of Daemen College (the "Borrower"), a New York not-for-profit education corporation, which Initial Project consists of the following: (A) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006A issued on June 30, 2006 in the original aggregate principal amount of \$20,925,000 (the "Series 2006A Bonds"), which Series 2006A Bonds financed the following project: (1) the refinancing of the Town of Amherst Industrial Development Agency Civic Facility Revenue Bonds (Daemen College Project), Series 2001A (the "Series 2001A Bonds") used to finance (a) the acquisition by the Town of Amherst Industrial Development Agency (the "Prior Issuer") of a leasehold interest in an approximately 5.7 acre parcel of land (the "Student Housing Land") located on the campus of the Borrower at 4380 Main Street in the Town of Amherst, Erie County, New York (the "Campus") on which is located Rosary Hall and the Business & Commerce Building (the "Other Land" and, together with the Student Housing Land, the "Land"), (b) the acquisition by the Prior Issuer of an interest in the existing buildings located on the Student Housing Land containing 23 existing student housing units (the "Existing Student Housing") and of an interest in Rosary Hall and an interest in the Business & Commerce Building, both of which are located on the Other Land (the Existing Student Housing, Rosary Hall and the Business & Commerce Building being collectively referred to as the "Existing Facility"), (c) the demolition of the Existing Student Housing, (d) the construction on the Student Housing Land of 7 new apartment style housing units with a total of approximately 384 beds (the "New Housing Facility") and (e) the acquisition and installation by the Prior Issuer of an interest in certain existing furniture and fixtures located in Rosary Hall and in the Business and Commerce Building (the "Existing Equipment") (the Land, the Existing Facility, the New Housing Facility and the Existing Equipment being collectively referred to as the "2001 Project Facility"); and (2) paying a portion of the costs incidental to the issuance of the Series 2006A Bonds, including issuance costs of the

Series 2006A Bonds and a debt service reserve fund to secure the Series 2006A Bonds; (B) the refinancing, in whole or in part, of the Town of Amherst Industrial Development Agency Multi-Mode Civic Facility Revenue Bonds (Daemen College Project), Series 2006B issued on June 30, 2006 in the original aggregate principal amount of \$17,075,000 (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Prior Bonds"), which Series 2006B Bonds financed the following project: (1) the acquisition of an interest or interests in portions of the Land; (2) the construction of a new library and information center on the Land to contain approximately 47,200 gross square feet of space (the "Library Facility" and together with the Existing Facility, the "Facility"); (3) the acquisition of an interest in and installation of equipment and fixtures to be located in or attached to the Library Facility (the "Library Equipment" and, together with the Existing Equipment, the "Equipment") (the Library Facility and the Library Equipment being collectively referred to as the "2006 Project Facility"); and (4) paying a portion of the costs incidental to the issuance of the Series 2006B Bonds, including issuance costs of the Series 2006B Bonds and a debt service reserve fund to secure the Series 2006B Bonds; (C) (1) the renovation of and improvements to the science facilities in Duns Scotus Hall, all on the Land, and (2) the undertaking of various deferred maintenance improvements to Campus facilities, all on the Land (collectively, the "2018 Project Facility" and, together with the Facility, the "Project Facility"); (D) the financing of all or a portion of the costs of the foregoing by the issuance of the Initial Bonds; and (E) paying a portion of the costs incidental to the issuance of the Initial Bonds, including issuance costs of the Initial Bonds and any reserve funds as may be necessary to secure the Initial Bonds. Pursuant to the terms of a loan agreement dated as of June 1, 2018 (the "Loan Agreement") between the Issuer, as lender, and the Borrower, as borrower, the Issuer made a loan to the Borrower of the proceeds of the Initial Bonds (the "Loan") for the purpose of assisting in financing the Initial Project.

(Additional Bonds)

As provided in the Indenture, additional Series of Bonds (the "Additional Bonds", and collectively with the Initial Bonds, the "Bonds") may be issued from time to time pursuant to supplements to the Indenture on a parity with, and secured and payable equally and ratably with, all other Series of Bonds issued under the Indenture, which Additional Bonds may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture and the supplement thereto authorizing any such Series of Additional Bonds. The aggregate principal amount of Bonds which may be issued under the Indenture is not limited, except as otherwise provided in the Indenture.

(Security for the Bonds)

The Bonds are issued under and are equally and ratably secured by the Indenture. The Indenture grants the Trustee a first security interest in the Trust Revenues (as defined in the Indenture).

As security for the Bonds, the Issuer will execute and deliver to the Trustee a pledge and assignment dated as of June 1, 2018 (the "Pledge and Assignment") from the Issuer to the Trustee, which Pledge and Assignment will assign to the Trustee certain of the Issuer's rights under the Loan Agreement. Pursuant to the Pledge and Assignment, loan payments made by the Borrower under the Loan Agreement are to be paid directly to the Trustee. The Pledge and Assignment and a memorandum relating to the Loan Agreement are to be recorded in the office of the County Clerk of Erie, New York.

Reference is hereby made to the Indenture, the Loan Agreement, the Pledge and Assignment, and to all amendments and supplements thereto, for a description of the nature and extent of the security for the Bonds, the terms and conditions upon which the Bonds are issued and secured and the rights, duties and obligations of the Issuer, the Trustee, the Borrower and the Bondholders. Copies of such documents are on file in the Office of the Trustee.

(Limited Liability)

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM PAYMENTS MADE BY THE BORROWER UNDER THE LOAN AGREEMENT, MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE INDENTURE, AND THE SECURITY PROVIDED BY THE PLEDGE AND ASSIGNMENT AND THE GUARANTY.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PRICE OF OR THE INTEREST ON THIS BOND OR FOR ANY CLAIM BASED HEREON OR ON THE INDENTURE, AGAINST ANY PAST, PRESENT OR FUTURE MEMBER, DIRECTOR, OFFICER, AGENT (EXCEPT THE BORROWER), SERVANT OR EMPLOYEE, AS SUCH, OF THE ISSUER OR OF ANY PREDECESSOR OR SUCCESSOR CORPORATION, EITHER DIRECTLY OR THROUGH THE ISSUER OR OTHERWISE, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE HEREOF, EXPRESSLY WAIVED AND RELEASED.

THE BONDS DO NOT CONSTITUTE AND SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE TOWN OF AMHERST, NEW YORK AND NEITHER THE STATE OF NEW YORK NOR THE TOWN OF AMHERST, NEW YORK SHALL BE LIABLE THEREON. THE BONDS DO NOT GIVE RISE TO A PECUNIARY LIABILITY OR CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE OF NEW YORK OR THE TOWN OF AMHERST, NEW YORK.

(Extraordinary Redemption Without Premium)

The Initial Bonds are subject to redemption prior to maturity (1) as a whole, without premium, in the event of (a) a taking in Condemnation of, or failure of title to, all or substantially all of the Project Facility, (b) damage to or destruction of part or all of the Project Facility and election by the Borrower to redeem the Initial Bonds, or (c) a taking in Condemnation of part of the Project Facility and election by the Borrower to redeem the Initial Bonds, or (2) as a whole, without premium, in the event that (a) the Loan Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as a result of any change in the United States Constitution or legislative or administrative action (whether state or federal), or by final decree or judgment of any court or administrative body, or (b) the Authorized Representative of the Borrower certifies that unreasonable burdens or excessive liabilities have been imposed on the Borrower or its property, including, without limitation, taxes not being imposed on the date of the Loan Agreement, or (3) in part, without premium, in the event that (a) excess moneys remain in the Insurance and Condemnation Fund following damage or condemnation of a portion of the Project Facility and completion of the repair, rebuilding or restoration of the Project Facility and, pursuant to the Indenture, such excess moneys are not paid to the Borrower, (b) excess moneys remain in the related account of the Project Fund on the Completion Date or (c) excess proceeds of recoveries from contractors are applied to redeem Bonds pursuant to the Loan Agreement. In any such event, the Initial Bonds will be redeemed, as a whole or in part, at such time as the Trustee determines, at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

(Optional Redemption without Premium at the Borrower's Option)

The Initial Bonds maturing on or after October 1, 2029 are also subject to redemption prior to maturity on or after October 1, 2028, at the option of the Borrower by exercise of its right to prepay the loan payments payable under the Loan Agreement as provided in Section 5.3 thereof, as a whole or in part

at any time, in denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof, at a Redemption Price equal, on any particular date, to the percentage of the principal amount to be redeemed applicable to such date, as set forth in the table below, plus accrued interest to the Redemption Date:

<u>REDEMPTION DATES</u>	<u>REDEMPTION PRICE</u>
October 1, 2028 and thereafter	100%

(Scheduled Mandatory Redemption without Premium)

The Initial Bonds issued as Term Bonds maturing on October 1, 2037 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2032 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

<u>Sinking Fund Payment Date</u> <u>(October 1)</u>	<u>Sinking Fund Payment</u>
2032	\$840,000
2033	875,000
2034	905,000
2035	950,000
2036	980,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,025,000 principal amount of the Initial Bonds maturing on October 1, 2037 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

The Initial Bonds issued as Term Bonds maturing on October 1, 2043 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing October 1, 2038 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

<u>Sinking Fund Payment Date</u> <u>(October 1)</u>	<u>Sinking Fund Payment</u>
2038	1,065,000
2039	1,115,000
2040	1,175,000
2041	1,235,000
2042	1,295,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,360,000 principal amount of the Initial Bonds maturing on October 1, 2043 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

The Initial Bonds issued as Term Bonds maturing on October 1, 2048 are subject to scheduled mandatory sinking fund redemption, by lot, prior to maturity, on October 1 of each year, commencing

October 1, 2044 by the application of Sinking Fund Payments at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof to be redeemed, plus accrued interest to the Redemption Date, without premium, in the principal amounts set forth opposite the respective dates set forth below:

<u>Sinking Fund Payment Date</u> <u>(October 1)</u>	<u>Sinking Fund Payment</u>
2044	\$1,425,000
2045	1,495,000
2046	1,570,000
2047	1,645,000

Following retirement by mandatory sinking fund redemption prior to their Stated Maturity, there will remain \$1,730,000 principal amount of the Initial Bonds maturing on October 1, 2048 to be paid at maturity, unless otherwise redeemed pursuant to the Indenture.

(Procedures for Redemption)

Notice of the intended redemption of each Bond subject to redemption shall be given not less than thirty (30) days nor more than sixty (60) days prior to the Redemption Date by the Trustee one time by first class mail postage prepaid to the registered owner at the address of such owner shown on the bond register maintained by the Trustee. The failure to give any such notice, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Bond with respect to which no such failure to give notice, or defect therein, has occurred. Notice of any redemption hereunder with respect to Bonds held under a Book Entry System shall be given by the Bond Registrar or the Trustee only to the Depository, or its nominee, as the holder of such Bonds. Selection of book entry interests in the Bonds called for redemption is the responsibility of the Depository and any failure of any Direct Participant, Indirect Participant or Beneficial Owner to receive such notice and its contents or effect will not affect the validity of such notice or any proceedings for the redemption of such Bonds.

Any notice of optional redemption may provide (and shall provide if the Trustee shall be directed to do so by the Borrower) that if, on the redemption date set forth in any such notice, there is on deposit with the Trustee and available therefor insufficient funds to pay the Redemption Price of all Initial Bonds scheduled to be redeemed, such redemption may be rescinded (in which case the Trustee shall promptly so notify the Holders of such Initial Bonds in the same manner in which notice of redemption was given), and if such redemption is rescinded, the Initial Bonds scheduled to be redeemed shall remain Outstanding as if the notice of redemption had not been sent.

In the event of any partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee not more than sixty (60) days prior to the redemption date from maturities designated in writing by the Borrower, and within each maturity by lot. If any maturity of the Bonds which is subject to sinking fund redemption is to be redeemed in part, the Trustee shall apply any partial redemption payments (other than a scheduled mandatory redemption) to the schedule of mandatory Sinking Fund Payments thereon as designated by the Borrower. Further, the Trustee may provide for the redemption of portions (equal to \$5,000 or any integral multiple of \$5,000 in excess thereof) of Outstanding Bonds. In no event shall the principal amount of Bonds subject to any partial redemption be other than \$5,000 or any integral multiple of \$5,000 in excess thereof.

Notice of any redemption hereunder with respect to Bonds held under a Book Entry System shall be given by the Bond Registrar or the Trustee only to the Depository, or its nominee, as the holder of such

Bonds. Selection of book entry interests in the Bonds called for redemption is the responsibility of the Depository and any failure of any Direct Participant, Indirect Participant or Beneficial Owner to receive such notice and its contents or effect will not affect the validity of such notice or any proceedings for the redemption of such Bonds.

Bonds (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the Lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Notice of redemption having been duly mailed, this Bond, or the portion called for redemption, will become due and payable on the Redemption Date at the applicable redemption price and, moneys for the redemption having been deposited with the Trustee, from and after the date fixed for redemption, interest on this Series Bond (or such portion) will no longer accrue.

While a Depository is the sole holder of the Bonds, delivery or notation of partial redemption of the Bonds shall be effected in accordance with the provisions of the Depository Letters, as defined in the Indenture.

(Transfer and Exchange)

As provided in the Indenture and subject to certain limitations therein set forth, this Bond, upon surrender for transfer at the Office of the Trustee, as Bond Registrar, is transferable upon an assignment duly executed by the registered owner hereof or his duly authorized legal representative. Upon such transfer, one or more new Bonds of authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The Bonds are issuable only in fully registered form and shall be in original minimum denominations of \$5,000 and any multiple of five thousand dollars (\$5,000) in excess thereof.

No service charge shall be made for any transfer or exchange of Bonds, but the Issuer or the Trustee may make a charge for transfer or exchange of Bonds sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange, and such charge shall be paid before any new Bond shall be delivered.

In any case where the date for payment on this Bond, whether of interest or principal at maturity or a date fixed for redemption, shall be a day other than a Business Day, then such payment shall be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue on the amount due for the period after such date.

The Issuer, the Trustee and the Borrower may treat the registered owner as the absolute owner of this Bond for all purposes, notwithstanding any notice to the contrary.

(Miscellaneous)

If an Event of Default as defined in the Indenture occurs, the principal of all Bonds issued under the Indenture may become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the

Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

The Indenture permits certain amendments or supplements to the Loan Agreement, the Indenture and the other Financing Documents not prejudicial to the Bondholders to be made without the consent of or notice to the Bondholders, and other amendments or supplements thereto to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The principal hereof may be declared or may become due on the conditions and in the manner and at the time set forth in the Indenture upon the occurrence of an Event of Default as provided in the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication of the Trustee shall be endorsed hereon.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture, and the issuance of this Bond, do exist, have happened and have been performed in the time, form and manner as required by law, and that the issuance of the Bonds does not violate any constitutional or statutory limitation.

SPECIMEN


IN WITNESS WHEREOF, Town of Amherst Development Corporation has caused this Bond to be duly executed in its name by the manual or facsimile signature of its Chairman, Vice Chairman or Chief Executive Officer, and its corporate seal to be impressed or reproduced hereon, attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the Dated Date identified above.

TOWN OF AMHERST
DEVELOPMENT CORPORATION

BY: 
Chief Executive Officer

(SEAL)

ATTEST:

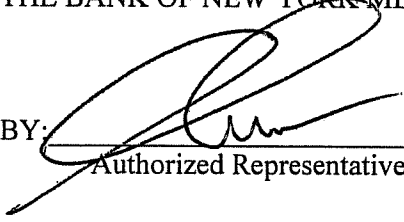

(Assistant) Secretary

SPECIMEN

Certificate of Authentication

This Bond is one of the Bonds of the Series designated therein described in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON, as Trustee

BY: 
Authorized Representative

Christopher Spinelli
Vice President

6/14/19
Date of Authentication

SPECIMEN

[Form of Assignment for Transfer]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto *(please insert name, address and social security or tax identification number of assignee):*

the within Bond and does hereby irrevocably constitute and appoint _____ to transfer the said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature(s) on this assignment must correspond with the name(s) as it (they) appear(s) on the face of the within Bond in every particular.

In the presence of:

Signature Guaranteed:

Signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Trustee, which requirements will include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Trustee in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SPECIMEN