NEW ISSUE – BOOK-ENTRY-ONLY **RATINGS: Moody's: "Aaa"**
S&P: "AAA"

In the opinion of Eckert Seamans Cherin & Mellott, LLC, Bond Counsel, under existing statutes, regulations, rulings and court decisions, interest on the Bonds, including interest in the form of original issue discount, will not be includible in gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, assuming continuing compliance by the Authority and the University with the requirements of the Internal Revenue Code of 1986, as amended. Under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale thereof are not includible in gross income of the holders thereof. See "TAX MATTERS" herein.

NJEFA
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

$500,000,000 Princeton University Revenue Bonds, 2024 Series B
and
$158,640,000 Princeton University Revenue Refunding Bonds, 2024 Series C

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

The New Jersey Educational Facilities Authority Princeton University Revenue Bonds, 2024 Series B (the "2024 Series B Bonds") and the New Jersey Educational Facilities Authority Princeton University Revenue Refunding Bonds, 2024 Series C (the "2024 Series C Bonds" and together with the 2024 Series B Bonds, the "Bonds") will be issued by the New Jersey Educational Facilities Authority (the "Authority") as fully-registered bonds by means of a book-entry system evidencing ownership and transfer thereof on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants. Purchases of the Bonds will be made in book-entry form in denominations of $5,000 each or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and redemption premium, if any, and interest on the Bonds will be made directly to DTC. Disbursement of such payments to the Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners of the Bonds is the responsibility of the Direct Participants and the Indirect Participants. See "DESCRIPTION OF THE BONDS – Book-Entry-Only System" herein. The Bank of New York Mellon, Woodland Park, New Jersey, shall act as Trustee, Bond Registrar and Paying Agent for the Bonds.

Interest on the Bonds will be payable initially on September 1, 2024 and semiannually thereafter on each March 1 and September 1 until maturity. The Bonds are subject to redemption prior to maturity, as set forth herein.

The Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law (N.J.S.A. 18A:72A-1 et seq.), as amended and supplemented, the Princeton University Revenue Bond Resolution adopted by the Authority on February 16, 1999, as amended and supplemented (collectively, the "General Resolution"), and the 2024 Series B and 2024 Series C Series Resolution, adopted by the Authority on February 6, 2024 (the "2024 Series B and 2024 Series C Series Resolution"; and together with the General Resolution, the "Resolution"). The Bonds are being issued for the purpose of making a loan to The Trustees of Princeton University (the "University") to finance or refinance: (i) the costs of acquisition, construction, renovation, installation, equipping and repair of capital projects and improvements for the University; (ii) the refunding and defeasance of all of the Authority's Princeton University Revenue Bonds, 2014 Series A maturing after July 1, 2024; and (iii) the payment of certain costs incidental to the sale and issuance of the Bonds, including deposits to certain funds created under the Resolution and the 2024 Series B and 2024 Series C Series Resolution. See "INTRODUCTORY STATEMENT – Plan of Finance" herein. The Authority and the University will enter into one or more Loan Agreement(s) with respect to such loan.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION), OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION). THE AUTHORITY HAS NO TAXING POWER. SEE "SECURITY FOR THE BONDS" HEREIN FOR A DESCRIPTION OF THE SECURITY FOR THE BONDS AND THE OTHER PARITY BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION.

This cover page contains certain information for quick reference only. It is not intended to be a summary of this issue. For a discussion of certain factors that should be considered, in addition to the other matters set forth on this cover page, in evaluating the investment quality of the Bonds, investors must read the entire Official Statement, including, but not limited to APPENDIX A and APPENDIX B, to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued by the Authority and delivered to the Underwriters, subject to prior sale or withdrawal or modification of the offer without notice, and subject to the approval of their legality by Eckert Seamans Cherin & Mellott, LLC, Philadelphia, Pennsylvania, Bond Counsel to the Authority. Certain legal matters will be passed upon for the University by Ballard Spahr LLP, Mount Laurel, New Jersey, and by Ramona E. Romero, Esq., General Counsel to the University. Certain legal matters will be passed upon for the Underwriters by their counsel, Hawkins Delafield & Wood LLP, Newark, New Jersey. The 2024 Series B Bonds are expected to be available for delivery through the facilities of DTC on or about March 6, 2024. The 2024 Series C Bonds are expected to be available for delivery through the facilities of DTC on or about April 3, 2024.

Goldman Sachs & Co. LLC **BofA Securities**

Loop Capital Markets **Morgan Stanley** **Ramirez & Co., Inc.** **Siebert Williams Shank & Co., LLC**

Dated: February 21, 2024

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

$500,000,000 PRINCETON UNIVERSITY REVENUE BONDS, 2024 SERIES B

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIPS

Maturity (March 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP No.**
2053	$150,000,000	4.000%	4.030%	99.489%	646067GX0

$350,000,000 5.250% Term Bonds Due March 1, 2054, Yield 3.660%*, Price 113.199%*, 646067GY8

$158,640,000 PRINCETON UNIVERSITY REVENUE REFUNDING BONDS, 2024 SERIES C

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS AND CUSIPS

Maturity (March 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP No. **
2025	$1,950,000	5.000%	2.920%	101.854%	646067GZ5
2026	26,885,000	5.000	2.720	104.215	646067HA9
2027	26,950,000	5.000	2.550	106.829	646067HB7
2028	27,320,000	5.000	2.440	109.492	646067HC5
2029	27,700,000	5.000	2.420	111.876	646067HD3
2044	47,835,000	5.000	3.260*	114.632*	646067HE1

* Yields and Prices calculated to the first optional redemption date of March 1, 2034.

** CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2024 CUSIP Global Services. All rights reserved. CUSIP data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for CGS database. CUSIP numbers are included solely for the convenience of the registered owners of the applicable Bonds. None of the Authority, the University or the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in the Official Statement, including, its appendices, to obtain information essential to the making of an informed investment decision in the Bonds.

The information contained herein relating to the Authority (as hereinafter defined) under the headings, "THE AUTHORITY" and "LITIGATION – The Authority", has been obtained from the Authority. All other information herein has been obtained by the Underwriters (as hereinafter defined) from the University (as hereinafter defined), the Underwriters and other sources deemed by the Underwriters to be reliable, and is not to be construed as a representation of the Authority or the Underwriters. The Authority has not participated in the making of the statements contained within this Official Statement other than the information under the headings, "THE AUTHORITY" and "LITIGATION – The Authority", and does not represent that any such statements are accurate or complete for purposes of investors making an investment decision with respect to the Bonds. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the University since the date hereof.

The University, in APPENDIX A, has provided the description of the University and certain relevant financial and operating data with respect thereto. It is noted that some of the financial information has been derived from the audited consolidated financial statements of the University. This information should be read in conjunction with the audited financial statements and the related notes which are included as APPENDIX B to this Official Statement.

No dealer, broker, salesperson or other person has been authorized by the Authority or the University to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of, the Bonds by any person in any such jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Certain information contained herein has been obtained from the University and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness, and it is not to be construed as a representation of the Authority or the Underwriters.

The information set forth herein relative to The Depository Trust Company, New York, New York ("DTC"), and DTC's book-entry-only system has been supplied to the Authority by DTC for inclusion herein, and the Authority takes no responsibility for the accuracy thereof. Such information has not been independently verified by the Authority or the University, and neither the Authority nor the University makes any representation as to the accuracy or completeness of such information.

The Bonds have not been registered under the Securities Act of 1933, as amended, and the Resolution (as hereinafter defined) has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions contained in such federal laws. In making an investment decision, investors must rely upon their own examination of the Bonds and the security therefor, including an analysis of the risk involved. The Bonds have not been recommended by any federal or state securities commission or regulatory authority. The registration, qualification or exemption of the Bonds in accordance with applicable provisions of securities laws of the various jurisdictions in which the Bonds have been registered, qualified or exempted cannot be regarded as a recommendation thereof. Neither such jurisdictions nor any of their agencies have passed upon the merits of the Bonds or the adequacy, accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

References in this Official Statement to statutes, laws, rules, regulations, resolutions (including the Resolution), agreements (including the Continuing Disclosure Agreement) (as hereinafter defined), reports and documents do not purport to be comprehensive or definitive, and all such references are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. This Official Statement is distributed in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

If and when included in this Official Statement, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,”, “will,” and analogous expressions are intended to identify forward-looking statements. Any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance, governmental regulations, litigation, and various other events, conditions and circumstances many of which are beyond the control of the Authority and the University. These forward-looking statements speak only as of the date of this Official Statement. The Authority and the University disclaim any obligation or agreement to release publicly any update or revision to any forward-looking statement contained herein to reflect any change in the Authority's or the University's expectation with regard thereto to any change in events, conditions or circumstances on which any such statement is based.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
103 COLLEGE ROAD EAST
PRINCETON, NEW JERSEY 08540-6612

OFFICIAL STATEMENT
RELATING TO

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

\$500,000,000
PRINCETON UNIVERSITY REVENUE BONDS, 2024 SERIES B

and

\$158,640,000
PRINCETON UNIVERSITY REVENUE REFUNDING BONDS, 2024 SERIES C

INTRODUCTORY STATEMENT

General

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish information concerning the New Jersey Educational Facilities Authority (the "Authority") and its \$500,000,000 Princeton University Revenue Bonds, 2024 Series B (the "2024 Series B Bonds") and \$158,640,000 Princeton University Revenue Refunding Bonds, 2024 Series C (the "2024 Series C Bonds" and together with the 2024 Series B Bonds, the "Bonds") to be dated the date of issuance thereof, authorized by the Princeton University Revenue Bond Resolution, adopted by the Authority on February 16, 1999, as amended and supplemented (collectively, the "General Resolution"), and the 2024 Series B and 2024 Series C Series Resolution, adopted by the Authority on February 6, 2024 (the "2024 Series B and 2024 Series C Series Resolution" and together with the General Resolution, the "Resolution"). Capitalized terms used but not defined in this Official Statement shall have the respective meanings assigned to such terms in the Resolution.

Authority for Issuance

The Bonds are being issued pursuant to the New Jersey Educational Facilities Authority Law, constituting Chapter 72A of Title 18A of the New Jersey Statutes as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act"). The Act, among other things, empowers the Authority to issue its bonds, notes and other obligations to obtain funds to finance and refinance an eligible project as such may be required or convenient for the purpose of a public or private participating institution of higher education, such as The Trustees of Princeton University, a New Jersey not-for-profit corporation and a privately endowed, non-sectarian institution for higher education situated in Princeton, Mercer County, New Jersey (the "University"). For information concerning the University, see "APPENDIX A – PRINCETON UNIVERSITY" and "APPENDIX B – CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022, AND REPORT OF INDEPENDENT AUDITORS" hereto.

Plan of Finance

The Bonds are being issued to finance or refinance: (i) in whole or in part, the costs of the acquisition, construction, renovation, campus improvement, installation and equipping of certain capital assets to be located at or near the University's Main/Meadows Campus in Princeton and West Windsor Township, New Jersey, at its Forrestal Campus in Plainsboro and South Brunswick, New Jersey, at its administrative building in West Windsor, New Jersey, or at its Hopewell Campus in Hopewell, New Jersey, consisting of (A) the construction, renovation, improvement, installation, equipping, and repair of various University buildings, including, but not limited to, administrative, athletic, academic, staff, faculty and student housing, and other facilities, including utility systems, roads, grounds, parking, and infrastructure, (B) the purchase of capital equipment for academic departments and administrative and supporting units, and (C) the acquisition of land and other projects in or on University owned or leased buildings and land; (ii) the refunding and defeasance of all of the Authority's Princeton University Revenue Bonds, 2014 Series A maturing after July 1, 2024 as further described in "APPENDIX F - DESCRIPTION OF THE 2014 SERIES A BONDS TO BE REFUNDED" hereto (the "2014 Series A Bonds to be Refunded"); and (iii) the payment of certain costs incidental to the sale and issuance of the Bonds, including deposits to certain funds created under the Resolution.

On March 6, 2024, the Authority is expected to issue two separate subseries of bonds for the University in the aggregate principal amount of $809,185,000, designated as the Authority's Princeton University Revenue Bonds, 2024 Series A-1 and the Authority's Princeton University Revenue Bonds, 2024 Series A-2 (collectively, the "2024 Series A Bonds"), which have been sold pursuant to competitive bids, to finance various capital projects for the University. The 2024 Series A Bonds are not being offered under this Official Statement. The 2024 Series A Bonds are being issued under a separate Series Resolution of the Authority and the proceeds thereof will be loaned by the Authority to the University pursuant to a separate loan agreement.

Security

The Bonds will be issued on a parity with the Authority's outstanding Princeton University Revenue Bonds, 2014 Series A (other than the 2014 Series A Bonds to be Refunded), 2015 Series A, 2015 Series D, 2016 Series A, 2016 Series B, 2017 Series B, 2017 Series C, 2017 Series I, 2021 Series B, 2021 Series C, and 2022 Series A heretofore issued, and the 2024 Series A Bonds expected to be issued as described herein, under the General Resolution to finance and refinance certain facilities of the University and that will remain outstanding after the issuance of the Bonds (the "Outstanding Parity Bonds") and any additional parity bonds that may hereafter be issued under the General Resolution (the "Additional Parity Bonds"). The Bonds of each series are secured by a pledge of the revenues (the "Revenues") derived by the Authority pursuant to separate Loan Agreements, to be dated as of March 1, 2024 with respect to the 2024 Series B Bonds, and as of April 1, 2024 with respect to the 2024 Series C Bonds (each a "Loan Agreement" and collectively, the "Loan Agreements"), each by and between the Authority and the University relating to the applicable series of Bonds, pursuant to loan agreements relating to the facilities financed by the Outstanding Parity Bonds (the "Prior Loan Agreements") and pursuant to any subsequent loan agreements relating to any approved facility that the Authority may finance or refinance for the University in the future.

Pursuant to the Loan Agreements, the Prior Loan Agreements and any subsequent loan agreements relating to any approved facility, the University agrees to make loan repayments to the Authority equal to all sums necessary for the payment of the debt service on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds, and the full faith and credit of the University is pledged to the payments required to be made thereunder. See "SECURITY FOR THE BONDS" herein.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION), OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF NEW JERSEY OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION). THE AUTHORITY HAS NO TAXING POWER. SEE "SECURITY FOR THE BONDS" HEREIN FOR A DESCRIPTION OF THE SECURITY FOR THE BONDS AND THE OTHER OUTSTANDING PARITY BONDS UNDER THE GENERAL RESOLUTION.

THE AUTHORITY

Powers of the Authority

The Authority was duly created under the Act (N.J.S.A. 18A:72A-1 *et seq*.) as a public body corporate and politic constituting an instrumentality exercising public and essential governmental functions of the State of New Jersey (the "State"). The Act empowers the Authority, among other things, to make loans to public and private colleges and universities for the construction, improvement, acquisition, and refinancing of eligible projects in accordance with a lease agreement, a loan agreement or a mortgage approved by the Authority. The Authority is also authorized to provide financing for capital improvements at qualified public libraries.

The Act provides that the Authority shall not be required to pay taxes or assessments upon any of the property acquired or used by it or under its jurisdiction, control, possession or supervision, or upon its activities in the operation and maintenance of the facilities acquired or constructed for any participating college or university or upon any moneys, revenues, or other income received therefrom by the Authority.

Authority Organization and Membership

Under the Act and pursuant to Reorganization Plan 005-2011, the Authority membership consists of the State Treasurer, the Secretary of Higher Education, both *ex officio*, and five citizen members appointed by the Governor of the State (the "Governor") with the advice and consent of the Senate for terms of five years each. The Act provides that deputies of the *ex officio* members may be designated to act on their behalf. Members of the Authority whose terms have expired continue to serve on the Authority until their successors are appointed and qualified. The members of the Authority serve without compensation, but are entitled to reimbursement of actual and necessary expenses incurred in the discharge of their official duties.

The present members and officers of the Authority, the dates of expiration of their terms as members and their business affiliations are as follows:

Joshua E. Hodes, Chair; term as a member expired April 30, 2014; Partner, Public Strategies Impact; Trenton, New Jersey.

Ridgeley Hutchinson, Vice Chair; term as a member expired April 30, 2015; President, Truehart Productions; Lambertville, New Jersey.

The Honorable Elizabeth Maher Muoio, Treasurer; Treasurer, State of New Jersey, *ex officio*.

The Honorable Dr. Brian K. Bridges, Secretary of Higher Education, *ex officio*.

Louis A. Rodriguez, P.E.; term as a member expired April 30, 2016; Retired; Marlboro, New Jersey.

Sheryl A. Stitt, Executive Director, serves as the Secretary to the Authority.

Steven P. Nelson, Deputy Executive Director, serves as an Assistant Secretary to the Authority.

Brian Sootkoos, Director of Finance/Controller, serves as the Assistant Treasurer to the Authority.

Ellen Yang, Director of Compliance Management, serves as an Assistant Secretary to the Authority.

Outstanding Obligations of the Authority

As of December 31, 2022, the Authority has heretofore authorized and issued its obligations in a total outstanding amount of $4,829,826,452 to finance and refinance eligible projects at certain of the participating public and private colleges and universities and public libraries located in the State.

The Authority has never defaulted in the payment of the maturing principal of or interest on any of its obligations.

STATE OF NEW JERSEY HIGHER EDUCATION

The State of New Jersey's Office of the Secretary of Higher Education (OSHE) is the leading state agency for higher education policy development and statewide program coordination in New Jersey. Under the leadership of the Secretary of Higher Education, OSHE works to enhance post-secondary opportunity with a focus on equity, access, and affordability for students from all backgrounds. OSHE is dedicated to shaping a strong and inclusive higher education landscape and strategically collaborates with a diverse array of partners to inform evidence-based practices and student-centered strategies that empower success.

As of January 2024, New Jersey institutions of higher education licensed by OSHE include twenty-nine (29) public colleges and universities and sixty-one (61) independent institutions, and as of the 2022-2023 fiscal year, enrolls over 488,018 full-time and part-time credit-seeking students statewide. OSHE licenses out-of-state institutions of higher education who have physical presence in New Jersey at one or more locations within the State. There are approximately eleven (11) additional out-of-state institutions with licensure to offer one or more degrees in the State of New Jersey.

The 29 public colleges and universities are comprised of five (5) public research universities (Rutgers, The State University of New Jersey; Rowan University; New Jersey Institute of Technology; Montclair State University; and Kean University); two (2) state colleges (The College of New Jersey and Ramapo College of New Jersey); and four (4) state universities (Stockton University; Thomas Edison State University; New Jersey City University; and William Paterson University); and eighteen (18) community colleges. The sixty-one (61) independent institutions include fourteen (14) four-year colleges and universities with a public mission, two (2) graduate only degree-granting independent institutions, one (1) independent two-year religious college, thirty-two (32) Talmudic institutions and theological seminaries, and twelve (12) proprietary institutions with degree-granting authority.

DESCRIPTION OF THE BONDS

General

The 2024 Series B Bonds will be issued in the aggregate principal amount of $500,000,000. The 2024 Series C Bonds will be issued in the aggregate principal amount of $158,640,000. Each series of the Bonds will be initially dated and bear interest from the date of issuance thereof at the rates per annum and will mature on March 1 in the years and in the principal amounts shown on the inside front cover page of this Official Statement.

Each series of the Bonds will be issued in fully-registered form, without coupons, in denominations of $5,000 each or any integral multiple thereof, all in accordance with the Resolution. Interest on each series of the Bonds will be payable initially on September 1, 2024 and semiannually thereafter on each March 1 and September 1 until maturity or earlier redemption. Interest on each series of the Bonds will be credited to the participants of DTC (as hereinafter defined) as listed on the records of DTC as of each February 15 and August 15 (the “Record Dates”).

Book-Entry-Only System

The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2024 Series B Bond certificate will be issued for each maturity of the 2024 Series B Bonds in the principal amounts shown on the inside front cover page of this Official Statement, and will be deposited with DTC. One fully-registered 2024 Series C Bond certificate will be issued for each maturity of the 2024 Series C Bonds in the principal amounts shown on the inside front cover page of this Official Statement and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments (from over 100 countries) that DTC's participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults and proposed amendments to the security documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to the Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

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

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In such event, certificated bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

Redemption Provisions

Optional Redemption.

2024 Series B Bonds. The 2024 Series B Bonds are subject to redemption prior to their stated maturities on or after March 1, 2034 at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the Outstanding 2024 Series B Bonds of any maturity shall be called for redemption, such 2024 Series B Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.

2024 Series C Bonds. The 2024 Series C Bonds maturing before March 1, 2044 are not subject to optional redemption prior to their stated maturities. The 2024 Series C Bonds maturing on March 1, 2044 are subject to redemption prior to their stated maturities on or after March 1, 2034 at the option of the Authority upon the consent of the University or by operation of the Redemption Fund, as a whole or in part at any time (if less than all of the Outstanding 2024 Series C Bonds of any maturity shall be called for redemption, such 2024 Series C Bonds to be so redeemed shall be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date.

Mandatory Sinking Fund Redemption.

2024 Series B Bonds. The 2024 Series B Bonds maturing on March 1, 2054 shall be retired by Sinking Fund Installments which shall be accumulated in the Sinking Fund Account, at a redemption price equal to 100% of the principal amount to be redeemed, plus interest accrued to the redemption date. The Sinking Fund Installments shall be sufficient to redeem the principal amount of the 2024 Series B Bonds on March 1 in each of the years and in the principal amounts as follows:

Year	Principal Amount
2053	$100,000,000
2054*	250,000,000

*Final maturity.

2024 Series C Bonds. The 2024 Series C Bonds are not subject to mandatory sinking fund redemption.

The principal amount of the Bonds of a series otherwise required to be redeemed may be reduced by the principal amount of such Bonds theretofore delivered to the Trustee by the Authority in lieu of cash payments under the applicable Loan Agreement or purchased by the Trustee out of moneys in the applicable Sinking Fund Account in the Debt Service Fund established under the 2024 Series B and 2024 Series C Series Resolution that have not theretofore been applied as a credit against Sinking Fund Installment for such Bonds of a series. Any such credit shall be applied against such Sinking Fund Installments as shall be directed by the University in writing to the Authority and the Trustee. Redemption of any of the Bonds shall otherwise be effected in accordance with the Resolution.

Notice of Redemption

Notice of redemption will be mailed by the Trustee to DTC, as the registered owner of the applicable Bonds of a series, and such mailing shall be a condition precedent to such redemption; provided, however, that the failure of any holder to receive any such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any such Bonds. If less than all of the Bonds of a series of one maturity shall be called for redemption, the Trustee, at the direction of the Authority, shall notify DTC not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption of the particular amount of such maturity to be redeemed. DTC shall determine the amount of each Participant's interest in such maturity to be called for redemption, and each Participant shall then select the ownership interest in such maturity to be redeemed. At such time as DTC or its nominee is not the registered owner of the Bonds, the transfer provisions and notice of redemption provisions applicable to the Bonds will be adjusted pursuant to the Resolution. Any notice of optional redemption of any Bonds of a series may specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the Redemption Price of all such Bonds or portions thereof that are to be redeemed on that date.

Negotiable Instruments

The Bonds will be fully negotiable within the meaning of the Uniform Commercial Code of the State, subject only to the provisions for registration contained in the Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Annual Debt Service Requirements

The following table sets forth, for each 12-month period ending on June 30, the amounts required for the payment of the principal of and interest on the Outstanding Parity Bonds issued under and pursuant to the General Resolution, the principal of and interest on certain additional long-term debt of the University, the principal of and interest on the Bonds, and the total of all of such principal and interest. In accordance with the Resolution, the principal and interest requirements relating to the Outstanding Parity Bonds and the Bonds for each 12-month period ending on June 30 are defined to include the respective amounts required to provide for the payment of interest due on each January 1 and each next July 1 and for the payment of principal due on each next July 1.

12 Months Ending June 30*	General Resolution†	Additional Long-Term Debt††	2024 Series B Bonds and 2024 Series C Bonds			Total Debt Service
			Principal	Interest	Total	
2025	$195,148,241	$71,422,279	$1,950,000	$31,263,392	$33,213,392	$299,783,912
2026	167,887,675	96,421,729	26,885,000	32,209,500	59,094,500	323,403,904
2027	336,998,175	70,768,834	26,950,000	30,865,250	57,815,250	465,582,259
2028	177,119,425	70,768,826	27,320,000	29,517,750	56,837,750	304,726,001
2029	175,060,925	70,768,347	27,700,000	28,151,750	55,851,750	301,681,022
2030	201,957,675	70,769,227	-	26,766,750	26,766,750	299,493,652
2031	201,956,925	70,768,745	-	26,766,750	26,766,750	299,492,420
2032	301,100,825	70,768,996	-	26,766,750	26,766,750	398,636,571
2033	201,943,475	70,780,084	-	26,766,750	26,766,750	299,490,309
2034	201,942,275	70,779,901	-	26,766,750	26,766,750	299,488,926
2035	202,191,075	70,534,150	-	26,766,750	26,766,750	299,491,975
2036	197,732,175	70,534,150	-	26,766,750	26,766,750	295,033,075
2037	159,632,000	70,534,150	-	26,766,750	26,766,750	256,932,900
2038	161,252,900	70,534,150	-	26,766,750	26,766,750	258,553,800
2039	51,184,600	570,534,150	-	26,766,750	26,766,750	648,485,500
2040	153,498,200	42,034,150	-	26,766,750	26,766,750	222,299,100
2041	153,496,200	42,034,150	-	26,766,750	26,766,750	222,297,100
2042	20,537,400	212,034,150	-	26,766,750	26,766,750	259,338,300
2043	156,235,900	36,301,750	-	26,766,750	26,766,750	219,304,400
2044	13,752,350	111,301,750	47,835,000	26,766,750	74,601,750	199,655,850
2045	76,706,550	32,756,500	-	24,375,000	24,375,000	133,838,050
2046	11,110,450	158,921,500	-	24,375,000	24,375,000	194,406,950
2047	11,108,650	159,006,689	-	24,375,000	24,375,000	194,490,339
2048	1,868,250	168,303,392	-	24,375,000	24,375,000	194,546,642
2049	1,868,250	168,373,925	-	24,375,000	24,375,000	194,617,175
2050	1,868,250	168,529,836	-	24,375,000	24,375,000	194,773,086
2051	81,368,250	12,603,000	-	24,375,000	24,375,000	118,346,250
2052	-	312,603,000	-	24,375,000	24,375,000	336,978,000
2053	-	-	250,000,000	24,375,000	274,375,000	274,375,000
2054	-	-	250,000,000	13,125,000	263,125,000	263,125,000
TOTAL**	**$3,616,527,066**	**$3,211,491,511**	**$658,640,000**	**$786,008,892**	**$1,444,648,892**	**$8,272,667,468**

* With respect to principal and interest payments by the University on the Outstanding Parity Bonds, the table reflects the amount of principal and interest payments required to be provided by the University to the Trustee during each 12-month period ending on June 30 and includes principal and interest due on July 1 of the following period. With respect to principal and interest on the taxable debt, the table includes payments that are due on July 1 of the following period.

† Excludes the 2014 Series A Bonds to be Refunded and includes the 2024 Series A Bonds to be issued on March 6, 2024.

†† Includes the University's portion of the Authority's Capital Improvement Fund Bonds that are not secured by the General Resolution and the Taxable Bonds, 2009 Series A, the 2012 Taxable Notes, the 2013 Taxable Notes, the Taxable Bonds, 2016 Series A, the Taxable Bonds, 2017 Series A, the Taxable Bonds, 2020 Series A and Taxable Bonds, Series 2022, issued directly by the University. Does not include other third-party debt. See “APPENDIX A – PRINCETON UNIVERSITY – Third-Party Indebtedness” herein for additional information regarding the outstanding indebtedness of the University.

** Totals may not add due to rounding.

PLAN OF REFUNDING

The proceeds of the 2024 Series C Bonds will be used to (i) refund and defease all of the 2014 Series A Bonds to be Refunded; and (ii) pay certain costs incidental to the sale and issuance of the Bonds. See "APPENDIX F – DESCRIPTION OF THE 2014 SERIES A BONDS TO BE REFUNDED" hereto. In order to effect the refunding and defeasance of the 2014 Series A Bonds to be Refunded, on the date of issuance and delivery of the 2024 Series C Bonds, a portion of the proceeds of the 2024 Series C Bonds, together with other available funds, will be deposited in separate accounts within an escrow fund (the "Escrow Fund") to be held by The Bank of New York Mellon, as escrow agent (the "Escrow Agent"), and established pursuant to an Escrow Deposit Agreement (the "Escrow Agreement") between the Authority and the Escrow Agent. The portion of the proceeds of the 2024 Series C Bonds and other available funds on deposit in the separate accounts within the Escrow Fund, together with investment earnings thereon, will be sufficient to pay when due the principal or redemption price of and interest on the 2014 Series A Bonds to be Refunded. See "VERIFICATION OF MATHEMATICAL CALCULATIONS" herein. Upon deposit of such funds in the Escrow Fund, the 2014 Series A Bonds to be Refunded will be deemed paid under the Resolution and no longer be Outstanding thereunder.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Bonds, along with other available moneys of the University, will be applied approximately as follows:

	2024 Series B Bonds	2024 Series C Bonds	Total
Sources:			
Principal Amount of Bonds	$500,000,000	$158,640,000	$658,640,000
Net Original Issue Premium	45,430,000	15,891,855	61,321,855
University Contribution for Costs of Issuance	311,844	219,562	531,406
TOTAL SOURCES:	$545,741,844	$174,751,417	$720,493,261
Uses:			
Deposit to Escrow Fund	-	$174,207,114	$174,207,114
Deposit to Construction Fund	$544,477,895	-	544,477,895
Underwriters' Discount	952,105	320,299	1,272,404
Costs of Issuance Expenses[1]	311,844	224,004	535,848
TOTAL USES:	$545,741,844	$174,751,417	$720,493,261

[1] Includes fees and expenses of Bond Counsel, the Trustee, the Rating Agencies, and other associated issuance costs.

SECURITY FOR THE BONDS

The Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds that may hereafter be issued under the General Resolution are special and limited obligations of the Authority payable from the Revenues received by the Authority pursuant to the Loan Agreements, the Prior Loan Agreements and any subsequent loan agreements relating to future facilities to be financed or refinanced by Additional Parity Bonds.

The General Resolution provides, among other things, that: (i) the General Resolution shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the owners, from time to time, of the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds; (ii) the pledge made and the covenants and agreements set forth to be performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the owners of all of the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds, which, regardless of their times of issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds, the Outstanding Parity Bonds or any Additional Parity Bonds over any other thereof, except as expressly provided by or permitted under the General Resolution; (iii) the Authority pledges and assigns to the Trustee the Revenues as security for the payment of the Bonds, the Outstanding Parity Bonds and any Additional

Parity Bonds and the interest thereon and as security for the performance of any other obligation of the Authority under the General Resolution; (iv) the pledge made by the General Resolution is valid and binding from the time when such pledge is made, the Revenues shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof; and (v) the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds shall be special and limited obligations of the Authority payable from and secured by a pledge of the Revenues as provided in the General Resolution.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE NOT A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION), OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE RESOLUTION). THE AUTHORITY HAS NO TAXING POWER.

The Bonds are secured by a pledge of the Revenues. The payments of the University required under the Loan Agreements are general, unconditional obligations of the University. The University has pledged its full faith and credit to make such payments pursuant to the Loan Agreements.

CONTINUING DISCLOSURE

Pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the University will enter into an undertaking in the form of a Continuing Disclosure Agreement for each series of the Bonds (each a "Continuing Disclosure Agreement" and collectively, the "Continuing Disclosure Agreements"), substantially in the form included as APPENDIX D to this Official Statement, in which the University will covenant, for the benefit of the holders of the Bonds, to provide or cause a dissemination agent to provide certain financial information and operating data and notice of certain enumerated events to the MSRB (as such term is defined in the Continuing Disclosure Agreements) through its electronic data program, Electronic Municipal Market Access ("EMMA"), or such other program required by Rule 15c2-12.

The Underwriters' obligation to purchase and accept delivery of the Bonds of each series is conditioned upon their receiving, at or prior to the delivery of the Bonds of each series, evidence that the University has made the continuing disclosure undertaking set forth in the applicable Continuing Disclosure Agreement for such series of Bonds.

A failure by the University to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in the Continuing Disclosure Agreements will not constitute an Event of Default under either the Resolution or the Loan Agreements, and the holders of the Bonds of a series are limited to the remedies set forth in the Continuing Disclosure Agreement for such series of Bonds.

The Authority and the holders of the Bonds of a series are recognized under the applicable Continuing Disclosure Agreement for such series of Bonds as being third-party beneficiaries thereunder and may enforce any such right, remedy or claim conferred, given or granted thereunder in favor of the Trustee or the holders of the Bonds of such series, as the case may be.

The University is a party to continuing disclosure undertakings with respect to the Outstanding Parity Bonds. The University's dissemination agent posted the required annual financial and operating data for the fiscal year ended June 30, 2023 (the "2023 Annual Report") on a timely basis on EMMA in accordance with the University's existing continuing disclosure undertakings; however, the 2023 Annual Report was not properly linked on EMMA to certain CUSIP numbers for the 2017 Series C Bonds and the 2017 Series I Bonds. The University's dissemination agent linked the 2023 Annual Report to those CUSIP numbers on February 9, 2024. The University also incurred certain new financial obligations on June 29, 2023 and July 11, 2023. Although the University gave timely notice and instructions to the dissemination agent to post notice of incurrence of such financial obligations on

July 13, 2023 to all CUSIP numbers for the University's Outstanding Parity Bonds, the dissemination agent posted the notice on July 13, 2023 only to the CUSIP numbers relating to the University's 2014 Series A Bonds. A corrective filing to link the notice to all CUSIP numbers for all of the University's Outstanding Parity Bonds was made on December 13, 2023.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("S&P"), have assigned the Bonds ratings of Aaa and AAA, respectively. The ratings represent the respective rating agency's evaluation of the debt service repayment capacity of the University.

Such ratings reflect the views of Moody's and S&P at the time such ratings were given and the Authority makes no representation as to the appropriateness of the ratings. Any explanation of the significance of the ratings may be obtained from Moody's and S&P. There is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by Moody's and/or S&P if, in the judgment of Moody's and/or S&P, circumstances so warrant. Any such downward revision, qualification or withdrawal of the ratings can be expected to have an adverse effect on the market price or marketability of the Bonds.

TAX MATTERS

Federal Tax Exemption

Exclusion of Interest from Gross Income

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, interest on the Bonds, including interest in the form of original issue discount, will not be includible in the gross income of the holders thereof for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, assuming continuing compliance by the Authority and the University with the requirements of the Internal Revenue Code of 1986, as amended (the "Code").

In rendering its opinion, Bond Counsel has assumed compliance by the Authority and the University with their representations contained in their respective Tax Certificates executed and delivered in connection with the issuance of each series of the Bonds, that are intended to comply with the provisions of the Code relating to actions to be taken by the Authority and the University in respect of the Bonds after issuance thereof to the extent necessary to effect or maintain the exclusion from federal gross income of the interest on the Bonds. These representations relate to, inter alia, the use of and investment of proceeds of the Bonds and the rebate to the United States Treasury of specified arbitrage earnings, if any. Failure to comply with such representations could result in interest on the Bonds becoming includible in gross income for federal income tax purposes from the date of issuance of the Bonds.

Other Federal Tax Matters

Ownership or disposition of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation: certain S corporations, foreign corporations with branches in the United States, holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, individuals who otherwise qualify for the earned income credit and taxpayers who have an initial basis in the Bonds greater or less than the principal amount thereof, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers, including banks, thrift institutions and other financial institutions subject to § 265 of the Code, who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds. In addition, ownership or disposition of the Bonds may result in other federal tax consequences to "applicable corporations" (within the meaning of Section 59(k) of the Code enacted as part of the Inflation Reduction Act of 2022) for tax years beginning after December 31, 2022, in that interest on the Bonds may be included in the calculation of the alternative minimum tax imposed on applicable corporations under Section 55(b) of the Code.

New Jersey Gross Income Tax

Under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale thereof are not includible in gross income of the holders thereof.

Future Events

Bond Counsel is not rendering any opinion other than under the captions: "Exclusion of Interest from Gross Income" and "New Jersey Gross Income Tax." Purchasers of the Bonds should consult with his or her own advisors relating to the tax-exempt status of the Bonds in other jurisdictions.

Bond Counsel is rendering its opinions under existing law as of the date of issuance of the Bonds, and assumes no obligation to update its opinion after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise.

THE OPINIONS EXPRESSED BY BOND COUNSEL WITH RESPECT TO THE BONDS ARE BASED UPON EXISTING LAWS AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL DECISIONS AND REGULATORY CHANGES AS OF THE DATE OF ISSUANCE OF THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE POTENTIAL IMPACT OF ANY PENDING OR PROPOSED FEDERAL OR STATE TAX LEGISLATION, REGULATIONS OR LITIGATION.

LEGALITY FOR INVESTMENT

Pursuant to the Act, all bonds, notes and other obligations issued by the Authority under the provisions of the Act, including the Bonds, are securities in which the State and all political subdivisions of the State, their officers, boards, commissions, departments or other agencies, all banks, bankers, savings banks, trust companies, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, all administrators, executors, guardians, trustees and other fiduciaries, and all other persons whatsoever who now or hereafter may be authorized to invest in bonds or other obligations of the State, may properly and legally invest any funds, including capital belonging to them or within their control. Bonds, notes or other securities or obligations of the Authority are also securities that may properly and legally be deposited with and received by any State or municipal officer or agency of the State for any purpose for which the deposit of bonds or other obligations of the State are authorized by law.

PLEDGE OF STATE NOT TO AFFECT RIGHTS OF BONDHOLDERS

Pursuant to the provisions of the Act, the State has pledged to and agrees with the holders of the Bonds issued pursuant to authority contained in the Act, and with those parties who may enter into contracts with the Authority pursuant to the provisions of the Act, that the State will not limit, alter or restrict the rights vested by the Act in the Authority and the participating colleges (as defined in the Act) to maintain, construct, reconstruct and operate any project (as defined in the Act) or to establish and collect such rents, fees, receipts or other charges as may be convenient or necessary to produce sufficient revenues to meet the expenses of maintenance and operation thereof and to fulfill the terms of any agreements made with the holders of the Bonds authorized by the Act, and with the parties who may enter into contracts with the Authority pursuant to the provisions of the Act, or in any way impair the rights or remedies of such holders or such parties until the Bonds, together with interest thereon, are fully paid and discharged and such other contracts are fully performed on the part of the Authority.

LEGAL MATTERS SUBJECT TO APPROVAL OF COUNSEL

All legal matters incident to the authorization and issuance of the Bonds of each series are subject to the unqualified approving opinion of Eckert Seamans Cherin & Mellott, LLC, Philadelphia, Pennsylvania, Bond Counsel to the Authority. Copies of said approving opinions, in substantially the forms included as APPENDIX E to this Official Statement, will be available at the time of delivery of the Bonds of the applicable series. Certain legal matters will be passed upon for the University by Ballard Spahr LLP, Mount Laurel, New Jersey, Counsel to the University, and by Ramona E. Romero, Esq., Princeton, New Jersey, General Counsel to the University. Certain legal matters will be passed upon for the Underwriters by Hawkins Delafield & Wood LLP, Newark, New Jersey.

LITIGATION

The Authority

There is not now pending or, to the knowledge of the Authority, threatened any proceeding or litigation restraining or enjoining the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings or authority under which the Bonds are to be issued. There is no litigation pending or, to the knowledge of the Authority, threatened that in any manner questions the right of the Authority to adopt the Resolution, to enter into the Loan Agreements or to secure the Bonds in the manner herein described.

The University

There is not now pending or, to the knowledge of the University, threatened any proceeding or litigation contesting the Loan Agreements or the Bonds or the ability of the University to perform its obligations under the Loan Agreements.

FINANCIAL ADVISOR TO THE UNIVERSITY

The Yuba Group LLC is serving as financial advisor to the University (the "University Financial Advisor") in connection with the issuance of the Bonds. The University Financial Advisor does not receive a fee related to or contingent upon the sale and closing of the Bonds. The University Financial Advisor is not contractually obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for, the accuracy, completeness or fairness of the information contained in this Official Statement and the Appendices hereto. The University Financial Advisor is a financial advisory and consulting organization, and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiable instruments.

FINANCIAL ADVISOR TO THE AUTHORITY

The Authority has engaged Hilltop Securities Inc. ("Hilltop") to act as its financial advisor for the Bonds and as its Independent Registered Municipal Advisor for purposes of SEC Rule 15Ba1-1(d)(3)(vi). Hilltop's role has been limited to the final structuring and pricing of the Bonds. Hilltop did not participate in the preparation of this Official Statement. Hilltop's fee is not contingent upon the sale and issuance of the Bonds.

INDEPENDENT ACCOUNTANTS

The financial statements of the University as of June 30, 2023 and 2022 and for each of the two years in the period ended June 30, 2023, included in APPENDIX B to this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report appearing therein.

UNDERWRITING

Goldman Sachs & Co. LLC, as representative of the Underwriters of the Bonds shown on the cover page hereof (the "Underwriters"), has agreed to purchase the Bonds of each series pursuant to the terms of a separate contract of purchase (each a "Purchase Contract") for each series of the Bonds, each by and among the Authority, the University and the Underwriters, at an aggregate purchase price of $718,689,450.67 (said aggregate purchase price reflecting the par amount of the Bonds, plus net original issue premium of $61,321,854.85, and minus an Underwriters' discount of $1,272,404.18). Each Purchase Contract provides that the Underwriters will be obligated to purchase all of the Bonds of the applicable series, if any Bonds of such series are purchased. The Underwriters intend to offer the Bonds of each series to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriters reserve the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at yields higher than the public offering yields set forth on the inside front cover page, and such public offering yields may be changed, from time to time, by the Underwriters without prior notice.

The following paragraph has been furnished by BofA Securities, Inc. for inclusion in this Official Statement:

BofA Securities, Inc., as an underwriter of the Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Bonds.

Neither the Authority nor the University has been furnished with any documents relating to the MLPF&S distribution agreement referenced above and make no representations of any kind with respect thereto. Neither the Authority nor the University is a party to such distribution agreement and has not entered into any agreement or arrangement with MLPF&S with respect to the offering and sale of the Bonds.

VERIFICATION OF MATHEMATICAL CALCULATIONS

Causey Demgen & Moore P.C. (the "Verification Agent") will verify from the information provided to it the mathematical accuracy, as of the date of delivery of the 2024 Series C Bonds, of the computations contained in the provided schedules to determine that the anticipated receipts from the securities and cash deposits listed in such schedules, to be held in escrow pursuant to the Escrow Agreement, will be sufficient to pay when due the principal or Redemption Price of and interest on the 2014 Series A Bonds to be Refunded. The Verification Agent will express no opinion on the assumptions provided to it.

MISCELLANEOUS

The foregoing summaries of the provisions of the Act, the Resolution, the Bonds and the Continuing Disclosure Agreements, and the summaries of the General Resolution, the 2024 Series B and 2024 Series C Series Resolution and the Loan Agreements contained in APPENDIX C of this Official Statement, do not purport to be complete and are made subject to the detailed provisions thereof to which reference is hereby made. Copies of the above and of the most recent financial statements of the Authority are available for inspection at the office of the Authority. So far as any statements are made in this Official Statement involving estimates, projections or matters of opinion whether or not expressly so stated, such statements are intended as such and not as representations of fact.

The Appendices attached to this Official Statement are hereby expressly incorporated as a part hereof. The Authority has not participated in the making of statements contained within this Official Statement other than the information under the headings, "THE AUTHORITY" and "LITIGATION – The Authority", and does not represent that any such statements are accurate or complete for purposes of investors making an investment decision in the Bonds. Except as otherwise stated, the Authority makes no representations or warranties whatsoever with respect to the information contained herein. This Official Statement is not to be construed as a contract or agreement between or among the Authority, the University, the Underwriters or the Beneficial Owners of any of the Bonds.

The description of the University contained in APPENDIX A to this Official Statement, the information contained in APPENDIX B to this Official Statement and the information under the headings "LITIGATION – The University" and "CONTINUING DISCLOSURE" have all been provided by the University.

The information herein regarding DTC has been provided by DTC and is not to be construed as a representation of either the Authority, the University or the Underwriters.

This Official Statement has been executed and delivered by the Authority and the University.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

By: /s/ *Sheryl A. Stitt*
Sheryl A. Stitt
Executive Director

THE TRUSTEES OF PRINCETON UNIVERSITY

By: /s/ *Timothy A. Graf*
Timothy A. Graf
Associate Vice President for Treasury Services

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

PRINCETON UNIVERSITY

[This Page Intentionally Left Blank]

PRINCETON UNIVERSITY

General

The Trustees of Princeton University (the "*University,*" "*Princeton,*" or "*Princeton University*") is a private, not-for-profit, non-sectarian institution of higher learning. When Princeton University was chartered in 1746 as The Trustees of the College of New Jersey, it became the fourth college in British North America. It was renamed Princeton University in 1896. Originally located in Elizabeth, New Jersey, and later located in Newark, New Jersey, the school was moved to Princeton, New Jersey, in 1756.

Midway between New York and Philadelphia, the University has expanded considerably since its early years. It now covers over 2,500 acres, of which about 500 acres comprise the main campus. The Forrestal campus, located approximately three miles from the main campus in Plainsboro Township, contains mostly support and research facilities. The University has approximately 13 million gross square feet of building space on- and off-campus: over 39% for academic buildings, including the Firestone Library, about 26% for administrative and athletic facilities, about 28% for dormitories and graduate housing, and about 3% for off-campus housing and about 3% for commercial real estate properties.

As of the fall of 2023, the student body numbers 5,598 undergraduates and 3,225 graduate students. The University grants degrees to graduate students in 45 departments and programs, and awards undergraduate degrees in 36 majors, or an independent major. Undergraduates may also choose to pursue further study in 38 minor programs and 26 interdisciplinary certificate programs. The University offers instruction in the liberal arts and sciences along with professional programs of the School of Architecture, the School of Engineering and Applied Science and the School of Public and International Affairs. The faculty numbers approximately 1,234 including part-time appointments.

Governance and Administration

The University is governed by a Board of Trustees (the "*Trustees*") whose number, unless otherwise approved by the Trustees, is set at not fewer than twenty-three nor more than forty, with two members *ex officio* (the Governor of the State of New Jersey and the President of the University), not more than twenty-one Charter Trustees, not fewer than four nor more than ten Term Trustees, and not more than thirteen Alumni Trustees. As of July 1, 2023, the Trustees are as follows:

Ex Officio

Christopher L. Eisgruber	Philip D. Murphy
President of the University	Governor of the State of New Jersey

The principal trustee committees are the Executive Committee, the Committee on Finance, the Audit and Compliance Committee, the Committee on Grounds and Buildings, the Committee on Academic Affairs, the Committee on Student Life, Health and Athletics, and the Committee on Advancement. The Committee on Finance is responsible for the financial management and budgeting of the University. In April 1987, the responsibility for day-to-day oversight of the University's investment portfolio was delegated to the directors of the Princeton University Investment Company ("*PRINCO*"). The directors of PRINCO are responsible to the Trustees for the management of the portfolio, reporting directly to the Committee on Finance. PRINCO has a twelve-member Board of Directors. Eight members are elected; the President and the Vice President for Finance and Treasurer of the University, the President of PRINCO, and the Chair of the Committee on Finance serve as *ex officio* members. Andrew K. Golden is the President of PRINCO and Bob Peck is the Chair of its Board of Directors.

The policies of the Trustees are carried out under the direction of the President of the University, Christopher L. Eisgruber. Among the other principal officers of the University are the Provost – Jennifer Rexford; Executive Vice President – Katie Callow-Wright; Vice President for Finance and Treasurer – James S. Matteo; Vice President and Secretary – Hilary A. Parker; Vice President for Advancement – Kevin J. Heaney; Vice President for Facilities – KyuJung Whang; and Vice President and General Counsel – Ramona E. Romero.

A brief description of each of these University Officials, including the President of PRINCO, follows:

Christopher L. Eisgruber has served as the University's 20th president since July 2013. He is the Laurance S. Rockefeller Professor of Public Affairs in the Princeton School of Public and International Affairs and the University Center for Human Values. Before becoming president, he served as Princeton's provost from 2004 – 2013 and as director of Princeton's Program in Law and Public Affairs from 2001 – 2004. A renowned constitutional scholar, he is the author of The Next Justice: Repairing the Supreme Court Appointments Process (Princeton 2007), Religious Freedom and the Constitution (co-authored with Lawrence G. Sager, Harvard 2007), and Constitutional Self-Government (Harvard 2001), as well as numerous articles in books and academic journals. He is a member of the American Academy of Arts and Sciences. Before joining the Princeton faculty in 2001, he clerked for Judge Patrick Higginbotham of the United States Court of Appeals for the Fifth Circuit and for Justice John Paul Stevens of the United States Supreme Court, and then served on the faculty of the New York University School of Law for eleven years. President Eisgruber received an A.B. magna cum laude in physics from Princeton, an M.Litt. in politics from Oxford University, and a J.D. from the University of Chicago Law School.

Jennifer Rexford was appointed Provost of the University effective March 13, 2023. She is also the Gordon Y.S. Wu Professor in Engineering. Prior to coming to Princeton, she worked as a researcher at AT&T Labs for more than eight years, creating techniques deployed in the company’s backbone networks. Following her years in industry, Professor Rexford joined Princeton’s Department of Computer Science as a full professor in 2005. She received her named professorship in 2012, became acting chair of computer science in 2013 and was named chair in 2015. Her research focuses on computer networking, with the larger goal of making the Internet worthy of society’s trust. She is an affiliated faculty member in electrical and computer engineering, operations research and financial engineering, applied and computational mathematics, gender and sexuality studies, Center for Information Technology Policy, High Meadows Environmental Institute and Princeton Institute for Computational Science and Engineering. She is a member of the National Academy of Sciences, American Academy of Arts and Sciences and National Academy of Engineering. Professor Rexford holds a B.S.E. in electrical engineering from Princeton and a Ph.D. in electrical engineering and computer science from the University of Michigan.

Katie Callow-Wright was appointed Executive Vice President of the University effective July 24, 2023. Prior to coming to Princeton, she served as the University of Chicago’s executive vice president from 2020 to 2023 after two decades of service there in other senior administrative roles, including assistant vice president for campus life, assistant dean of the college, and chief of staff in the Office of the President. Ms. Callow-Wright's experience in higher education also includes previous appointments in student life at Baldwin Wallace College and Colorado College. She holds a bachelor's degree in economics from DePauw University and a master's degree in education from Bowling Green State University.

James S. Matteo was appointed Vice President for Finance and Treasurer effective February 2019 and is Princeton's chief financial officer. He oversees the offices of Treasury Services, Risk Management, Planning, Budget and Analysis, Controller (including sponsored research accounting), Financial Services (including procurement and bursar), Finance Technology, and Finance Administration. He is a member of the University Priorities Committee and is an ex officio member of the Princeton University Investment Company board. Before coming to Princeton, Mr. Matteo was the University of Virginia's associate vice president and treasurer. Mr. Matteo serves on a number of industry boards, including Bryn Mawr College, Princeton University Press, and the National Association of College and University Business Officers (NACUBO). Additionally, he has served on NACUBO's Research Universities Council, Awards Council, and the advisory board for the NACUBO-Commonfund Study of Endowments. Mr. Matteo has a B.S. in Finance from The Pennsylvania State University and an M.B.A. from Moravian University. He is a Certified Treasury Professional (CTP) and a Certified Management Accountant (CMA).

Hilary A. Parker was appointed Vice President and Secretary of the University effective July 1, 2019. In this capacity, she has administrative responsibility for the Board of Trustees of the University; serves as a senior adviser to the president; oversees the Office of Community and Regional Affairs and the Office of State Affairs; oversees the official convocations of the University; and manages a range of projects related to the University's strategic initiatives, major development priorities, and presidential outreach. Prior to her appointment as Vice President and Secretary, Ms. Parker served as assistant vice president and chief of staff in the Office of the President and also previously worked in the Offices of the Executive Vice President, the Dean for Research, and the School of Engineering and Applied Science at the University. Before joining the University administration, she was a writer and science teacher in central New Jersey. She earned her bachelor's degree in ecology and evolutionary biology from Princeton in 2001 and also holds a master of arts in teaching degree from The College of New Jersey.

Kevin J. Heaney was appointed as the University's first Vice President for Advancement on November 19, 2016. In this role, he oversees the University's activities related to alumni engagement and fundraising in support of its mission. He previously served as Acting Vice President for Development starting in March of 2016, and came to Princeton in March 2015 as Deputy Vice President for Development. Before joining Princeton, he worked with the Oregon State University Foundation for nearly 10 years, including as vice president for constituent and central development programs and as deputy campaign director. He also has held development positions at Georgetown University, Johns Hopkins University and Harvard University. He earned a B.A. from the University of Cincinnati, an M.A. from Columbia University, and a law degree from Boston College Law School.

KyuJung Whang was appointed Vice President for Facilities of the University effective January 2017. Prior to his appointment he led Cornell University's Division of Infrastructure, Properties and Planning which encompasses all the traditional facilities functions as well as

Cornell Real Estate, the Office of Sustainability, and Transportation and Mail Services. Mr. Whang has been a licensed architect and professional planner since graduating from Syracuse University in 1981 with a Bachelors of Architecture degree. He has extensive backgrounds in capital project management, facilities management, and campus planning in the private and public sectors. He previously served as the Vice President for Facilities and Capital Planning at Rutgers University. Mr. Whang currently serves as a board member for the Trenton Area Soup Kitchen. He previously served as a board member for Princeton Community Housing, the Princeton Plasma Physics Laboratory (PPPL), Association for the Advancement of Sustainability in Higher Education (AASHE), and both the New Jersey and New York State Boards of Architecture.

Ramona E. Romero is Vice President and General Counsel of the University. Ms. Romero was appointed to this position effective December 1, 2014. Previously, Ms. Romero served as General Counsel of the United States Department of Agriculture (USDA). As the USDA's chief legal officer, she collaborated with the White House, the Department of Justice, and other federal agencies. She also interacted with Congress and led the USDA Office of Ethics. Before joining the USDA, Ms. Romero served in a series of roles as a lawyer at E.I. DuPont de Nemours & Co. in Wilmington, Delaware. She spent the first decade of her career as a litigator in Washington, D.C. Ms. Romero earned a B.A. from Barnard College and a J.D. from Harvard Law School.

Andrew K. Golden has served as President of PRINCO since January 1995. During his tenure, PRINCO's investment performance has ranked in the top percentile among institutional investors and PRINCO's endowment market value has grown from approximately \$3.5 billion to \$34.1 billion as of June 30, 2023—(after net distributions of approximately \$20 billion). Today, endowment earnings provide about two-thirds of the University's net annual operating revenues and help fund the University's highest priority strategic initiatives, while preserving real value for future generations. Mr. Golden joined PRINCO from Duke Management Company where he was an Investment Director. He was previously a Senior Associate in the Yale Investments Office. Before shifting his focus to investing, "Sparky" Golden (aka "The Commodore") was a professional photographer. He currently serves on fund advisory boards for several managers, including Bain Capital, General Catalyst Partners, Greylock Partners, and WestBridge Capital. He was a member of the Board of Directors of the NAB Asset Corporation, a publicly-traded commercial loan workout specialist, as well as a founding member of the Investors' Committee of the President's Working Group on Financial Markets. In addition to his work at PRINCO, Mr. Golden serves as a Trustee of the Princeton Area Community Foundation, the Rita Allen Foundation, and Rutgers Preparatory School. He is on the Board of the Park Agency, a private family office, and serves on the Investment Advisory Committees of the Edmond J. Safra Foundation and the Cambridge University Endowment Fund. Mr. Golden holds a B.A. in Philosophy from Duke University and a M.P.P.M. from the Yale School of Management. He has earned the Chartered Financial Analyst (CFA) designation and is a member of the CFA Society New York, which has awarded him its Irving Kahn Lifetime Achievement Award. Institutional Investor recently gave him a similar accolade.

Andrew Golden will be retiring on June 30, 2024 and it is currently anticipated that he will be succeeded by Vincent Tuohey, currently investment director on the Global Investments staff at the Massachusetts Institute of Technology's Investment Management Company (MITIMCo).

Academic Programs and Facilities

The University is a relatively small university that combines many of the advantages of a small liberal arts college with those of a large research-oriented university. As measured by enrollment, the University is smaller than most major research universities, yet its faculty is one of the most distinguished in the world and its research activities are internationally recognized.

The University offers two undergraduate degree programs: the Bachelor of Arts and the Bachelor of Science in Engineering. Programs of study in the humanities, the natural sciences and the social sciences lead to the Bachelor of Arts degree, and students choose to concentrate their studies in one of thirty-one different departments. The Bachelor of Science in Engineering degree is offered in the departments of Chemical and Biological Engineering, Civil and Environmental Engineering, Operations Research and Financial Engineering, Electrical and Computer Engineering, Computer Science, and Mechanical and Aerospace Engineering.

The Graduate School comprises 45 degree granting academic departments and programs offering over 60 areas of concentration. Fields of study leading to doctorate degrees are offered in humanities, social and natural sciences, engineering, architecture, and public affairs. In addition, the Graduate School offers courses of study leading to the degrees of Master of Architecture, Master of Arts in Near Eastern Studies, Master in Public Affairs, Master in Public Policy, Master of Engineering, Master of Finance, and Master of Science in Engineering. The Master of Arts and Master of Fine Arts (music only) are incidental degrees for which doctoral students may apply after passing the appropriate department requirements.

The University is accredited by the Middle States Commission on Higher Education. It also has professional accreditation from the National Architectural Accreditation Board and the Council for the Accreditation of Educator Preparation. Programs of study in aerospace engineering, chemical engineering, civil engineering, electrical engineering, and mechanical engineering are accredited by the Engineering Accreditation Commission of ABET.

The University is a member of roughly forty organizations focused on advancing higher education, research, scholarship, and community engagement. Most organizations are national in scope including the Association of American Universities and the Consortium on Financing Higher Education. A smaller number of organizations are regional including the Association of Independent Colleges and Universities in New Jersey, and the Chamber of Commerce of the Princeton Area. In addition to the memberships managed by the central administration, many departments are members of local, national, and international associations.

The Princeton University Library is one of the world's leading research libraries. Its holdings include more than ten million printed volumes, five million manuscripts, two million non-print items and extensive collections of digital text, data, and images. The Library employs more than 300 staff members working in a large central library (Firestone Library), nine branch libraries, and three storage facilities.

Faculty

The University consists of a single faculty that teaches both the graduate and undergraduate levels. There are 1,054 full-time faculty members with the titles Professor, Associate Professor, Assistant Professor, Instructor, Senior Lecturer, Professor of the Practice, University Lecturer, and Lecturer. In addition, approximately 180 people each year are appointed to the positions of part-time faculty (excluding visiting faculty). Including all faculty, there is one faculty member for every seven students (graduate plus undergraduate).

Approximately 60% of the University's full-time faculty is tenured. The University has generally followed a policy of not paying the academic year salaries of its tenured faculty members with sponsored research funds. Although there are certain exceptions to this policy, the University has been generally successful in allocating other funds to support faculty positions, including endowment earnings and tuition revenues. This policy is specifically designed to protect the University's instructional program from the inevitable fluctuations in federal support for sponsored research.

The table below sets forth the full-time equivalent faculty in the current year and in the last four academic years:

Full-Time Equivalent Faculty

Academic Year	Tenured	Non-Tenured on Tenure Track	Other Non-Tenured	Total
2019 – 20	621	185	235	1,041
2020 – 21	619	181	198	998
2021 – 22	619	190	198	1,007
2022 – 23	617	190	212	1,019
2023 – 24	633	190	229	1,052

Note: Totals may not add due to rounding.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Student Enrollments

The University places primary emphasis on undergraduate education within the setting of a major research university. The following table provides data on student enrollments and the number of degrees awarded in the current academic year and in the last four academic years:

	Enrollments			Degrees Awarded	
Academic Year	Undergraduate	Graduate	Total	Bachelor	Advanced
2019 – 20	5,328	2,997	8,325	1,268	920
2020 – 21	4,688	3,079	7,767	1,175	898
2021 - 22	5,240	3,157	8,397	1,257	1,127
2022 - 23	5,540	3,238	8,778	1,284	1,106
2023 – 24	5,598	3,251	8,849	N/A	N/A

Note: Totals may not add due to rounding.

The University's students come from every section of the country, with students from each of the fifty states represented in the student body almost every year. The retention rate for students from their first-year to sophomore year is 97% in 2023-24. The 6-year graduation rate is approximately 97%.

The table below sets forth the recent undergraduate applicants to the University, the number of such applicants admitted by the University and the resulting enrollment number:

Undergraduate Application & Enrollment*

Academic Year of Matriculation	Completed Applications	Total Admitted	Selectivity Rate	Total Enrolled	Yield Rate**
2019 – 20	32,804	1,895	6%	1,337	71%
2020 – 21	32,835	1,848	6%	1,154	62%
2021 – 22	37,601	1,647	4%	1,346*	67%
2022 – 23	38,019	2,167	6%	1,499	72%
2023 – 24	39,644	1,782	5%	1,366	75%

* 2021-22 enrolled counts include 55 students that previously enrolled in Fall 2020, took a leave of absence, and returned to enroll in Fall 2021. Historically, returning students have not been included in enrolled counts, but given the unique circumstances of that year, such returning students are included in total enrollment for 2021-22.

** Beginning with 2021-22, the University is using a modified formula to calculate yield percentage. The new formula will include students deferring enrollment to a future term as part of the yield rate and exclude previous year deferrals from the yield rate.

The University currently has a test optional policy for first-year and transfer applicants for the fall 2024 and 2025 admission cycles. The average freshman typically scores in the top 5% of the high school seniors who annually take the College Entrance Examination Board's SAT. For students who submitted SAT scores for the fall 2023 class, the middle 50% of students scored between 740 and 780 on the evidence-based reading and writing section of the SAT and between 760 and 800 on the math section. The University continues to assess the role of standardized testing in its admissions process. 95.5% of the entering students had a GPA of 3.6 or higher in their high school careers. A significant percentage of Princeton graduates pursue graduate and professional education. In recent years, roughly 22% of each senior class has planned to attend graduate or professional school after graduation from the University.

The table below sets forth the annual first generation and Pell grant eligible students for each incoming class:

Percentage of Incoming Class
First Generation, Pell Grant Recipients

	2019-20	2020-21	2021-22	2022-23	2023-24
First Generation	16.3%	15.6%	17.8%	17.0%	17.35%
Pell Grant Recipients	25.1%	19.3%	21.6%	20.7%	22.3%

For the 2023-24 academic year, approximately 20% of the entire student body will receive Pell grants.

The table below sets forth applications and acceptance statistics for the graduate school:

Graduate Applications & Acceptances*

Academic Year of Matriculation	Completed Applications	Total Admitted	Selectivity Rate	Total Enrolled	Yield Rate
2019 – 20	11,733	1,321	11%	649	49%
2020 – 21	12,553	1,322	11%	672	51%
2021 – 22	14,343	1,268	9%	675	53%
2022 – 23	13,607	1,443	11%	748	52%
2023 – 24	14,577	1,369	9%	742	54%

*Excludes visitors and non-degree candidates.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Tuition and Fees

The full-time tuition charge for the 2023 – 2024 academic year is $59,710 for both the undergraduate and graduate students. The table below provides a five-year summary of annual tuition rates:

Academic Year	Tuition Rate ($)
2019 – 20	51,870
2020 – 21	53,890*
2021 – 22	56,010
2022 – 23	57,410
2023 – 24	59,710

*Represents the approved tuition rate prior to the pandemic. The University subsequently discounted the tuition rate for all undergraduate students in FY21 by 10%, to $48,501.

In addition, the approved standard room rate for undergraduates for the 2023–24 academic year is $11,400 and the board rate is $7,980.

For graduate students, the average room rate is $8,432 and the average board rate is $3,597.

Financial Aid

As a matter of policy, the University's undergraduate admission decisions are made without any consideration of a student's financial need, and all admitted students who have demonstrated financial need are provided the financial aid they require. The formulas for determining student and parental contributions were substantially liberalized for all classes entering in 1998 and subsequent years. Starting with the 2001–02 academic year, the Trustees approved further significant expansions in aid for undergraduate and graduate students, including the elimination of any loan requirement for all undergraduate aid students. The University has been able to sustain its commitment to financial aid for several reasons. First, financial aid is given a high priority in the University's annual budgeting process. Second, alumni and other benefactors have been especially generous in providing endowment support for the financial aid program; earnings from the endowment are expected to provide approximately $185 million for undergraduate scholarships in the 2023–24 academic year. Third, state and federal student aid programs complement the funds the University itself has provided in this area. The University expects to meet all of its commitments to students, using University funds as necessary in order to continue to admit students, without consideration of financial need.

Approximately 65% of the current undergraduate student body receives need-based financial aid from the University or from outside sources. In the 2023–24 academic year, a total of $260 million is projected for undergraduate scholarship aid. State and federal government funds account for 3% of this figure, and outside scholarships (such as National Merit awards and other similar scholarships supported by non-University groups) and restricted gifts and trusts make up another 2% of the total. The remaining 95% is provided from income earned on restricted and designated scholarship endowment funds and from general University funds, including unrestricted central endowments.

Graduate student aid is substantial and awarded largely on the basis of merit. During the 2023-24 academic year, approximately $314 million is projected for this purpose, including research and teaching assistantships. This total reflects expanded support for first-year fellowships in engineering and the natural sciences and summer support for students in the humanities and social sciences, both of which began in 2001–02, along with the major step increase in graduate student stipends that took effect in 2022-23.

Alumni

Princeton University alumni have contributed with leadership and distinction to many fields of human endeavor. Its alumni include Presidents of the United States, distinguished public servants and diplomats, Nobel Prize winners in several academic fields, outstanding writers, and recognized leaders in business, law, and finance. The University has assisted in the education of talented and diverse individuals from throughout the country and the world. At present, the University has approximately 97,000 living alumni with the greatest concentrations in New York, California, New Jersey, Massachusetts, and Pennsylvania.

Fundraising

For the fiscal years 2019 through 2023, the University, on average, has received revenue of $400 million per year in gifts from alumni and other supporters of the University, not including the substantial support provided by the federal government for sponsored research and student aid. Support from alumni, corporations and foundations is generally used for capital projects or is added to the University's endowment, and substantial sums, primarily from the University's Annual Giving campaign, are included in the annual operating budget.

For the year ended June 30, 2023, revenue from private gifts and grants totaled $355 million, while the present value of outstanding pledges at year-end is $381.2 million. Annual Giving for fiscal year 2023 was $73.8 million, with 47.5% participation by undergraduate alumni.

Financial Statements

The University presents its consolidated financial statements in accordance with the reporting and accounting standards established by the Financial Accounting Standards Board for not-for-profit organizations. Under these standards, resources are grouped into separate classes of net assets based on the existence or absence of donor-imposed use and/or time restrictions. Net assets that have similar characteristics are combined into one of the net asset classes briefly described below:

Net assets without donor restrictions are derived from gifts and other institutional resources that are not subject to explicit donor-imposed restrictions. This category also includes income and gains or losses on these funds.

Net assets with donor restrictions are generally established to fund specific purposes such as professorships, research, faculty support, scholarships and fellowships, athletics, library and art museum, building construction and other donor-specified purposes. Net assets with donor restrictions include donor-restricted gifts, pledges, trusts and remainder interests, and income and gains that can be expended but for which restrictions have not yet been met or that are required to be permanently retained. Such restrictions include purpose restrictions and time restrictions imposed by donors or implied by the nature of the gift, or by the interpretations of law. Restrictions are normally released upon the passage of time or the incurrence of expenditures that fulfill the donor-imposed purpose. Investment earnings are spent for general or specific purposes in accordance with donor wishes, based on the University's endowment spending rule.

The financial statements of the University include the Consolidated Statements of Financial Position as of June 30, 2023 and 2022, and the Consolidated Statements of Activities and the Consolidated Statements of Cash Flows for the years ended June 30, 2023 and 2022. The University's consolidated financial statements include the accounts of its wholly-owned subsidiaries, foundation, and investments controlled by the University.

The Consolidated Statement of Activities reflects the annual change in the amount and nature of the University's net assets. The following selected financial data for the five years ended June 30, 2023 are derived from the audited consolidated financial statements of the University. The data should be read in conjunction with the audited consolidated financial statements and related notes.

(in $ thousands)	As of June 30, 2019	As of June 30, 2020	As of June 30, 2021	As of June 30, 2022	As of June 30, 2023
Operating activities:					
Total revenues	$2,146,237	$2,173,076	$2,162,491	$2,357,149	$2,489,634
Total expenses	(1,740,701)	(1,796,225)	(1,839,930)	(1,999,188)	(2,263,259)
Net increase	$405,536	$376,851	$322,561	$357,961	$226,375
Non-operating activities:					
Net increase (decrease)	$276,052	$15,171	$10,661,037	$(1,634,060)	$(2,000,794)
Change in non-controlling interest	(4,195)	(8,388)	22,656	509	6,368
Increase (decrease) in net assets	$677,393	$383,634	$11,006,254	$(1,275,590)	$(1,768,051)

Note: Totals may not add due to rounding.

From fiscal year 2019 to fiscal year 2023, total revenues increased from approximately $2.1 billion to $2.5 billion. Over the same five-year period, total expenses increased from approximately $1.7 billion to $2.3 billion.

Operating activities include sources of revenue such as tuition, gifts and grants, auxiliary activities and investment income made available for spending pursuant to the University's spending rule. The costs and expenses necessary to meet the University's education and research mission are deducted from operating revenue. Non-operating activities include all investment income (less the amount made available for spending), including realized and unrealized gains, the present value of promises to give, certain contributions subject to donor-imposed restrictions, and other non-recurring activities.

The Consolidated Statement of Activities is designed to illustrate an organization's financial performance over a period of time, generally twelve months, and reflects the University's ability to meet its annual operating costs and expenses from current revenues. Explanations of the major revenue and expense categories in the Statement are given in the following paragraphs.

Tuition and Fees represent an important source of the University's income. Revenue from tuition and fees are presented at transaction prices, which typically are determined based on standard published rates for the services provided, less any institutional financial aid awarded by the University to qualifying students. For fiscal year 2024, the overall tuition and fee package rate increase is 4.0% on the base rates.

Government Grants and Contracts represent another important source of University income. Approximately 48% of the funds received for fiscal year 2023 were for the Princeton Plasma Physics Laboratory. Although the bulk of total grant receipts comes from the federal government, the State of New Jersey contributed approximately $0.7 million in fiscal year 2023 for a variety of specific purposes.

In addition to funds for direct research expenditures on federal government grants and contracts, the University is permitted to recover indirect costs for a percentage share of administrative costs, library expenditures, maintenance of the physical plant and similar items that are essential components of the University's operations, and therefore are necessary to conduct research. These facilities and administrative recoveries totaled approximately $62 million of revenues in fiscal year 2023.

Private Gifts, Grants and Contracts consist of two major components: support for particular projects sponsored by foundations, corporations or individuals; and spendable gifts and grants, including the University's Annual Giving campaign. Gift revenues include amounts that are with and without restrictions imposed by donors. Under FASB Accounting Standards Codification 958-310, *Not-for-Profit Entities-Receivables*, unconditional promises to give are recognized as revenues in the year made and the amounts are present-valued based on expected collections.

Sales and Services of Auxiliary Activities include revenues from dormitory and dining services, less any institutional financial aid awarded by the University to qualifying students, as well as conference services and faculty and senior staff rental housing.

Investment Income includes dividends, interest and realized and unrealized appreciation and depreciation arising from the investments in the University's portfolio. The University follows a policy of reinvesting a portion of the portfolio's return, in order to provide some protection against inflation and, in general, in managing the endowment in such a way that its value will be preserved in order to meet future needs. Consistent with the spending assumption, the amount of investment earnings made available for spending is shown as operating revenue and the balance as non-operating activities.

The University's spending policy is reviewed regularly by the Trustees in light of the actual investment performance of the endowment and inflation expectations, and adjustments are made as required. The current, standard assumption calls for the spending distribution to grow at a rate of 4% annually as long as the resulting spending rate, expressed as a percentage of the endowment market value, remains within a band between 4% and 6.25%. If the standard assumption results in a spending rate that falls outside of the recommended band, then it may be modified for a given year. The current spending rate is within the policy band.

The principal functions affecting expenditures of the University, which are disclosed in the notes to the financial statements, are as follows:

Academic and Research reflect instructional and research costs of the faculty during the academic year, plus all other direct costs of operating academic departments and programs and the University's library system.

Student Services and Support include the costs of those offices dealing directly with students, such as Admission, Financial Aid, Registrar, Career Services, University Health Services, and the Athletics Department, as well as auxiliary enterprises and related student aid.

General Administration and Operations reflect the expenditures of the departmental "business offices" and other administrative offices that serve the University.

Operation and Maintenance of Plant reflect the cost of operating and maintaining the University's buildings and grounds, and is allocated among the above functional expense categories. The University expenses operating maintenance as incurred, and has followed a policy of not deferring maintenance costs in order to avoid even larger capital rehabilitation expenditures in the future.

Independent Operations include the Princeton Plasma Physics Laboratory, which is operated by the University on behalf of the US Department of Energy.

Investments

Below are the market values of all of the University's investments at the end of the most recent five fiscal years:

Investments
(in thousands of dollars)

Year Ended June 30	Market Value
2019	$26,812,198
2020	27,511,276
2021	38,700,638
2022	37,353,038
2023	34,718,527

In order to oversee the management of the endowment and related investments, the University established PRINCO in January 1987. PRINCO administers the procedure for selection and oversight of external investment managers and advisors who make daily decisions about investments.

Self-Liquidity

The University provides self-liquidity for its existing $600 million commercial paper programs from its investment resources. In January 2024, the University authorized an increase to its commercial paper program of up to $1.0 billion, and it expects to execute the increases in 2024. See "Short-Term Borrowing" herein. As of June 30, 2023, there was approximately $1.3 billion in daily liquidity consisting primarily of United States Treasury Securities, Treasury repos and cash. The University provides detail on its commercial paper programs in the Short-Term Borrowing section further below.

Third-Party Indebtedness

As of June 30, 2023, the University had outstanding indebtedness of approximately $4.03 billion (including unamortized premium/discount) in the form of taxable debt, loans through the New Jersey Educational Facilities Authority ("*NJEFA*"), advances from Bank of America to fund a parental loan program, and commercial paper.

University Indebtedness

	June 30, 2023	June 30, 2022
	(dollars in thousands)	
NJEFA Bonds – Tax-Exempt Revenue Bonds, 2014 Series A* through 2022 Series A	$2,165,446	$2,265,551
Taxable Bonds, Series 2009A	499,121	499,066
Taxable Bonds, Series 2016A	75,000	75,000
Taxable Bonds, Series 2017A	150,000	150,000
Taxable Bonds, Series 2020A	500,000	500,000
Taxable Bonds, Series 2022	300,000	300,000
Taxable Notes, 2012 and 2013	245,000	245,000
NJEFA Higher Education Capital Improvement Fund, Series 2014 B	2,179	2,329
Parental Loans	34,212	35,097
Commercial Paper:		
Taxable	66,600	40,100
Total Borrowings	$4,037,558	$4,112,143
Unamortized Debt Issuance Costs	(9,834)	(10,419)
Total Borrowings Net of Unamortized Issuance Costs	$4,027,724	$4,101,724

* All of the 2014 Series A Bonds maturing after July 1, 2024 will be refunded and defeased by the proceeds of the 2024 Series C Bonds. See the forepart of this Official Statement under the caption "PLAN OF REFUNDING" and APPENDIX F – "DESCRIPTION OF THE 2014 SERIES A BONDS TO BE REFUNDED."
Note: Totals may not add due to rounding.

The debt of the University described in the table above is unsecured general obligation debt of the University. Although the University has issued debt designated as "Senior Unsecured Taxable Notes," no debt of the University is senior in right of payment to any other debt of the

University. The debt service on the NJEFA revenue bond issues in the above table is payable by the NJEFA from loan payments received from the University.

The 2015 Series A Bonds were issued to partially refund the 2005 Series A Bonds and the 2005 Series B Bonds. The 2015 Series D Bonds and 2016 Series A Bonds were issued to provide funds for the construction, renovation and repair of various University facilities and to refund taxable and tax-exempt commercial paper notes. The 2016 Series B Bonds were issued to partially refund the 2006 Series D Bonds and the 2006 Series E Bonds. The 2017 Series B Bonds were issued for the purpose of the current refunding and defeasance of the 2007 Series E, and 2007 Series F, and for the purpose of advance refunding and defeasance of a portion of the Series 2008 K Bonds. The 2017 Series C Bonds were issued for the purpose of funding new construction and renovations, and for the refunding of taxable and tax-exempt commercial paper notes. The 2017 Series I Bonds were issued for the purpose of the advance refunding and defeasance of a portion of the 2008 Series J and the 2010 Series B Bonds. The 2021 Series B Bonds were issued for the purpose of funding construction, renovation, and installation of certain capital assets and for the refunding of all or a portion of taxable and tax-exempt commercial paper notes. The 2021 Series C Bonds were issued for the purpose of the current refunding and defeasance of the callable 2011 Series B Bonds. The 2022 Series A Bonds were issued for the purpose of financing the costs of the acquisition, construction, renovation, and installation of certain capital assets.

The 2009 Series A Taxable Bonds were issued to provide funds for working capital and other corporate purposes. In May 2018, the University completed an early partial redemption of the 2009 Series A Taxable Bonds, which resulted in a cash defeasance of $250 million of the $500 million bullet maturity due on March 1, 2019 and a make-whole redemption expense of $4.3 million. In March 2019, the University paid off the remainder of the $500 million bullet maturity. The 2016 Series A and 2017 Series A Taxable Bonds were issued to provide funds for general corporate purposes. The 2020 Series A Taxable Bonds were issued for general corporate purposes. The 2022 Taxable Bonds were issued for general corporate purposes.

In August 2012 and December 2013, the University privately-placed Senior Unsecured Taxable Notes in the amounts of $170 million and $75 million, respectively, for capital and other purposes. The notes were structured as bullet maturities due July 1, 2042 and July 1, 2044, respectively.

The University also has board approval to borrow a maximum amount of $100 million through its parental loan program which began in fiscal year 1999. Fixed or variable rates may be selected on a pass-through basis to the borrowers; terms may be as long as 14 years. At its inception, the University entered into a single loan facility (subsequently converted to two separate loan facilities) with a national bank. In fiscal year 2023, the University entered into a new fixed rate loan facility of up to $30 million for its parental loan program, and increased the amount of the existing variable rate loan facility for its parental loan program from $25 million to $48.5 million. As of June 30, 2023 and 2022, the balances outstanding were $34.2 million (including balances from prior fixed rate facilities) and $35.1 million, respectively.

As of June 30, 2023, the University had available bank lines of credit totaling $675 million under which the University may borrow on an unsecured basis, in addition to the fixed and variable rate loan facilities for the parental loan program noted above. As of June 30, 2023, approximately

$11.4 million was utilized in the form of outstanding letters of credit. In July 2023 the University increased the amount available under its bank lines of credit to $700 million. There are currently no drawn balances on these lines.

The following is the long-term debt service for the past five fiscal years ($ in thousands):

Year Ended June 30	Total Debt Service
2019	$471,464
2020	224,859
2021	244,832
2022	226,994
2023	236,613

The following is the long-term projected debt service for fiscal years 2024 through 2028 for the debt outstanding as of June 30, 2023 ($ in thousands):

Year Ended June 30	Principal	Interest	Total
2024	$101,002	$158,498	$259,500
2025	90,546	153,433	243,979
2026	116,116	149,025	265,141
2027	262,090	143,904	405,994
2028	112,806	131,148	243,954

Note: Totals may not add due to rounding.

Short-Term Borrowing

In fiscal year 1998, a commercial paper program of $120 million was authorized and the University's first commercial paper program was implemented through the NJEFA. In fiscal year 2013, the University initiated a separate taxable commercial paper program of $180 million under which the University directly issues commercial paper. The University implemented a $100 million increase to the authorized limit of the taxable commercial paper program in fiscal year 2019 to $280 million. In fiscal year 2021, the University increased the authorized amount for its taxable commercial paper program from $280 million to $480 million. Proceeds of the NJEFA and University commercial paper programs are authorized to a maximum combined level of $600 million. In January 2024, the University authorized the increase of its commercial paper program to an amount not exceeding $1.0 billion outstanding at any time. Pursuant to this authorization, the University expects to increase its NJEFA commercial paper program to $300 million and to increase its taxable commercial paper program to $700 million in 2024. As of June 30, 2023 and 2022, the University's tax-exempt commercial paper outstanding was $0 and $0 million, respectively. As of June 30, 2023 and 2022, the University's taxable commercial paper outstanding was $66.6 million and $40.1 million, respectively.

Capital Planning

The University employed a ten-year planning framework for its recently completed capital plan (FY08-FY17), which ended officially on June 30, 2017 at a final plan total of $3.25 billion (some residual portion of this amount is being expended in FY18 and beyond). A similar planning structure was utilized for the University's new Capital Plan (the "*Plan*"). The University initiated the Plan in the beginning of FY18 to serve as an overarching framework for its capital activity from FY18 through FY30. The Plan integrates capital activity undertaken by the University during this period, including the construction of new facilities, the renovation of existing buildings, as well as implementing infrastructure upgrades. The Plan also includes ongoing annual commitments to major maintenance and other renewal programs – which include health, safety, security, and accessibility initiatives, laboratories, classrooms, furnishings and landscaping – as well as the University's real estate activity. Also included under the Plan umbrella is the enabling of expansion of the University student body, which includes residential accommodations, as well as expansions to facilities supporting health and wellness and campus life. The Plan incorporates funding from multiple sources including annual contributions from the operating budget, donor gifts, strategic reserves, and other revenue allocated to capital purposes. In addition, the University plans to issue long-term debt to finance a portion of its capital program – which focuses on long-term assets. The Plan is updated regularly and is reviewed in detail with the Trustees no less than annually and each individual project within the Plan undergoes a separate review and approval process.

The Plan calls for projected new construction that includes the following major initiatives: expanding and enhancing computer science, engineering and environmental studies; development of a new campus across Lake Carnegie from the main campus, as well as updating and expanding the University's energy, transportation, and technology infrastructure. Investments in undergraduate and graduate student and faculty/staff housing, athletic fields and complexes, the art museum and other improvements are also included in the period covered by the Plan.

The Plan also incorporates a significant investment in the maintenance of the University's physical assets through its renovation, major maintenance and annual renewal program components. Included in the renovation component are academic projects, including the completion of the University's main library renovation and renewal of Robertson Hall, campus life, health services, housing, athletics projects, and infrastructure improvements. The Plan targets an annual level of investment in the plant, primarily from the University's operating budget, of 2% of the estimated replacement value of the physical plant, both for the period of the Plan and thereafter. The University anticipates that it will access the capital markets from time to time to provide a portion of the financing for the Plan during the period covered by the Plan.

Sustainability

Released on Earth Day, 2019, Princeton University's Sustainability Action Plan set bold targets to reduce greenhouse gas emissions and outlined innovative strategies to engage all faculty, staff, and students to create a sustainable campus and future. Princeton's aim is to achieve net zero greenhouse gas emissions by 2046, the University's 300th anniversary. The strategies place a premium on accountability and collaboration across departments and build evidence through academic and operational studies and projects that use the campus as a lab. These efforts are paired with communication and outreach initiatives to engage campus community members and partners, grapple with challenges and celebrate progress. The Sustainability Action Plan builds on the 2008 Sustainability Plan, Princeton's first formal commitment to sustainability, engaging academics, operations, and the campus community.

A feature of the plan includes target-setting beyond what the University knows could be achieved at the time, creating "innovation gaps" that stimulate creative problem-solving. As stated earlier, Princeton's primary target is to reach net zero campus greenhouse gas emissions by 2046. The University has thus far applied this approach to its first greenhouse gas emissions reduction target of reaching 1990 CO2 levels by 2020 without the purchase of market offsets, and other performance areas. The University now looks to achieve its 2026 target of reducing campus emissions by 31% as compared to 2020 levels. The faculty-led CO2 task force initiatives include improvement to central plant efficiencies, installation of geo-exchange heat pump systems and investment in energy efficient improvements for existing buildings, among others.

The University intends to be an exemplar of green design and infrastructure in the community. The impact of building materials on people and ecosystems are increasingly being considered in decisions, from production to use to disposal. For major projects, the University, when feasible, attempts to obtain the equivalent of LEED Gold standards or better, depending on building type. Additionally, Princeton analyzes major building systems and materials with an internal "carbon pricing" assessment, raises the visibility of sustainable building features and improves stormwater infiltration systems, among other initiatives. Princeton's Lakeside Apartments earned LEED Silver (2015) and both 701 Carnegie Center and the High Performance Computing Research Center (2011) earned LEED Gold certification. The University is seeking LEED certification for the following currently-in-construction projects: the Environmental Studies and School of Engineering and Applied Science buildings, the Princeton University Art Museum and the TIGER building, which combines geo-exchange utility facilities and operations space for thermal energy.

Princeton looks to improve water efficiencies on a per-person and campus-wide level, with a target to reduce 2046 annual campus water usage by 26% as compared to 2008 levels. As of 2022, the University has reduced water usage levels by nearly 4% since 2008 despite growth in the campus population and built space. The University intends to continue to reduce water waste by implementing landscape management practices, installing low-flow and high-efficiency infrastructure and continuous tracking and evaluation of levels and improvements to advance solutions.

Other areas of focus include:

• Increasing significantly the area of the campus that meets enhanced storm water management and reduced runoff;

• Increasing the number of commuters using alternatives to single-occupancy vehicles (carpool, rail, walk, bike, etc.), with the goal of having 46% of all commuters using alternatives; and

• Striving for zero waste through behavioral and operational strategies that include reduction, reuse and recycling criteria in purchasing decisions, and expanding these criteria to encourage social and environmental benefits in the full life cycle of purchased goods and services. As of 2022, the University has reduced the campus landfill waste (in tons) by over 60% since 2008, expanded sustainable purchasing of electronics, paper and cleaning products and increased the diversion rate of construction and demolition debris from approximately 25% in 2008 to 98.2% as of 2022, among others.

Employees

As of June 30, 2023, 7,765 people were employed by the University (not including students), consisting of 1,303 faculty members, 4,600 other professionals and 1,862 other employees. Included in these totals are 919 maintenance, service and support staff who are represented by six unions. In recent years, relationships with both organized and unorganized groups have been good with no significant labor disputes in about thirty years.

Retirement Plans

Effective January 1, 1994, faculty and staff who meet specific employment requirements participate in the Princeton University Retirement Plan. This is a non-contributory, tax-qualified defined contribution plan funded through a third-party administrator, TIAA. The University also provides a voluntary contributory 403(b) retirement savings plan through TIAA with qualified pre-tax and Roth options for all faculty and staff.

Prior to January 1, 1994, faculty and monthly paid staff who met specific requirements participated in a non-contributory defined contribution plan and biweekly staff who met certain requirements participated in a non-contributory, tax-qualified benefit plan. The latter was terminated in 2000.

Litigation

The University is subject to certain legal claims that have arisen in the normal course of operations. In the opinion of management, the ultimate outcome of these actions will not have a material effect on the University's financial position, statement of activities or cash flows.

Insurance

The University currently has a primary general liability policy in the amount of $5 million, with a deductible of $500,000 per occurrence. The University has an automobile liability policy in the amount of $3 million, with a deductible of $25,000 per occurrence. Above the primary layer for general liability, the University has various umbrella and excess layers of coverage, which generally follow the form of the commercial primary coverage, with total umbrella and excess limits of $145 million. The University also carries property insurance for all of its buildings and contents with a limit of liability of $1 billion for any occurrence at replacement cost with a deductible amount of $250,000 per occurrence. The University separately insures its fine arts and rare books in the amount of $1 billion with a deductible of $1,000. The University has Trustees and Officers liability coverage in the amount of $35 million with a $300,000 deductible for all claims. The University has Cyber Liability coverage of $7.5 million with a per occurrence deductible of $500,000; this policy provides coverage for network security/privacy breach, cyber extortion, reputation harm and business interruption from a covered loss.

Cybersecurity

To address evolving cybersecurity threats and risks facing similar large institutions, Princeton has a dedicated Information Security Office, whose mission is to make information security programmatic and cultural throughout the University. The University has developed and invested in multiple forms of cybersecurity and operational controls, including system-wide policies and procedures for incident management and a written information security plan (WISP) that follows the NIST Cybersecurity Framework model.

The University is staffed with expertise in architecture, engineering, operations, training and awareness, and risk assessment and has both disaster recovery and business continuity capabilities under the leadership of the security office. Princeton currently maintains a cyber insurance policy as described hereinabove under the heading "Insurance" to provide coverage for network security/privacy breach, cyber extortion, reputation harm and business interruption from a covered loss.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2023 AND 2022, AND REPORT OF INDEPENDENT AUDITORS

[THIS PAGE INTENTIONALLY LEFT BLANK]

Princeton University

Consolidated Financial Statements

June 30, 2023 and 2022

Report of Independent Auditors

To the Trustees of Princeton University:

Opinion

We have audited the accompanying consolidated financial statements of Princeton University and its subsidiaries (the “University”, which as described in Note 2 is legally known as The Trustees of Princeton University), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University’s ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

PricewaterhouseCoopers LLP, 300 Madison Avenue, New York, New York 10017
T: (646) 471 3000, www.pwc.com/us

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

New York, New York
November 20, 2023

Consolidated Statements of Financial Position

Princeton University

June 30, 2023 and 2022

(dollars in thousands)	2023	2022
Assets		
Cash	$ 42,404	$ 27,736
Accounts receivable	183,065	158,691
Receivables associated with investments	35,178	25,673
Educational and mortgage loans receivable	472,631	448,278
Contributions receivable	381,179	365,019
Managed investments at fair value	33,750,097	35,502,602
Funds held in trust by others	133,718	123,691
Other investments	968,430	1,850,436
Property, net of accumulated depreciation	5,692,647	4,988,384
Other assets	86,011	68,754
Total assets	$ 41,745,360	$ 43,559,264
Liabilities		
Accounts payable	$ 145,574	$ 100,268
Liabilities associated with investments	41,654	25,957
Deposits, advance receipts, and accrued liabilities	336,101	396,954
Deposits held in custody for others	179,348	181,694
Liability under planned giving agreements	83,409	81,198
Indebtedness to third parties	4,027,724	4,101,724
Accrued postretirement benefits	512,357	484,225
Total liabilities	$ 5,326,167	$ 5,372,020
Net assets		
Without donor restrictions controlled by the University	$ 16,352,682	$ 16,930,941
Without donor restrictions attributable to noncontrolling interests	217,913	211,545
Total net assets without donor restrictions	**16,570,595**	**17,142,486**
Total net assets with donor restrictions	**19,848,598**	**21,044,758**
Total net assets	**$ 36,419,193**	**$ 38,187,244**
Total liabilities and net assets	**$ 41,745,360**	**$ 43,559,264**

See notes to consolidated financial statements.

Consolidated Statements of Activities

Princeton University

Year ended June 30, 2023

(dollars in thousands)	Without Donor Restrictions	With Donor Restrictions	2023 Total
Revenues and other sources			
Tuition and fees, net of financial aid	$ 154,514	-	$ 154,514
Government grants and contracts	406,180	-	406,180
Private gifts, grants, and contracts	96,395	$ 86,876	183,271
Auxiliary sales and services, net of financial aid	85,335	-	85,335
Other operating revenues	31,693	-	31,693
Investment earnings distributed	748,561	880,080	1,628,641
Total operating revenues	**1,522,678**	**966,956**	**2,489,634**
Net assets released from restrictions	1,039,284	(1,039,284)	-
Total revenues and other sources	**2,561,962**	**(72,328)**	**2,489,634**
Operating expenses			
Salaries and wages	969,089	-	969,089
Employee benefits	274,041	-	274,041
Supplies, services, and other	472,515	-	472,515
Space and occupancy	99,656	-	99,656
Student stipends and prizes	98,796	-	98,796
Depreciation	216,182	-	216,182
Interest on indebtedness	132,980	-	132,980
Total operating expenses	**2,263,259**	**-**	**2,263,259**
Results of operations	**298,703**	**(72,328)**	**226,375**
Nonoperating activities			
Adjustments to planned giving agreements	-	3,354	3,354
Increase in value of assets held in trust by others	-	10,027	10,027
Private gifts, noncurrent	37,421	134,269	171,690
Net realized and unrealized loss on investments	(190,940)	(373,964)	(564,904)
Distribution of investment earnings	(748,561)	(880,080)	(1,628,641)
Net periodic benefit cost other than service cost	(5,806)	-	(5,806)
Other postretirement benefit changes	13,486	-	13,486
Reclassifications, transfers, and other nonoperating	17,438	(17,438)	-
Decrease from nonoperating activities	**(876,962)**	**(1,123,832)**	**(2,000,794)**
Decrease in net assets - University	**(578,259)**	**(1,196,160)**	**(1,774,419)**
Change in noncontrolling interests	6,368	-	6,368
Total decrease in net assets	**(571,891)**	**(1,196,160)**	**(1,768,051)**
Net assets at the beginning of the year	17,142,486	21,044,758	38,187,244
Net assets at the end of the year	**$ 16,570,595**	**$ 19,848,598**	**$ 36,419,193**

See notes to consolidated financial statements.

Consolidated Statements of Activities

Princeton University

Year ended June 30, 2022

(dollars in thousands)	Without Donor Restrictions	With Donor Restrictions	2022 Total
Revenues and other sources			
Tuition and fees, net of financial aid	$ 144,961	-	$ 144,961
Government grants and contracts	362,297	-	362,297
Private gifts, grants, and contracts	85,901	$ 117,206	203,107
Auxiliary sales and services, net of financial aid	74,466	-	74,466
Other operating revenues	35,132	-	35,132
Investment earnings distributed	701,760	835,426	1,537,186
Total operating revenues	**1,404,517**	**952,632**	**2,357,149**
Net assets released from restrictions	926,209	(926,209)	-
Total revenues and other sources	**2,330,726**	**26,423**	**2,357,149**
Operating expenses			
Salaries and wages	863,632	-	863,632
Employee benefits	269,375	-	269,375
Supplies, services, and other	388,924	-	388,924
Space and occupancy	87,666	-	87,666
Student stipends and prizes	80,179	-	80,179
Depreciation	195,929	-	195,929
Interest on indebtedness	113,483	-	113,483
Total operating expenses	**1,999,188**	**-**	**1,999,188**
Results of operations	**331,538**	**26,423**	**357,961**
Nonoperating activities			
Adjustments to planned giving agreements	-	(12,204)	(12,204)
Decrease in value of assets held in trust by others	-	(20,647)	(20,647)
Private gifts, noncurrent	15,173	254,833	270,006
Net realized and unrealized loss on investments	(296,790)	(263,679)	(560,469)
Distribution of investment earnings	(701,760)	(835,426)	(1,537,186)
Net periodic benefit cost other than service cost	(16,272)	-	(16,272)
Other postretirement benefit changes	242,712	-	242,712
Reclassifications, transfers, and other nonoperating	559	(559)	-
Decrease from nonoperating activities	**(756,378)**	**(877,682)**	**(1,634,060)**
Decrease in net assets - University	**(424,840)**	**(851,259)**	**(1,276,099)**
Change in noncontrolling interests	509	-	509
Total decrease in net assets	**(424,331)**	**(851,259)**	**(1,275,590)**
Net assets at the beginning of the year	17,566,817	21,896,017	39,462,834
Net assets at the end of the year	**$ 17,142,486**	**$ 21,044,758**	**$ 38,187,244**

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Princeton University

Years ended June 30, 2023 and 2022

(dollars in thousands)	2023	2022
Cash flows from operating activities		
Change in net assets	$ (1,768,051)	$ (1,275,590)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense	216,182	195,929
Amortization of bond issuance costs and premiums	(19,465)	(15,608)
Property gifts-in-kind	(1,826)	(7,403)
Adjustments to planned giving agreements	(3,354)	12,204
Net realized and unrealized losses on investments	788,936	857,421
(Gains) loss on disposal of fixed assets	(13,849)	7,846
Increase (decrease) in value of assets held in trust by others	(10,027)	20,647
Contributions received for long-term investment	(242,391)	(134,092)
Change in noncontrolling interests	(6,368)	(509)
Changes in operating assets and liabilities:		
Receivables	(64,888)	(78,479)
Other assets	(17,257)	(3,604)
Accounts payable	58,724	18,233
Deposits, advance receipts, and accrued liabilities	(60,853)	44,207
Deposits held in custody for others	(2,346)	(25)
Accrued postretirement benefits	28,132	(199,302)
Net cash and restricted cash used in operating activities	**(1,118,701)**	**(558,125)**
Cash flows from investing activities		
Purchases of property, plant, and equipment	(924,300)	(652,832)
Proceeds from disposal of property, plant, and equipment	6,112	115
Purchases of investments	(30,693,312)	(37,611,838)
Proceeds from maturities/sales of investments	32,500,661	37,948,657
Net cash and restricted cash provided by (used in) investing activities	**889,161**	**(315,898)**
Cash flows from financing activities		
Issuance of indebtedness to third parties	238,500	661,379
Payment of debt principal	(293,035)	(91,804)
Contributions received for long-term investment	242,391	134,092
Transactions on planned giving agreements	5,565	(31,398)
Net cash and restricted cash provided by financing activities	**193,421**	**672,269**
Net decrease in cash and restricted cash	**(36,119)**	**(201,754)**
Cash and restricted cash at the beginning of the year	**387,417**	**589,171**
Cash and restricted cash at the end of the year	**$ 351,298**	**$ 387,417**
Supplemental disclosures		
Interest paid	$ 159,105	$ 136,910
Supplemental information on cash and restricted cash		
Cash as shown in the Consolidated Statements of Financial Position	$ 42,404	$ 27,736
Cash and restricted cash included in Managed Investments (see Note 4)	279,471	330,028
Cash included in Other Investments (see Note 3)	29,423	29,653
Total cash and restricted cash as shown on the Consolidated Statements of Cash Flows	**$ 351,298**	**$ 387,417**

Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2023 and 2022

1. NATURE OF OPERATIONS

Princeton University (the "University") is a private, not-for-profit, nonsectarian institution of higher learning. When originally chartered in 1746 as the College of New Jersey, it became the fourth college in British North America. It was renamed Princeton University in 1896. First located in Elizabeth, and briefly in Newark, the school moved to Princeton in 1756.

The student body numbers 5,540 undergraduates and 3,238 graduate students in more than 90 departments and programs. The University offers instruction in the liberal arts and sciences and in professional programs of the School of Architecture, the School of Engineering and Applied Science, and the Princeton School of Public and International Affairs. The faculty numbers approximately 1,267, including visitors and part-time appointments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Princeton University (legally known as "The Trustees of Princeton University") are prepared on the accrual basis and include the accounts of its wholly owned subsidiaries, foundation, and investments controlled by the University. Financial information conforms to the statements of accounting principles of the Financial Accounting Standards Board (FASB) and to the American Institute of Certified Public Accountants *Audit and Accounting Guide for Not-for-Profit Entities*. Relevant pronouncements include FASB Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*.

External consolidated financial statements of not-for-profit organizations require the preparation of a consolidated statement of financial position, a consolidated statement of activities, and a consolidated statement of cash flows. The classification of the organization's net assets and its revenues and expenses into two categories according to the existence or absence of donor-imposed restrictions — net assets with donor restrictions and net assets without donor restrictions — is also required. Changes, including reclassification and transfers, in each category are reflected in the Consolidated Statements of Activities, certain of which are further categorized as nonoperating. Such nonoperating activities primarily reflect transactions of a long-term investment or capital nature, contributions receivable in future periods, contributions subject to donor-imposed restrictions, gains and losses on investments in excess of the University's spending rule, postretirement benefit changes, and other nonrecurring activities.

Cash and cash equivalents are recorded at fair value and include several depository accounts, checking accounts, institutional money market funds, and similar temporary investments with maturities of three months or less at the date of purchase. The University classifies cash equivalents that are part of the University's investments as short-term investments.

Unconditional promises to give are recognized as revenues in the year made, not in the year in which the cash is received. The amounts are discounted based on timing of expected collections. Amounts received from donors to planned giving programs consist primarily of charitable trusts and charitable gift annuities. The assets related to these agreements are included in Other investments at fair value and the liability for the present value of annuity payments to the donor in Liability under planned giving agreements.

Other significant accounting policies are described elsewhere in these notes.

The preparation of the University's consolidated financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the Consolidated Statements of Financial

Position, and the reported amounts of revenues and expenses included in the Consolidated Statements of Activities. Actual results could differ from such estimates.

Certain prior-year balances have been reclassified to conform to the current-year presentation.

Revenue from Tuition, Fees, and Auxiliary Services

Revenue from tuition, fees, and auxiliary services, which consist primarily of student room and board, are presented at transaction prices, which typically are determined based on standard published rates for the services provided, less any institutional financial aid awarded by the University to qualifying students. For the years ended June 30, 2023 and 2022, revenue from tuition, fees, and auxiliary services was as follows:

2023 *(dollars in thousands)*	**At published rates**	**Institutional aid**	**Total net**
Tuition and fees	$ 485,857	$ (331,343)	$ 154,514
Room, board, and other	110,840	(25,505)	85,335
Total	**$ 596,697**	**$ (356,848)**	**$ 239,849**

2022 *(dollars in thousands)*	**At published rates**	**Institutional aid**	**Total net**
Tuition and fees	$ 453,299	$ (308,338)	$ 144,961
Room, board, and other	100,653	(26,187)	74,466
Total	**$ 553,952**	**$ (334,525)**	**$ 219,427**

Of the $240 million in net total tuition, fees, and auxiliary revenue recognized in fiscal year 2023, $203 million was from undergraduate students, $25 million was from graduate students, and $12 million was from other sources. Of the $219 million in net total tuition, fees, and auxiliary revenue recognized in fiscal year 2022, $188 million was from undergraduate students, $22 million was from graduate students, and $9 million was from other sources.

Tuition, fees, and auxiliary revenues are recognized and associated performance obligations are satisfied over time during the course of the fiscal year in which the student services are provided.

Revenue from Sponsored Grants and Contracts

The University receives sponsored program funding in the form of grants and contracts from governments, foundations, industry, and other private sources generally for research activities. The funding may represent a reciprocal transaction in exchange for an equivalent benefit in return, or it may be a nonreciprocal transaction in which the resources provided are for the benefit of the University, the funding organization's mission, or the public at large.

Grants and contracts that are reciprocal in nature include certain private grants and the contract with the U.S. Department of Energy to operate the Princeton Plasma Physics Laboratory. Revenue from exchange agreements generally is recognized over time as performance obligations are satisfied, which in most cases occur as related costs are incurred.

Revenue from nonexchange transactions (contributions/gifts and certain grants) may be subject to conditions in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). Revenue from conditional nonexchange transactions is recognized when the barrier is satisfied, which is generally as costs are incurred or certain milestones are achieved. Conditions on grants, such as Federal government grants, typically include limitations on how research activities must be conducted, such as compliance with OMB cost principles. In addition, the University has elected the simultaneous release option for conditional contributions that are subject to purpose restrictions. Under this option, net assets without donor restrictions include the donor-restricted contributions for which the purpose restrictions are met in the same reporting period as the revenue is recognized. Revenue from nonexchange agreements that are considered unconditional, such as most foundation grants, generally is recognized as revenue with donor restrictions when the grant funds are awarded, and is released into net assets without donor restrictions when the purpose has been met.

As of June 30, 2023, the University has unrecorded conditional grant agreements of $403 million from government sponsors and $121 million from nongovernment sponsors. As of June 30, 2022, the University had unrecorded conditional grant agreements of $329 million from government sponsors and $113 million from nongovernment sponsors. Indirect costs recovered on federally sponsored programs generally are based on predetermined reimbursement rates, which are stated as a percentage and distributed based on the modified total direct costs incurred. The University negotiates its federal indirect rate with its cognizant federal agency. Indirect costs recovered on all other grants and contracts are based on rates negotiated with the respective sponsors.

3. INVESTMENTS

Managed Investments

All managed investments are reported at fair value. The fair value of marketable equity, debt, and certain derivative securities (which include both domestic and foreign issues) generally is based upon a combination of published current market prices and exchange rates. The fair value of restricted securities and other investments for which published market prices are not available is based on estimated values using discounted cash flow analysis and other industry standard methodologies. Where applicable, independent appraisers and engineers assist in the valuation. The fair value of limited partnerships and similar investment vehicles is based on the net asset value of such investments and generally is estimated by external investment managers, including general partners or valuation committees. These valuations necessarily involve assumptions and methods that are reviewed, evaluated, and adjusted, if necessary, by the University. Changes in assumptions could have a significant effect on the fair values of these investments. Actual results could differ from these estimates and could have a material impact on the consolidated financial statements. These investments generally are less liquid than other investments, and the values reported may differ from the values that would have been reported had a ready market for these securities existed. Securities transactions are reported on a trade-date basis. Realized gains and losses are calculated using the specific identification cost method.

A summary of managed investments by asset category at fair value at June 30, 2023 and 2022 is presented below. The managed investment categories are presented on a "manager-mandate" basis, that is, all of the assets and market value of the underlying funds and accounts are included in the asset class that is the primary focus of the fund or account (many funds and accounts have contractual flexibility to invest across more than one asset class).

(dollars in millions)	**2023**	**2022**
Managed investments:		
Developed markets	$ 3,773.6	$ 2,797.1
Emerging markets	2,751.0	2,561.5
Independent return	8,535.0	8,648.4
Private equity	14,119.2	15,629.8
Real assets	3,793.2	4,114.1
Fixed income	498.6	1,421.6
Cash and other	279.5	330.1
Gross managed investments[1]	**$ 33,750.1**	**$ 35,502.6**
Receivables (liabilities) associated with investments — net	(6.5)	(0.3)
Noncontrolling interests	(217.9)	(211.5)
Net managed investments	$ 33,525.7	$ 35,290.8

[1]Includes derivative financial instruments at fair value

The Princeton University Investment Company (PRINCO) manages investments for a foundation that the University controls, the Stanley J. Seeger Hellenic Fund, and deposits held in custody for others. The investment balances managed by PRINCO for these entities as of June 30, included in the University's consolidated financial statements, are as follows:

(dollars in millions)	**2023**	**2022**
Princeton University	$ 33,319.8	$ 35,063.1
Stanley J. Seeger Hellenic Fund	63.3	67.2
Deposits held in custody for others	142.6	160.5
Net managed investments	**$ 33,525.7**	**$ 35,290.8**

The composition of net investment return from managed and other investments for the years ended June 30 is as follows:

(dollars in millions)	**2023**	**2022**
Net realized and unrealized losses	$ (788.9)	$ (857.4)
Interest, dividends, and other income	224.0	296.9
Total	**$ (564.9)**	**$ (560.5)**

Princeton University investments, together with the Stanley J. Seeger Hellenic Fund and deposits held in custody for others, are invested in a single unitized pool. The market value of each unit was $15,097.06 and $16,139.83 at June 30, 2023 and 2022, respectively. The average value of a unit during the years ending June 30, 2023 and 2022 was $15,642.12 and $16,924.40, respectively.

The average invested market balance in the unitized pool during the years ending June 30, 2023 and 2022 was $34.625 billion and $36.943 billion, respectively.

The University follows a spending rule for its unitized investments, including funds functioning as endowment, that provides for regular increases in spending while preserving the long-term purchasing power of the endowment. Earnings distributed and available for spending are shown in operating revenue, and the balance is shown as nonoperating revenue. Amounts distributed per unit under that rule were $731.62 and $703.48 for fiscal years 2023 and 2022, respectively.

The University invests in various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

Derivative Financial Instruments

As part of its investment strategy, the University enters into transactions utilizing a variety of financial instruments and strategies, including futures, swaps, options, short sales, and forward foreign currency contracts. These financial instruments and strategies allow the University to fine-tune the asset allocation of the investment portfolio. In the case of forward currency exchange contracts, options, and swap contracts, these instruments are traded through securities and commodities exchanges. These financial instruments are executed with creditworthy banks and brokerage firms, are subject to an enforceable master netting arrangement or similar agreement, and are presented at fair value on a net basis on the Consolidated Statements of Financial Position.

Investment-related derivative exposures at June 30 are as follows:

2023 *(dollars in millions)*	Long Notional[1]	Short Notional[1]	Net Derivative Assets (Liabilities)	Gains (Losses)[2]
Index futures	$ 498.9	$ (228.3)	$ 5.2	$ 81.6
Equity swaps	845.7	(1,419.1)	(9.6)	(153.5)
Options contracts	44.4	(808.8)	60.7	(277.0)
Total	$ 1,389.0	$ (2,456.2)	$ 56.3	$ (348.9)

2022 *(dollars in millions)*	Long Notional[1]	Short Notional[1]	Net Derivative Assets (Liabilities)	Gains (Losses)[2]
Index futures	$ 50.0	-	$ 1.7	$ (137.4)
Equity swaps	1,186.1	$ (1,169.5)	58.6	664.7
Options contracts	318.4	(1,833.8)	334.4	273.5
Total	$ 1,554.5	$ (3,003.3)	$ 394.7	$ 800.8

[1] Notional amounts are representative of the volume and activity of each derivative type during the years ended June 30, 2023 and 2022
[2] Gains and losses on derivatives are recorded under "Net realized and unrealized appreciation on investments" in the Consolidated Statements of Activities

Investment-related derivative assets, liabilities, and collateral by counterparty at June 30 are as follows:

2023 *(dollars in millions)*	# of Contracts	Fair Value Gross Derivative Assets	Fair Value Gross Derivative Liabilities	Collateral (Held) Pledged	Net
Counterparty A	7	$ 6.3	$ (19.7)	$ 27.6	$ 14.2
Counterparty B	7	21.3	(11.6)	-	9.7
Counterparty C	10	71.2	(11.2)	(63.5)	(3.5)
Total	24	$ 98.8	$ (42.5)	$ (35.9)	$ 20.4

2022 *(dollars in millions)*	# of Contracts	Fair Value Gross Derivative Assets	Fair Value Gross Derivative Liabilities	Collateral (Held) Pledged	Net
Counterparty A	2	$ 22.3	-	$ (18.2)	$ 4.1
Counterparty B	9	-	$ (89.9)	49.6	(40.3)
Counterparty C	9	521.5	(59.2)	(421.5)	40.8
Total	20	$ 543.8	$ (149.1)	$ (390.1)	$ 4.6

Funds Held in Trust by Others

The University is the income beneficiary of various trusts that are held and controlled by independent trustees. In addition, the University is the income beneficiary of entities that qualify as supporting organizations under Section 509(a)(3) of the U.S. Internal Revenue Code. Funds held in trust by others are recognized at the estimated fair value of the assets or the present value of the future cash flows when the irrevocable trust is established or the University is notified of its existence. Funds held in trust by others, stated at fair value, amounted to $133.7 million in 2023 and $123.7 million in 2022.

Other Investments

Other investments include working capital (consisting primarily of U.S. Treasury bonds), a small number of funds that must be separately invested due to donor or legal restrictions, planned giving investments, proceeds from debt, and local real estate holdings expected to be liquidated strategically over several years.

A summary of other investments at fair value at June 30, 2023 and 2022 is as follows:

(dollars in millions)	**2023**	**2022**
Working capital	$ 507.3	$ 655.8
Planned giving investments	155.9	152.8
Proceeds from debt	152.7	914.5
Strategic real estate investments	48.0	37.6
Other	104.5	89.7
Total	$ 968.4	$ 1,850.4

4. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosure about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. Fair value should be based on assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and the risks inherent in valuation techniques and the inputs to valuations. Fair value measurements assume that the transaction occurs in the principal market for the asset or liability (the market with the most volume and activity for the asset or liability from the perspective of the reporting entity), or in the absence of a principal market, the most advantageous market for the asset or liability (the market in which the reporting entity would be able to maximize the amount received or minimize the amount paid). The University applies fair value measurements to certain assets and liabilities, including the University's managed investments, other investments, and funds held in trust by others, in accordance with the requirements described above.

The University maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Fair value is based on actively quoted market prices, if available. In the absence of actively quoted market prices, price information from external sources, including broker quotes and industry publications, is used. If pricing information from external sources is not available, or if observable pricing is not indicative of fair value, then judgment is required to develop the estimates of fair value using discounted cash flow and other income valuation approaches.

The University utilizes the following fair value hierarchy, which prioritizes, into three broad levels, the inputs to valuation techniques used to measure fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities that the University has the ability to access at the measurement date. Instruments categorized in Level 1 primarily consist of a broadly traded range of equity and debt securities.

Level 2: Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data by correlation or other means.

Level 3: Unobservable inputs for the asset or liability, including situations where there is little, if any, market activity for the asset or liability. Instruments categorized in Level 3 primarily consist of limited partnership interests and other similar investment vehicles.

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. Fair value measurements are categorized as Level 3 when a significant proportion of price or other inputs that are considered to be unobservable are used in their valuations.

Investments in investee funds that are valued using the net asset value (NAV) of the underlying investee fund as a practical expedient have been excluded from the fair value hierarchy and are shown as a separate column in the fair value leveling table. Where the University has the ability to redeem its investment with the investee at net asset value per share (or its equivalent) using the practical expedient, such investments have been excluded from the fair value hierarchy. Certain of these investments may be subject to modest holdback provisions to cover audit and other potential expenses or adjustments in the event of a complete withdrawal.

The University has various processes and controls in place to ensure that investment fair value is reasonable and performs due diligence procedures on its investments, including an assessment of applicable accounting policies, a review of the valuation procedures employed, and consideration of redemption features and price transparency. The University holds direct real estate investments categorized as Level 3. Valuation for material directly held real estate investments is determined from periodic valuations prepared by independent appraisers or broker opinions.

The following tables present the University's assets that are measured at fair value for each hierarchy level, at June 30, 2023 and 2022:

		Fair Value Measurements at Reporting Date Using			
2023 *(dollars in millions)*	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as Practical Expedient
Assets at fair value					
Managed investments (gross):					
Developed markets	$ 3,773.6	$ 15.5	$(0.6)	$ 0.5	$ 3,758.2
Emerging markets	2,751.0	0.2	(7.3)	-	2,758.1
Independent return	8,535.0	6.9	(1.2)	-	8,529.3
Private equity	14,119.2	5.2	46.3	-	14,067.7
Real assets	3,793.2	439.1	13.8	-	3,340.3
Fixed income	498.6	498.6	-	-	-
Cash and other	279.5	345.8	(66.3)	-	-
Total managed investments (gross)	**33,750.1**	**1,311.3**	**(15.3)**	**0.5**	**32,453.6**
Funds held in trust by others	133.7	-	-	133.7	-
Other investments	968.4	764.0	-	204.4	-
Total	**$ 34,852.2**	**$ 2,075.3**	**$ (15.3)**	**$ 338.6**	**$ 32,453.6**

		Fair Value Measurements at Reporting Date Using			
2022 *(dollars in millions)*	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as Practical Expedient
Assets at fair value					
Managed investments (gross):					
Developed markets	$ 2,797.1	$ 27.1	-	$ 0.4	$ 2,769.6
Emerging markets	2,561.5	0.2	$ (22.2)	-	2,583.5
Independent return	8,648.4	7.0	-	-	8,641.4
Private equity	15,629.8	1.7	505.1	2.9	15,120.1
Real assets	4,114.1	687.5	(89.9)	21.8	3,494.7
Fixed income	1,421.6	1,421.6	-	-	-
Cash and other	330.1	722.5	(392.4)	-	-
Total managed investments (gross)	**35,502.6**	**2,867.6**	**0.6**	**25.1**	**32,609.3**
Funds held in trust by others	123.7	-	-	123.7	-
Other investments	1,850.4	1,655.0	-	195.4	-
Total	**$ 37,476.7**	**$ 4,522.6**	**$ 0.6**	**$ 344.2**	**$ 32,609.3**

Assets and liabilities of a majority-owned and -controlled investment fund have been consolidated for reporting purposes at June 30, 2023 and 2022. Gross managed investments include consolidated investment fund assets of $1,135.6 million and $1,127.2 million at June 30, 2023 and 2022, respectively, and liabilities associated with investments include consolidated investment fund liabilities of $8.1 million and $0.0 million at June 30, 2023 and 2022, respectively. The portion of consolidated net assets not owned by the University is reported as a noncontrolling interest.

The following tables present the net change in the assets measured at fair value on a recurring basis and included in the Level 3 fair value category for the years ended June 30, 2023 and 2022:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)						
(dollars in millions)	June 30, 2022	Total gains or losses included in changes in net assets	Purchases	Sales and settlements	Transfers into Level 3	Transfers out of Level 3	June 30, 2023
Assets at fair value							
Managed investments (gross):							
Developed markets	$ 0.4	$ 0.1	-	-	-	-	$ 0.5
Emerging markets	-	-	-	-	-	-	-
Independent return	-	-	-	-	-	-	-
Private equity	2.9	(2.9)	-	-	-	-	-
Real assets	21.8	10.1	-	$ (12.5)	-	$ (19.4)	-
Total managed investments (gross)	**25.1**	**7.3**	-	**(12.5)**	-	**(19.4)**	**0.5**
Funds held in trust by others	123.7	6.6	$ 3.5	(0.1)	-	-	133.7
Other investments	195.4	8.9	4.2	(4.1)	-	-	204.4
Total Level 3 investments	$ 344.2	$ 22.8	$ 7.7	$ (16.7)	-	$ (19.4)	$ 338.6

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)						
(dollars in millions)	June 30, 2021	Total gains or losses included in changes in net assets	Purchases	Sales and settlements	Transfers into Level 3	Transfers out of Level 3	June 30, 2022
Assets at fair value							
Managed investments (gross):							
Developed markets	$ 0.5	$ (0.1)	-	-	-	-	$ 0.4
Emerging markets	-	-	-	-	-	-	-
Independent return	0.5	-	-	$ (0.5)	-	-	-
Private equity	3.0	(0.1)	-	-	-	-	2.9
Real assets	3.0	(29.6)	$ 1.1	(13.6)	$ 60.9	-	21.8
Total managed investments (gross)	**7.0**	**(29.8)**	**1.1**	**(14.1)**	**60.9**	-	**25.1**
Funds held in trust by others	144.3	(20.6)	-	-	-	-	123.7
Other investments	235.0	(30.0)	3.4	(13.0)	-	-	195.4
Total Level 3 investments	$ 386.3	$ (80.4)	$ 4.5	$ (27.1)	$ 60.9	-	$ 344.2

The University assesses the valuation hierarchy for each asset or liability measured on an annual basis. From time to time, assets or liabilities will be transferred within hierarchy levels as a result of changes in valuation methodologies, liquidity, and/or redemption terms. Three transfers out of Level 3 into NAV assets occurred in the year ended June 30, 2023. The University's policy is to recognize transfers at the beginning of the reporting period.

Realized gains of $8.9 million and $3.5 million related to Level 3 investments and unrealized gains of $7.3 million and unrealized losses of $83.9 million related to Level 3 investments are included in net realized and unrealized loss on investments in the Consolidated Statements of Activities for the years ended June 30, 2023 and 2022, respectively.

The following tables and disclosures set forth the significant terms of the agreements with investment managers or funds by major category at June 30, 2023 and 2022. The information is presented on a "manager-mandate" basis.

2023 *(dollars in millions)*	June 30 Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Managed investments (gross)				
Developed markets (a)	$ 3,773.6	$ 68.2	monthly—annually	10-180 days
Emerging markets (b)	2,751.0	75.1	daily—annually	7-90 days
Independent return (c)	8,535.0	540.1	monthly—annually	3-90 days
Fixed income and cash (d)	778.1	-	daily	1 day
Marketable asset classes	**$ 15,837.7**	**$ 683.4**		
Private equity (e)	14,119.2	3,820.6		
Real assets (f)	3,793.2	2,735.2		
Nonmarketable asset classes	**$ 17,912.4**	**$ 6,555.8**		
Total gross managed investments	**$ 33,750.1**	**$ 7,239.2**		

2022 *(dollars in millions)*	June 30 Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Managed investments (gross)				
Developed markets (a)	$ 2,797.1	$ 68.1	monthly—annually	10-180 days
Emerging markets (b)	2,561.5	278.6	daily—annually	7-90 days
Independent return (c)	8,648.4	507.1	monthly—annually	3-90 days
Fixed income and cash (d)	1,751.7	-	daily	1 day
Marketable asset classes	**$ 15,758.7**	**$ 853.8**		
Private equity (e)	15,629.8	3,758.3		
Real assets (f)	4,114.1	2,121.6		
Nonmarketable asset classes	**$ 19,743.9**	**$ 5,879.9**		
Total gross managed investments	**$ 35,502.6**	**$ 6,733.7**		

(a) Developed Markets: This asset class includes funds and accounts primarily invested in equities traded on domestic exchanges, over-the-counter markets, or equity and debt securities traded on exchanges in countries with developed economies. The fair values of the investments in this asset class have been estimated using the net asset value per share of the investee funds. Investments representing approximately 2 percent of the market value of this asset class are in nonredeemable assets.

(b) Emerging Markets: This asset class includes funds primarily invested in public equity and debt securities traded in countries with emerging economies. The fair values of the investments in this asset class have been estimated using the net asset value per share of the investee funds or, in the case of custodied accounts, the fair value of the securities held, at prevailing exchange rates. Investments representing approximately 30 percent of the market value of this asset class are invested in nonredeemable assets.

(c) Independent Return: This asset class includes funds invested in equity and debt securities and financial instruments such as options, swaps, futures, and other derivatives. Funds in this asset class may hold both long and short positions in any of these instruments and pursue a variety of investment strategies such as long/short equity investments and event-driven/arbitrage based upon the fund's investment mandate and the current opportunity set. Investments representing approximately 25 percent of the market value of this asset class are invested in nonredeemable assets.

(d) Fixed Income and Cash: On a combined basis, these asset classes primarily include U.S. government and U.S. government-guaranteed securities held in separate accounts at the custodial bank. The majority of the investments in these asset classes can be liquidated on a daily basis.

(e) Private Equity: This asset class includes funds primarily invested in buyouts or venture capital. The fair values of the investments in this asset class generally have been estimated using partners' capital statements issued by the funds, which reflect the University's ownership interest. Generally, investments in this asset class are not redeemable. Distributions from investee funds in the portfolio are received as the underlying investments of the funds are liquidated.

(f) Real Assets: This asset class includes funds primarily invested in real estate and natural resources. The fair values of the investments in this asset class have been estimated using partners' capital statements issued by the funds, which reflect the University's ownership interest. Generally, investments in this asset class are not redeemable. However, $565.3 million at June 30, 2023 and $855.2 million at June 30, 2022 was invested in redeemable funds. More broadly, distributions from investee funds are received as the underlying investments of the funds are liquidated.

Investments in the marketable asset classes generally are redeemable, made in entities that allow the University to request withdrawals in specified circumstances. However, approximately $3.0 billion at June 30, 2023 and approximately $3.0 billion at June 30, 2022 of the marketable asset classes are invested in "nonredeemable assets," which are not eligible for redemption by the University. Nonredeemable assets are specific investments within a fund designated by the fund manager as ineligible for withdrawal. Due to the illiquid nature of nonredeemable assets, it is impossible for the University to predict when these assets will liquidate and the proceeds be distributed to investors.

In addition to nonredeemable assets, the University may be limited in its ability to effect a withdrawal if a fund manager invokes a "gate" provision restricting redemptions from its fund. Gates generally are triggered when aggregate fund withdrawal requests exceed a contractually predetermined threshold. No withdrawal requests were impacted by a gate in the years ended June 30, 2023 and 2022.

The University is obligated under certain agreements to fund capital calls periodically up to specified commitment amounts. Such commitments generally are called over periods of up to 10 years and contain fixed expiration dates or other termination clauses.

5. ENDOWMENT

The University's endowment consists of approximately 4,800 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the University to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the University to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

ASC 958, *Not-for-Profit Entities,* provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which was enacted in the state of New Jersey in June 2009.

Interpretation of relevant law — The University interprets the UPMIFA as requiring the preservation of the fair value at the original gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also classified as net assets with donor restrictions is accumulated appreciation on donor-restricted endowment funds until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by UPMIFA. The University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the University and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the University
(7) The investment policies of the University

Endowment net asset composition by type of fund as of June 30, 2023 and 2022 was:

2023 *(dollars in thousands)*	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Restricted in perpetuity	-	$ 2,447,004	$ 2,447,004
Appreciation	-	16,242,056	16,242,056
Board-designated endowment funds	$ 14,691,803	-	14,691,803
Total	**$ 14,691,803**	**$ 18,689,060**	**$ 33,380,863**

2022 *(dollars in thousands)*	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Restricted in perpetuity	-	$ 2,355,951	$ 2,355,951
Appreciation	-	17,483,330	17,483,330
Board-designated endowment funds	$ 15,286,936	-	15,286,936
Total	**$ 15,286,936**	**$ 19,839,281**	**$ 35,126,217**

Changes in endowment net assets for the years ended June 30, 2023 and 2022 were:

2023 *(dollars in thousands)*	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of the year	$ 15,286,936	$ 19,839,281	$ 35,126,217
Net investment return	(318,185)	(371,534)	(689,719)
Contributions	1,722	77,241	78,963
Appropriation of endowment assets for expenditure	(739,218)	(873,338)	(1,612,556)
Reclassifications, transfers, and board designations	460,548	17,410	477,958
Endowment net assets, end of year	**$ 14,691,803**	**$ 18,689,060**	**$ 33,380,863**

2022 *(dollars in thousands)*	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of the year	$ 16,195,791	$ 20,830,651	$ 37,026,442
Net investment return	(220,843)	(268,201)	(489,044)
Contributions	1,938	89,690	91,628
Appropriation of endowment assets for expenditure	(692,514)	(836,223)	(1,528,737)
Reclassifications, transfers, and board designations	2,564	23,364	25,928
Endowment net assets, end of year	**$ 15,286,936**	**$ 19,839,281**	**$ 35,126,217**

Funds with deficiencies — From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in restricted net assets were $7.8 million at June 30, 2023. The aggregate fair value of these funds was $117.7 million, and the aggregate of the original gift amounts was $125.5 million. At June 30, 2022, deficiencies in restricted net assets were $2.4 million. The aggregate fair value of these funds was $53.5 million, and the aggregate of the original gift amounts was $55.9 million. Deficiencies can result from unfavorable market fluctuations that occur shortly after the investment of new permanently restricted contributions while continued appropriations are deemed prudent by the Board of Trustees.

Under the requirements of UPMIFA, the University is permitted to reduce the balance of restricted endowments below the original amount of the gift. Subsequent investment gains then are used to restore the balance up to the fair market value of the original amount of the gift. Both fund deficiencies and subsequent gains above that amount are recorded in net assets with donor restrictions.

Return objectives and risk parameters — The University has adopted investment and spending policies for endowment assets that attempt to support the University's current and future operating needs while preserving intergenerational equity. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for donor-specified periods, as well as University-designated funds. Under these policies, the endowment assets are invested in a manner intended to produce returns that exceed both the annual rate of spending and University inflation.

Strategies employed for achieving objectives — The vast majority of the endowment assets are actively managed by PRINCO, which is structured as a University office but maintains its own Board of Directors, and operates under the final authority of the University's Board of Trustees (the "Trustees").

In pursuit of the investment return objectives, PRINCO maintains an equity-biased portfolio and seeks to partner with best-in-class investment management firms across diverse asset categories.

Spending policy and how the investment objectives relate to spending policy — Each year, the Trustees decide upon an amount to be spent from the endowment for the following fiscal year. In their deliberations, the Trustees use a spending framework designed to enable sizable amounts to be spent in a reasonably stable fashion, while allowing for reinvestment sufficient to preserve purchasing power in perpetuity. The framework targets annual spending rates of between 4.0 percent and 6.25 percent.

The endowment must seek investment returns sufficient to meet spending policy targets, as well as to maintain future purchasing power without deterioration of corpus resulting from University inflation.

6. LIQUIDITY AND AVAILABILITY OF RESOURCES

The University's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the Consolidated Statements of Financial Position were as follows:

(dollars in thousands)	2023	2022
Financial assets:		
Cash	$ 42,404	$ 27,736
Accounts receivable	138,570	115,244
Educational and mortgage receivable	15,770	15,767
Contributions receivable	142,027	137,527
Working capital	507,315	655,785
Investments: appropriated for spending in the following year	1,684,000	1,597,000
Total financial assets available within one year	**$ 2,530,086**	**$ 2,549,059**
Liquidity resources:		
Taxable debt and commercial paper (unexpended)	455,548	1,016,181
Bank lines of credit (undrawn)	729,289	534,434
Total financial assets and resources available within one year	**$ 3,714,923**	**$ 4,099,674**

As part of the University's liquidity management strategy, the University structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the University invests cash in excess of daily requirements in short-term working capital investments. Cash withdrawals from the managed investment pool normally coincide with the endowment spending distribution but may be adjusted higher or lower based on the timing of gift receipts, capital calls, income and capital distributions, operating expenses, and other factors affecting available cash. Endowment funds appropriated for spending are distributed to University department and program budgets for spending, subject to donor restrictions where applicable; however, cash withdrawals from the investment pool are available for general liquidity purposes. To help manage unanticipated liquidity needs, the University has committed bank lines of credit in the amount of $753 million, upon which it could draw, and a taxable commercial paper program authorized to a maximum level of $480 million.

Additionally, the University has board-designated endowment funds of $14.7 billion and $15.3 billion as of June 30, 2023 and 2022, respectively. Although the University does not intend to spend from its board-designated endowment funds other than amounts appropriated for expenditure as part of its annual budget approval process, amounts from its board-designated endowment could be made available if necessary. However, both the board-designated and donor-restricted endowments contain investments with lock-up provisions that reduce the total investments that could be made available (see Note 4 for disclosures about investments).

7. EDUCATIONAL AND MORTGAGE LOANS

Educational loans include donor-restricted and federally sponsored educational loans that bear mandated interest rates and repayment terms and are subject to significant restrictions on their transfer and disposition. These loans totaled $41.5 million and $42.7 million at June 30, 2023 and 2022, respectively.

Through a program designed to attract and retain excellent faculty and senior staff, the University provides home acquisition and financing assistance on residential properties in the area surrounding the University. Notes receivable from faculty and staff and co-ownership interests in the properties are included in mortgage loans and are collateralized by mortgages on those properties. These loans and interests totaled $431.1 million and $405.6 million at June 30, 2023 and 2022, respectively.

Allowance for Doubtful Loans

Management assesses the adequacy of the allowance for doubtful loans by performing evaluations of the loan portfolio, including such factors as the differing economic risks associated with each loan category, the financial condition of borrowers, the economic environment, the level of delinquent loans, and the value of any collateral associated with the loans. In addition to general economic conditions and other factors described above, a detailed review of the aging of loans receivable is considered in management's assessment. The level of the allowance is adjusted according to the results of management's analysis.

Loans less than 120 days delinquent are deemed to have a minimal delay in payment and generally are not written off. Loans delinquent by 120 days or more are subject to standard collection practices, including litigation. Only loans that are deemed uncollectible are written off, and this occurs only after several unsuccessful collection attempts, including placement at an external collection agency. Considering the other factors discussed herein, management considers the allowance for doubtful loans at June 30, 2023 and 2022 to be prudent and reasonable.

Educational and mortgage loans receivable at June 30, 2023 and 2022 are reported net of allowances for doubtful loans of $1.1 million and $1.2 million, respectively.

8. CONTRIBUTIONS RECEIVABLE

At June 30, 2023 and 2022, the University had received from donors unconditional pledges receivable in the following periods:

(dollars in thousands)	2023	2022
Less than one year	$ 142,027	$ 137,527
One to five years	253,210	222,706
More than five years	37,495	48,392
Total	**$ 432,732**	**$ 408,625**
Less unamortized discount	42,756	35,217
Less allowance for doubtful pledges	8,797	8,389
Total	**$ 381,179**	**$ 365,019**

The amounts pledged have been recorded after discounting the future cash flows to the present value (discount rates ranged from 0.72 percent to 6.18 percent). Current-year pledges are included in revenue as additions to net assets with donor restrictions and are included in contributions receivable at fair value based on observable ASC 820 Level 2 inputs.

In addition, at June 30, 2023 and 2022, the University had received from donors pledges totaling $53.2 million and $66.2 million, respectively, conditioned upon the raising of matching gifts from other sources and other criteria. These amounts will be recognized as income in the periods in which the conditions have been fulfilled.

9. PROPERTY

Land additions are reported at estimated market value at the date of gift or on a cost basis. Buildings and improvements are stated at cost. Expenditures for operation and maintenance of physical plant are expensed as incurred.

Items classified as property at June 30, 2023 and 2022 consisted of the following:

(dollars in thousands)	2023	2022
Land	$ 123,025	$ 121,067
Buildings and improvements	6,086,690	5,346,779
Construction in progress	764,864	712,803
Equipment and systems	565,564	526,784
Rare books	163,844	152,393
Library books, periodicals, and bindings	359,287	347,317
Fine art objects	173,843	167,077
Total property	**$ 8,237,117**	**$ 7,374,220**
Accumulated depreciation	(2,544,470)	(2,385,836)
Total	**$ 5,692,647**	**$ 4,988,384**

Equipment, library books, periodicals, and bindings are stated at cost, net of accumulated depreciation. Equipment includes items purchased with federal government funds; an indeterminate portion of those items are expected to be transferred to the University at the termination of the respective grant or contract.

In addition to making purchases with University funds, the University, since its inception, has received a substantial number of fine art objects and rare books from individual gifts and bequests. Art objects and rare books acquired through June 30, 1973 are carried at insurable values at that date because it is not practicable to determine the historical cost or market value at the date of gift. Art objects and rare books acquired subsequent to June 30, 1973 are recorded at cost or fair value at the date of gift. Works of art, literary works, historical treasures, and artifacts that are part of a collection are protected, preserved, and held for public exhibition, education, and research in furtherance of public service. Collections are not capitalized, and contributed collection items are not recognized as revenues in the University's consolidated financial statements. Should items of the collection be sold, proceeds from the sale will be used for the acquisition of new collection items, the direct care (which includes conservation care, cataloging, documenting, and proper access and use) of existing collections, or both.

The University uses componentized depreciation for buildings and building improvements used for research. The costs of research facilities are separated into building shell, service system, and fixed equipment components that are separately depreciated.

Annual depreciation is calculated on the straight-line method over useful lives ranging from 10 to 50 years for buildings and improvements, 30 years for library books, and 5 to 25 years for equipment and systems. Art objects and rare books having cultural, aesthetic, or historical value are not depreciated.

10. LEASES

The University's leases are primarily real estate operating leases. Under the lease accounting standard, a lease conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases result in the recognition on the consolidated statements of financial position of right-of-use (ROU) assets, representing the right to use the underlying assets for the lease term, and lease liabilities, representing the obligation to make lease payments arising from the lease based on the present value of lease payments over the lease term. The University determines if an arrangement is a lease or contains a lease at inception of a contract.

The University accounts for nonlease components and the lease components to which they relate as a single lease component for all leases. Certain real estate leases have renewal options, and the lease term includes options to extend the lease when it is reasonably certain that the University will exercise that option. Real estate lease agreements typically have initial terms of 5 to 15 years. The University does not include short-term leases within the consolidated statements of financial position since it has elected the practical expedient to exclude leases with an initial term of 12 months or less from operating ROU assets and lease liabilities.

At lease inception, operating lease assets and liabilities are recognized based on the present value of lease payments over the lease term. The University has elected to utilize a portfolio approach to the implementation of existing operating leases and applied a single discount rate to all leases in each portfolio. For the initial and subsequent measurement of all lease liabilities, the discount rate is based on the rate implied within the lease, or, if not readily determinable, the University applies a risk-free rate, using the applicable treasury yield as of implementation date.

Lease expense is recognized on a straight-line basis over the term of the lease. Operating lease expense was $17 million (including amortization related to ROU assets and lease liabilities) for the years ended June 30, 2023 and 2022.

ROU assets recorded in Other assets were $44.4 million and $28.2 million at June 30, 2023 and 2022, respectively. Lease liabilities recorded in Deposits, advance receipts, and accrued liabilities were $43.7 million and $28.3 million at June 30, 2023 and 2022, respectively.

The weighted average remaining lease term was 5.1 years and 3.5 years for leases at June 30, 2023 and 2022, respectively. The weighted average discount rate was 1.87 percent and 1.83 percent for operating leases at June 30, 2023 and 2022, respectively.

Future maturities of lease liabilities at June 30, 2023 are as follows:

(dollars in thousands)	
2024	$ 10,865
2025	9,736
2026	7,658
2027	7,181
2028	5,092
Thereafter	5,538
Total minimum lease payments	46,070
Imputed interest	(2,351)
Total lease liabilities	**$ 43,719**

11. INCOME AND EXCISE TAXES

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on related income. The University files U.S. federal and various state and local tax returns. The statute of limitations on the University's U.S. federal tax returns remains open for the years ended June 30, 2020 through the present.

On December 22, 2017, the Tax Cuts and Jobs Act (TCJA) was enacted. TCJA impacts the University in several ways, including imposing excise taxes on certain excess compensation and net investment income, establishing new rules for calculating unrelated business taxable income. The University has reflected the tax assets, liabilities, and payables in the consolidated financial statements based on reasonable estimates under the regulatory guidance on the TCJA.

ASC 740, *Income Taxes,* prescribes the minimum recognition threshold that a tax position must meet in connection with accounting for uncertainties in income tax positions taken, or expected to be taken, by an entity before being measured and recognized in the consolidated financial statements. The University continues to evaluate its tax positions pursuant to the principles of ASC 740, and has determined that there is no material impact on the University's consolidated financial statements.

12. INDEBTEDNESS TO THIRD PARTIES

At June 30, 2023 and 2022, the University's debt consisted of taxable bonds, taxable notes, tax-exempt bonds issued through the New Jersey Educational Facilities Authority (NJEFA), commercial paper, and various parent loans as follows:

(dollars in thousands)	2023	2022
Taxable Revenue Bonds		
2009 Series A, 5.70%, due March 2039, net of unamortized discount of $879 and $934	$ 499,121	$ 499,066
2016 Series A, 2.61%, 3.63%, due July 2026, July 2046	75,000	75,000
2017 Series A, 3.84%, due July 2048	150,000	150,000
2020 Series A, 2.52% due July 2050	500,000	500,000
2022 Series, 4.21% due March 2052	300,000	300,000
Taxable Notes		
2012, 3.37%, due July 2042	170,000	170,000
2013, 4.73%, due July 2044	75,000	75,000
NJEFA Revenue Bonds		
2014 Series A, 3.77%, due July 2044, including unamortized premium of $13,478 and $14,120	189,678	193,720
2015 Series A, 2.32% due July 2035, including unamortized premium of $18,176 and $19,691	81,311	87,035
2015 Series D, 3.40% due July 2045, including unamortized premium of $14,515 and $15,175	145,975	150,115
2016 Series A, 2.53% due July 2035, including unamortized premium of $13,986 and $15,152	101,986	107,882
2016 Series B, 1.77% due July 2027, including unamortized premium of $10,486 and $13,108	79,786	104,928
2017 Series B, 2.91% due July 2036, including unamortized premium of $36,728 and $39,554	249,748	268,153
2017 Series C, 3.50% due July 2047, including unamortized premium of $17,089 and $17,801	146,994	150,711
2017 Series I, 2.97% due July 2040, including unamortized premium of $51,535 and $54,567	358,645	373,587
2021 Series B, 2.34% due March 2051, including unamortized premium of $46,969 and $48,646	285,444	292,501
2021 Series C, 1.66% due March 2041, including unamortized premium of $22,808 and $24,075	190,078	197,140
2022 Series A, 2.96% due March 2032, including unamortized premium of $35,801 and $39,779	335,801	339,779
NJEFA Capital Improvement Fund Bonds		
2014 Series B, 3.67%, due September 2033, including unamortized premium of $122 and $133	2,179	2,329
Commercial Paper		
Taxable, 5.23% and 1.51% with maturities up to one year	66,600	40,100
Parent Loans, 1.74% to 5.87% with maturities up to six years	34,212	35,097
Total Borrowings	**$ 4,037,558**	**$ 4,112,143**
Unamortized debt issuance costs	(9,834)	(10,419)
Total Borrowings Net of Unamortized Issuance Costs	**$ 4,027,724**	**$ 4,101,724**

The University is authorized by the Trustees to issue new debt of up to $650 million annually.

The full faith and credit of the University is pledged in all loan agreements with the NJEFA. In fiscal year 1999, the University entered into a loan facility (subsequently converted to two separate parent loan facilities) with a national bank to fund its parent loan program, which is currently authorized by the Trustees up to $100 million. Fixed or variable rates may be selected on a pass-through basis to the borrowers; terms may be as long as 14 years. The University modified these loan facilities to provide that they may be drawn for educational and other corporate purposes of the University, including but not limited to the University's internal educational loan programs.

In fiscal year 1998, a commercial paper program was authorized as an initial step of financing to provide construction funds for approved capital projects. The commercial paper proceeds are primarily used to finance construction expenditures until permanent financing from gifts or other sources is made available. The University maintains a taxable and tax-exempt program, which is currently authorized to a maximum level of $600 million.

Principal payments for each of the next five years and thereafter on debt outstanding at June 30, 2023, excluding commercial paper, are as follows:

(dollars in thousands)	**Principal Payments**
2024	$ 101,002
2025	90,546
2026	116,116
2027	262,090
2028	112,806
Thereafter	3,007,583
Subtotal	**3,690,143**
Unamortized premium	280,815
Net long-term debt	**$ 3,970,958**

In addition to the facilities mentioned above, the University has committed bank lines of credit totaling $675 million at June 30, 2023, under which the University may borrow on an unsecured basis at agreed-upon rates. There were $11.4 million and $6.8 million in letters of credit outstanding under these credit facilities at June 30, 2023 and 2022, respectively.

13. EMPLOYEE BENEFIT PLANS

All faculty and staff who meet specific employment requirements participate in a defined contribution plan, which invests in the Teachers Insurance and Annuity Association and College Retirement Equities Fund, Vanguard Fiduciary Trust Funds, and other funds. The University's contributions were $77.8 million and $72.5 million for the years ended June 30, 2023 and 2022, respectively. The University also provides deferred compensation arrangements for certain officers, faculty, and staff. Accrued benefits of $512.4 million and $484.2 million for the years ended June 30, 2023 and 2022, respectively, include the Accumulated postretirement benefit obligation and deferred compensation.

Postretirement Benefits Other Than Pensions

ASC 715, *Compensation — Retirement Benefits*, requires the recognition of a defined benefit postretirement plan's funded status as either an asset or a liability on the Consolidated Statements of Financial Position. Actuarial gains or losses and prior service costs or credits that arise during the period must be recognized as a component of net assets without donor restrictions. The University calculates its Accumulated Postretirement Benefit Obligation (APBO) in accordance with ASC 715, which initially was elected in 1993 and amortized over 20 years. The University continues to recognize the cost of providing postretirement benefits for employees over the service period until their full retirement eligibility under the plan.

The University provides single-coverage health insurance to its retirees who meet certain eligibility requirements. Participants may purchase additional dependent or premium coverage. The accounting for the plan anticipates future cost-sharing changes to the written plan that are consistent with the University's expressed intent to increase retiree contributions in line with medical costs.

The benefit costs for the years ended June 30, 2023 and 2022 consisted of the following:

(dollars in thousands)	**2023**	**2022**
Service cost	$ 21,280	$ 35,391
Interest cost	18,020	16,272
(Gain)/loss amortization	(12,214)	-
Total	**$ 27,086**	**$ 51,663**

The APBO at June 30, 2023 and 2022 consisted of actuarially determined obligations to the following categories of employees:

(dollars in thousands)	**2023**	**2022**
Retirees	$ 164,503	$ 146,906
Active employees eligible to retire	104,937	107,703
Other active participants	149,953	151,184
Total	**$ 419,393**	**$ 405,793**

The increase in the postretirement benefit obligation was primarily driven by the normal increase in employees' age and service years. As of June 30, 2023 and 2022, the APBO was unfunded.

A reconciliation of unrecognized net (gain) or loss recognized in Net assets without donor restrictions is presented below:

(dollars in thousands)	**2023**	**2022**
Amount at the beginning of the year	$ (192,697)	$ 40,275
Gain during year	(12,787)	(232,972)
Amortization during year	12,214	-
Total	**$ (193,270)**	**$ (192,697)**

The assumptions used to calculate the APBO at June 30, 2023 and 2022 were as follows:

	2023	2022
Discount rate	5.00%	4.50%
Healthcare cost trend rate	6.00%	5.63%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00%	5.00%
Year the rate reaches the ultimate trend rate	2029	2028
Prescription drug cost trend rate	7.00%	6.88%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00%	5.00%
Year the rate reaches the ultimate trend rate	2029	2028

The table below reflects expected postretirement plan benefit payments over the next 10 years. These amounts reflect the total benefits expected to be paid from the plan, net of the participants' share of the cost and federal subsidies. Expected benefit payments are based on the same assumptions used to measure the benefit obligations and include estimated future employee benefit service.

(dollars in thousands)	
2024	$ 12,472
2025	13,247
2026	14,292
2027	14,801
2028	15,988
2029 – 2033	95,803

The University provides Medicare retiree drug coverage through an employer group waiver plan (EGWP). Under EGWP, the cost of drug coverage is offset through direct federal subsidies, brand-name drug discounts, and reinsurance reimbursements. The net effect of these subsidies has been recognized in the calculation of the University's postretirement benefit obligation as of June 30, 2023 and 2022.

14. NET ASSETS

Net assets are categorized as without donor restrictions and with donor restrictions. Net assets without donor restrictions are derived from gifts and other institutional resources that are not subject to explicit donor-imposed restrictions. This category also includes income and gains on these funds. Included in the total is the net investment in plant and equipment. Certain net assets classified as without donor restrictions for external reporting purposes are board-designated for specific purposes or uses under the internal operating budget practices of the University. Net assets with donor restrictions generally are established by donors in support of schools or departments of the University, often for specific purposes such as professorships, research, faculty support, scholarships and fellowships, athletics, the library, the art museum, building construction, and other specific purposes. This category includes gifts, pledges, trusts and remainder interests, and income and gains that can be expended but for which restrictions have not yet been met. Such restrictions include purpose restrictions and time restrictions imposed by donors or implied by the nature of the gift, or by the interpretations of law. Donor restrictions normally are released upon the passage of time or the incurrence of expenditures that fulfill the donor-specified purpose. Certain donor restrictions are perpetual in nature and may include gifts, pledges, trusts and remainder interests, and income and gains that are required to be permanently retained.

The composition of net assets by restriction and purpose at June 30, 2023 and 2022 was as follows:

2023 **Net Assets**	**Without Donor Restrictions**	**With Donor Restrictions**	**Total Net Assets**
(dollars in millions)			
Endowment:			
Teaching and research	$ 1,608	$ 6,954	$ 8,562
Student financial aid	760	5,115	5,875
Department programs and support	3,316	4,552	7,868
Designated for operations	9,007	2,069	11,076
Other:			
Pledges	-	381	381
Capital, unallocated gifts, and grants	-	566	566
Annuities and trusts	-	212	212
Net investment in plant	2,551	-	2,551
Operating	(890)	-	(890)
Noncontrolling interests	218	-	218
Total	**$ 16,570**	**$ 19,849**	**$ 36,419**

2022 **Net Assets**	**Without Donor Restrictions**	**With Donor Restrictions**	**Total Net Assets**
(dollars in millions)			
Endowment:			
Teaching and research	$ 1,726	$ 7,397	$ 9,123
Student financial aid	821	5,419	6,240
Department programs and support	3,509	4,813	8,322
Designated for operations	9,231	2,210	11,441
Other:			
Pledges	-	365	365
Capital, unallocated gifts, and grants	-	635	635
Annuities and trusts	-	206	206
Net investment in plant	2,535	-	2,535
Operating	(892)	-	(892)
Noncontrolling interests	212	-	212
Total	**$ 17,142**	**$ 21,045**	**$ 38,187**

15. EXPENSES BY FUNCTIONAL AND NATURAL CLASSIFICATION

Expenses are presented by functional classification in alignment with the overall mission of the University. The University's primary service mission is academic instruction and research, which includes direct supporting functions such as the University's library system and art museum. Student services and support include various student-supporting functions such as admission, health, career, and athletics, as well as auxiliary enterprises and related student aid. The Princeton Plasma Physics Laboratory, which is operated by the University on behalf of the U.S. Department of Energy, is classified as an independent operation.

Natural expenses attributable to more than one functional expense category are allocated using reasonable cost allocation techniques. Plant operations and maintenance expenses are allocated on a square footage basis. Interest expense on indebtedness is allocated to the functional categories that have benefited from the associated debt. Depreciation is allocated based on functional usage of property, plant, and equipment.

Expenses by functional and natural classification for the years ended June 30, 2023 and 2022 were as follows:

2023

Natural Classification *(dollars in thousands)*	Academic & Research	Student Services & Support	General Admin & Operations	Independent Operations	Total
Salaries and wages	$ 580,319	$ 82,216	$ 223,055	$ 83,499	$ 969,089
Employee benefits	188,305	25,031	32,998	27,707	274,041
Supplies, services, and other	233,821	86,256	71,634	80,804	472,515
Space and occupancy	6,531	3,927	84,908	4,290	99,656
Student stipends and prizes	-	98,758	-	38	98,796
Allocations:					
Depreciation	147,631	46,381	22,078	92	216,182
Interest	75,154	10,691	47,135	-	132,980
Operations and maintenance	112,145	37,372	(149,517)	-	-
Total operating expenses	**1,343,906**	**390,632**	**332,291**	**196,430**	**2,263,259**
Net periodic benefit cost other than service cost	3,702	540	1,031	533	5,806
Total expenses	**$ 1,347,608**	**$ 391,172**	**$ 333,322**	**$ 196,963**	**$ 2,269,065**

2022

Natural Classification *(dollars in thousands)*	Academic & Research	Student Services & Support	General Admin & Operations	Independent Operations	Total
Salaries and wages	$ 525,259	$ 71,784	$ 193,453	$ 73,136	$ 863,632
Employee benefits	180,290	22,553	40,232	26,300	269,375
Supplies, services, and other	186,818	78,096	56,039	67,971	388,924
Space and occupancy	5,257	3,495	74,940	3,974	87,666
Student stipends and prizes	-	80,141	-	38	80,179
Allocations:					
Depreciation	139,469	37,352	19,028	80	195,929
Interest	64,696	9,203	39,584	-	113,483
Operations and maintenance	92,704	30,815	(123,519)	-	-
Total operating expenses	**1,194,493**	**333,439**	**299,757**	**171,499**	**1,999,188**
Net periodic benefit cost other than service cost	10,390	1,434	2,829	1,619	16,272
Total expenses	**$ 1,204,883**	**$ 334,873**	**$ 302,586**	**$ 173,118**	**$ 2,015,460**

Student Financial Aid

The University provides financial aid to undergraduate students in the form of scholarship grants designed to meet 100 percent of demonstrated financial need. All Ph.D. and many Master's degree candidates in the Graduate School receive financial support for the duration of their degree program in the form of fellowships, assistantships in research or teaching, and non-University awards. Graduate student support covers the full cost of tuition and fees and a stipend that supports estimated living expenses. Students also may be awarded grants that support various academic or research activities. Undergraduate scholarships and graduate fellowships and assistantships are reported as discounts to tuition and fee revenues in the Consolidated Statements of Activities. Student stipends, awards, and prizes are reported as operating expenses. Student financial aid costs are funded by the University's endowment, Annual Giving, and other University resources.

Total student financial aid costs for the years ended June 30, 2023 and 2022 were as follows:

Student Financial Aid *(dollars in thousands)*	2023	2022
Scholarships and fellowships	$ 356,848	$ 334,525
Stipends and prizes	98,796	80,179
Total	**$ 455,644**	**$ 414,704**

16. COMMITMENTS AND CONTINGENCIES

At June 30, 2023, the University had authorized major renovation and capital construction projects for more than $5,012.5 million. Of the total, approximately $1,792.7 million had not yet been expended.

The University has entered into certain agreements to guarantee the debt of others. Under these agreements, if the principal obligor defaults on the debt, then the University may be required to satisfy all or part of the remaining obligation. The total amount of these guarantees was $15.2 million at June 30, 2023.

The University is subject to certain legal claims that have arisen in the normal course of operations. In the opinion of management, the ultimate outcome of these actions will not have a material effect on the University's consolidated financial position, consolidated statements of activities, or cash flows.

17. SUBSEQUENT EVENTS

The University has evaluated subsequent events through November 20, 2023, which is the date the consolidated financial statements were issued, and determined that there were no subsequent events requiring adjustment or disclosure in the consolidated financial statements.

18. CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

The following tables present the consolidating statements of financial position of all legal entities of the Trustees of Princeton University as of June 30, 2023 and 2022:

As of June 30, 2023 *(dollars in thousands)*	**Princeton University**	**Affiliates**	**Eliminations**	**Consolidated**
Assets				
Cash	$ 42,404	-	-	$ 42,404
Accounts receivable	183,065	-	-	183,065
Receivables associated with investments	35,178	-	-	35,178
Educational and mortgage loans receivable	472,631	-	-	472,631
Contributions receivable	381,179	-	-	381,179
Managed investments at fair value	33,686,807	$ 63,290	-	33,750,097
Funds held in trust by others	133,718	-	-	133,718
Other investments	968,430	-	-	968,430
Property, net of accumulated depreciation	5,692,647	-	-	5,692,647
Other assets	86,011	-	-	86,011
Total assets	**$ 41,682,070**	**$ 63,290**	**-**	**$ 41,745,360**
Liabilities				
Accounts payable	$ 145,574	-	-	$ 145,574
Liabilities associated with investments	41,654	-	-	41,654
Deposits, advance receipts, and accrued liabilities	336,101	-	-	336,101
Deposits held in custody for others	179,348	-	-	179,348
Liability under planned giving agreements	65,830	-	-	65,830
Liability for annuity contracts	17,579	-	-	17,579
Indebtedness to third parties	4,027,724	-	-	4,027,724
Accrued postretirement benefits	512,357	-	-	512,357
Total liabilities	**$ 5,326,167**	**-**	**-**	**$ 5,326,167**
Net assets				
Total net assets without donor restrictions	$ 16,570,595	-	-	$ 16,570,595
Total net assets with donor restrictions	19,785,308	$ 63,290	-	19,848,598
Total net assets	**36,355,903**	**63,290**	**-**	**36,419,193**
Total liabilities and net assets	**$ 41,682,070**	**$ 63,290**	**-**	**$ 41,745,360**

As of June 30, 2022 *(dollars in thousands)*	**Princeton University**	**Affiliates**	**Eliminations**	**Consolidated**
Assets				
Cash	$ 27,736	-	-	$ 27,736
Accounts receivable	158,691	-	-	158,691
Receivables associated with investments	25,673	-	-	25,673
Educational and mortgage loans receivable	448,278	-	-	448,278
Contributions receivable	365,019	-	-	365,019
Managed investments at fair value	35,095,652	$ 406,950	-	35,502,602
Funds held in trust by others	123,691	12	$ (12)	123,691
Other investments	1,850,436	-	-	1,850,436
Property, net of accumulated depreciation	4,988,384	-	-	4,988,384
Other assets	68,754	-	-	68,754
Total assets	**$ 43,152,314**	**$ 406,962**	**$ (12)**	**$ 43,559,264**
Liabilities				
Accounts payable	$ 100,268	-	-	$ 100,268
Liabilities associated with investments	25,957	-	-	25,957
Deposits, advance receipts, and accrued liabilities	351,806	$ 45,148	-	396,954
Deposits held in custody for others	181,706	-	$ (12)	181,694
Liability under planned giving agreements	64,749	-	-	64,749
Liability for annuity contracts	16,449	-	-	16,449
Indebtedness to third parties	4,101,724	-	-	4,101,724
Accrued postretirement benefits	484,225	-	-	484,225
Total liabilities	**$ 5,326,884**	**$ 45,148**	**$ (12)**	**$ 5,372,020**
Net assets				
Total net assets without donor restrictions	$ 16,847,820	$ 294,666	-	$ 17,142,486
Total net assets with donor restrictions	20,977,610	67,148	-	21,044,758
Total net assets	**37,825,430**	**361,814**	**-**	**38,187,244**
Total liabilities and net assets	**$ 43,152,314**	**$ 406,962**	**$ (12)**	**$ 43,559,264**

APPENDIX C

SUMMARIES OF CERTAIN DOCUMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

The following statements are brief summaries of the General Resolution, the 2024 Series B and 2024 Series C Series Resolution and the Loan Agreement. These summaries do not purport to be complete statements of the terms of such documents, and are qualified by reference to the full text of the respective documents, copies of which are available from the Authority. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution.

GENERAL RESOLUTION AND 2024 SERIES B AND 2024 SERIES C SERIES RESOLUTION

The General Resolution authorizes the Authority to issue Bonds in order to finance one or more facilities at the University, in one or more series, each of such series to be authorized by a separate Series Resolution. The 2024 Series B and 2024 Series C Series Resolution authorizes the 2024 Project and the issuance of the 2024 Series B Bonds and the 2024 Series C Bonds (the "2024 Bonds") and specifies the details of the 2024 Bonds.

Establishment of Funds and Accounts

The following funds and accounts within funds shall be established: Construction Fund; Revenue Fund; Debt Service Fund (Principal Account, Interest Account and Sinking Fund Account for the 2024 Bonds); Facility Renewal and Replacement Fund; Redemption Fund and Rebate Fund. All funds and accounts shall be held and maintained by the Trustee, except the Construction Fund, which shall be held by the Trustee and maintained and applied by the Authority.

Allocation of Revenues

There is established and created by the 2024 Series B and 2024 Series C Series Resolution an account within the Revenue Fund to be designated the "2024 Revenue Account". Notwithstanding anything in the General Resolution to the contrary, moneys in the 2024 Revenue Account of the Revenue Fund shall be paid to the Trustee on or prior to the fifth (5th) day after deposit thereof as follows and in the following order of priority:

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

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

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

Fourth: To the Authority, the amounts as are payable to the Authority for (i) any expenditures of the Authority for insurance, fees and expenses of auditing and fees and expenses of the Trustee, all as required by the General Resolution and not otherwise paid or caused to be paid or provided for by the University; (ii) all other expenditures reasonably and necessarily incurred by the Authority by reason of its financing of the 2024 Project in accordance with the Loan Agreement, including expenses incurred by the Authority to compel full and punctual performance of all provisions of the Loan Agreement in accordance with the terms thereof; and (iii) the Annual Administrative Fee unless otherwise paid, but only upon receipt by the Trustee from the Authority of a certificate signed by an Authorized Officer of the Authority stating in reasonable detail the amounts payable to the Authority.

Additional Bonds

In addition to the 2024 Bonds, the Authority may issue, by a Series Resolution, completion Bonds to complete a Facility financed under the General Resolution and to finance or refinance any other project authorized under the General Resolution, which Additional Bonds shall be entitled to the pledge of the Revenues made by the General Resolution on parity with all Bonds then Outstanding.

Refunding Bonds may be issued to refund any one or more series of Bonds, in accordance with the Act and, unless all Bonds issued under the General Resolution are to be refunded, in accordance with the provisions of the General Resolution and the Series Resolution authorizing such refunding Bonds.

The Authority shall not create or permit the creation of or issue any obligations or create any additional indebtedness that will be secured by a charge and lien on or be payable from the Revenues, except that Additional Parity Bonds as described above may be issued from time to time pursuant to a Series Resolution, subsequent to the issuance of the 2024 Bonds, on parity with all Bonds then Outstanding and secured by an equal charge and lien on and payable equally from the Revenues to (i) complete a Facility, (ii) provide funds for the creation of a debt service reserve fund for one or more series of Bonds, or (iii) provide funds to finance an additional Facility, under the following conditions and limitations:

Such Additional Parity Bonds shall have been authorized to finance or refinance the acquisition, construction or completion of a Facility for which the University has requested financing or refinancing from the Authority or to provide funds for the creation of a debt service reserve fund for one or more series of Bonds.

The University enters into a Loan Agreement with the Authority with respect to such Facility agreeing to pay as a general obligation of the University, from its general revenues and funds, all moneys required to be paid in respect of the Additional Parity Bonds, including amounts sufficient to pay the principal of, sinking fund installments, if applicable, and interest on the Additional Parity Bonds together with all of the costs relating thereto.

The University is not in default under the terms and conditions of any existing Loan Agreement.

The University, in the Loan Agreement executed with respect to the Facility being financed with the proceeds derived from the Additional Parity Bonds, agrees to make loan payments equal to the debt service requirements on such Bonds.

There is at the time of issuance of such Additional Parity Bonds no deficiency in the amounts required to be deposited by the General Resolution and all existing Series Resolutions and to be paid into the Debt Service Fund.

Investment of Moneys in Funds and Accounts

Moneys in any of the funds and accounts established pursuant to the General Resolution shall be invested, except moneys in the Revenue Fund, which shall not be invested, if and to the extent the same are at the time legal for the investment of the Authority's funds, but only as follows:

(a) Moneys in each Interest Account only in direct obligations of or obligations guaranteed by the United States of America or the State, maturing or redeemable, at the option of the holder, not later than ten (10) days prior to the next ensuing interest payment date of the 2024 Bonds.

(b) Moneys in each Principal Account or any Sinking Fund Account only in direct obligations of or obligations guaranteed by the United States of America or the State, maturing or redeemable, at the option of the holder, not later than ten (10) days prior to the next ensuing principal or sinking fund installment payment date of the 2024 Bonds.

(c) Moneys in each subaccount of the Facility Renewal and Replacement Fund only in obligations authorized by law for the investment of trust funds in the custody of the Treasurer of the State.

(d) Moneys in the Redemption Fund only in direct obligations of or obligations guaranteed by the United States of America or the State, maturing or redeemable, at the option of the holder, not later than the next succeeding interest payment date on which Bonds are subject to redemption.

Subject to the provisions of the Act, moneys held by the Authority in each Construction Fund shall be held in cash or may be invested by the Authority only in (i) U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States of America for the payment of principal and interest; (ii) federal agency or U.S. government sponsored enterprise obligations, participations or other instruments; (iii) bonds or notes issued by any state or municipality; (iv) negotiable bank certificates of deposit, deposit notes or other deposit obligations issued by a nationally or state chartered bank, credit union or savings association, or by a federally- or state-licensed branch of a foreign bank or financial institution; (v) commercial paper; (vi) corporate bonds and medium-term notes; (vii) asset-backed securities; (viii) investment agreements or guaranteed investment contracts; (ix) certificates of deposit of any bank, savings and loan or trust company organized under the laws of the United States of America or any state thereof; *provided*, that such certificates of deposit shall be fully collateralized (with a prior perfected security interest), to the extent they are not insured by the Federal Deposit Insurance Corporation, by the investment obligations described in (i) and (ii) above having a market value at all times equal to the uninsured amount of such deposit; (x) repurchase agreements that meet the following requirements: (a) must be governed by a written SIFMA Master Repurchase Agreement that specifies securities eligible for purchase and resale and that provides the unconditional right to liquidate the underlying securities should the counterparty default or fail to provide full and timely repayment; (b) counterparty must be a Federal Reserve Bank, a Primary Dealer as designated by the Federal Reserve Bank of New York or a nationally chartered commercial bank; (c) securities underlying repurchase agreements must be delivered to a third-party custodian under a written custodial agreement that may be of deliverable or tri-party form and must be held in the Authority's custodial account or in a separate account in the name of the Authority; (d) acceptable underlying securities include only securities that are direct obligations of, or that are fully guaranteed by, the United States of America or any agency of the United States of America, including U.S. agency-issued mortgage-backed securities; and (e) underlying securities must have an aggregate current market value, including accrued interest, of at least 102% (or 100%, if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential at the close of each Business Day; (xi) shares in open-end and no-load money market mutual funds that are backed by U.S. government securities; *provided*, such funds are registered under the Investment Company Act of 1940 and operate in accordance with Rule 2a-7 thereof; and (xii) New Jersey Cash Management Fund.

Interest earned, profits realized and losses suffered by reason of any investment shall be credited or charged, as the case may be, to the fund or account for which such investment shall have been made.

The Trustee may sell or redeem any obligations in which moneys shall have been invested pursuant to the General Resolution, to the extent necessary, in its sole discretion, to provide cash in the respective funds or accounts, to make any payments required for the payment of principal of or interest on any Bonds, or to facilitate the transfers of moneys between various funds and accounts as may be required for such payments.

The Authority may sell or redeem obligations in which moneys in the Construction Fund shall have been invested to the extent necessary to provide cash in such fund.

In computing the value of assets of any fund or account, investments shall be deemed a part thereof and shall be valued at cost or current market value, whichever is the lower, or at the redemption price thereof, if then redeemable at the option of the holder.

The proceeds from the sale of any investment shall be paid into the fund or account, as the case may be, on whose behalf the sale thereof was made.

Neither the Trustee nor the Authority shall be liable for any depreciation in the value of any obligations in which moneys of the funds or accounts shall be invested or for any loss arising from any investment or any disposition of said obligations.

Accounts and Audits

The Authority shall keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Facility and each Series Resolution, which records and accounts shall be subject to the inspection of the Trustee or any holder of a Bond of the Series issued for such Facility (or his representative duly authorized in writing) at reasonable hours and subject to the reasonable rules and regulations of the Authority. The Authority shall cause such records and accounts to be audited annually within ninety (90) days after the end of its fiscal year by a nationally recognized independent public accountant selected by the Authority. Annually, within thirty (30) days after receipt by the Authority of the report of such audit, a signed copy of such report shall be furnished to the Trustee. Such report shall include at least: a statement of all funds (including investments thereof) held by the Trustee and the Authority pursuant to the provisions of the General Resolution and each Series Resolution; a statement of the Revenues collected in connection with each Facility and each Series Resolution; a statement that the balances in the Facility Renewal and Replacement Fund meet the requirements of the General Resolution and the Series Resolutions; and a statement that, in making such audit, no knowledge of any default in the fulfillment of any of the terms, covenants or provisions of the General Resolution and the Series Resolutions was obtained or, if knowledge of any such default was obtained, a statement thereof.

Events of Default

An event of default shall exist under the General Resolution and under the Series Resolutions (herein called "*event of default*") if:

(a) Payment of the principal or sinking fund installment of any Bond shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise;

(b) Payment of an installment of interest on any Bond shall not be made when the same shall become due and payable, and such default shall continue for a period of thirty (30) days;

(c) The Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds, in the General Resolution or in any Series Resolution on the part of the Authority to be performed, and such default shall continue for a period of thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Authority by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than five per centum (5%) in principal amount of the Outstanding Bonds; or

(d) An event of default, as defined in a Loan Agreement, has occurred under such Loan Agreement and is continuing.

Acceleration of Maturity

Upon the happening and continuance of any event of default specified in the preceding caption, then and in every such case the Trustee may declare, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds shall declare, by a notice in writing to the Authority, the principal of and interest on all of the Outstanding Bonds to be immediately due and payable. At the expiration of thirty (30) days from the giving of notice of such declaration, such principal and interest shall become and be immediately due and payable, anything in the Bonds or in the General Resolution or in any Series Resolution to the contrary notwithstanding. At any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default or the completion of the enforcement of any other remedy under the General Resolution, the Trustee may, with the written consent of the holders of not less than twenty-five per centum (25%) in principal amount of the Bonds not then due by their terms and then Outstanding and by written notice to the Authority, annul such declaration and its consequences if: (i) moneys shall have accumulated in the Debt Service Fund sufficient to pay all arrears of interest, if any, upon all of the Outstanding Bonds (except the interest accrued on such Bonds since the last interest payment date); (ii) moneys shall have accumulated and be available sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee; (iii) all other amounts then payable by the Authority under the General Resolution and under the Series Resolutions shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in the General Resolution (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this caption) or in any Series Resolution shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Enforcement of Remedies

Upon the happening and continuance of any event of default specified in the caption above entitled "Events of Default", then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds shall proceed (subject to certain provisions of the General Resolution), to protect and enforce its rights and the rights of the holders of the Bonds under the laws of the State of New Jersey, under the General Resolution or under any Series Resolution by such suits, actions or special proceedings at law or in equity, either for the specific performance of any covenant contained in the General Resolution or in any Series Resolution or in aid or execution of any power therein granted, for an accounting against the Authority as if the Authority were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the General Resolution or under any Series Resolution, the Trustee shall be entitled to sue for, to enforce payment of and to receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Authority for principal or interest or otherwise under any of the provisions of the General Resolution, any Series Resolution or the Bonds, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the General Resolution, under any Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or the holders of such Bonds, and to recover and enforce judgment or decree against the Authority, but solely as provided in the General Resolution and in such Bonds, for any portion of such amounts remaining unpaid (with interest, costs and expenses) and to collect in any manner provided by law the moneys adjudged or decreed to be payable.

Supplemental Resolutions

The Authority may, with the approval of the Trustee, adopt Supplemental Resolutions to cure any ambiguity, formal defect or omission in the General Resolution, and, upon notification to the Trustee, adopt Supplemental Resolutions to add to the covenants and agreements of the Authority or to surrender any right or power reserved to the Authority. The General Resolution, any Series Resolution or any Supplemental Resolution may be modified, altered, amended, added to or rescinded in any particular from time to time with the consent of the holders of not less than sixty-six and two-thirds per centum (66-2/3%) in aggregate principal amount of the Bonds then Outstanding so affected; *provided*, that nothing shall permit (a) an extension of the maturity of or interest on any Bond, (b) a reduction in the principal amount, the redemption premium or the rate of interest on any Bond, (c) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution, without the consent of all Bondholders so affected.

LOAN AGREEMENT

The following statements are brief summaries of the Loan Agreement, which do not purport to be complete. Reference is made to the Loan Agreement in its entirety, copies of which are available from the Authority. Capitalized terms used but not defined below shall have the respective meanings assigned to such terms herein or in the Loan Agreement.

General Obligation of University

The Loan Agreement and the obligation of the University to make the payments required thereunder are general obligations of the University, such payments to be made from any moneys of the University legally available therefor.

Duration of Agreement

The Loan Agreement shall remain in full force and effect from the date thereof until the date on which the principal of and redemption premium, if any, and interest on the applicable series of 2024 Bonds and any other costs of the Authority with respect to the 2024 Project shall have been fully paid or provision for the payment thereof shall have been made as provided by the General Resolution and the 2024 Series B and 2024 Series C Series Resolution, at which time the Loan Agreement shall terminate.

Agreement for Benefit of Bondholders

The Loan Agreement is executed in part to induce the purchase by others of the 2024 Bonds, and, accordingly, all covenants and agreements on the part of the University and the Authority, as set forth in the Loan Agreement, are for the benefit of the holders of the 2024 Bonds and any other Bonds issued and to be issued on a parity with the 2024 Bonds as permitted by the General Resolution.

Conditions Precedent to Disbursement of Moneys

The obligation of the Authority to make any disbursement of moneys based upon construction or renovation shall be subject to the following conditions, as well as any others set forth in the Loan Agreement: (i) the University shall not be in default under the Loan Agreement; and (ii) construction shall have progressed at a rate and in a manner reasonably satisfactory to the Authority.

If the University fails to meet the conditions precedent to the full disbursement of the Loan as specified in the preceding paragraph, the obligation of the Authority to make further disbursements in connection with the Loan shall cease. In such event, the Authority may elect, in its sole discretion, either (i) to permit the Loan to continue, with the total of all disbursements or advances previously made to constitute the total amount of the Loan; or (ii) to declare the amount of all such disbursements or advances immediately due and payable, in accordance with the right reserved in the Loan Agreement; *provided*, *however*, the Authority, in its sole discretion, may waive any of the foregoing requirements and take such other action as it deems appropriate. In any event, the approval of the disbursement of moneys shall not be unreasonably withheld.

Payment Unconditional

The University unconditionally agrees to pay to the Authority or on its order the payments required by the Loan Agreement in the manner and at the times provided by the Loan Agreement.

Payment Obligations of University

The obligation of the University to pay or cause to be paid the amounts payable under the Loan Agreement are absolute and unconditional, and the amount, manner and time of payment of such amounts shall not be decreased, abated, postponed or delayed for any cause or by reason of the happening of any event. The amounts payable by the University shall be equal to all sums necessary for the payment of certain fees and expenses of the Authority and the Trustee, and shall be calculated and payable as follows:

(a) For the Bond Year beginning March 1, 2024 and for each Bond Year thereafter, an amount equal to the amount of interest on the 2024 Bonds Outstanding becoming due on September 1 in such Bond Year and on the March 1 immediately succeeding the expiration of such Bond Year.

(b) For the Bond Year beginning March 1, 2024 and for each Bond Year thereafter, the amount of principal of the 2024 Bonds Outstanding becoming due on the March 1 immediately succeeding the expiration of such Bond Year.

(c) For the Bond Year beginning March 1, 2024 and for each Bond Year thereafter, an amount equal to the sum of the following three items: (i) any expenditures of the Authority for insurance, fees and expenses of auditing and fees and expenses of the Trustee, any paying agents and depositories, and not otherwise paid or provided for by the University; (ii) all other expenditures reasonably and necessarily incurred by the Authority by reason of its financing of the 2024 Project, including expenses incurred by the Authority to compel full and punctual performance of all of the provisions of the Loan Agreement in accordance with the terms hereof; and (iii) all amounts to the extent required to be deposited by the Authority in the rebate account for the 2024 Bonds in the Rebate Fund pursuant to Section 4.11 of the General Resolution, less amounts transferred from the Construction Fund to satisfy such requirement. Any expenditures of the Authority made pursuant to items (i) and (ii) of this subparagraph shall be certified by the Authority to the University in writing as soon as practicable and shall thereupon be paid or caused to be paid by the University.

(d) For the Bond Year beginning March 1, 2024 and for each Bond Year thereafter, the Annual Administrative Fee to be paid to the Authority in the amount of 7/100 of 1% of the principal amount of the 2024 Bonds Outstanding.

(e) On the date of the issuance and delivery of the 2024 Bonds, the Initial Fee to be paid to the Authority calculated at the rate of 1/5 of 1% of the aggregate principal amount of each series of the 2024 Bonds, with a maximum initial fee of $125,000.

To secure payment of the amounts required under the Loan Agreement, the University has caused to be created a loan account for the 2024 Bonds (the "*Loan Account*") to be maintained with the Trustee. Except for the payments on account of rebate required by clause (iii) of subparagraph (c) of this caption, the University covenants and agrees that it will deposit or cause to be deposited with the Trustee: (i) no later than February 20 and August 20 in each Bond Year, into the Loan Account, one-half (1/2) of the portion of the Loan payments due in such Bond Year for the 2024 Bonds pursuant to subparagraphs (a), (c) and (d) this caption; and (ii) no later than February 20 in each Bond Year, into the Loan Account, the full amount of the portion of the Loan payment due in such Bond Year for the 2024 Bonds pursuant to subparagraph (b) of this caption. Moneys in the Loan Account will be transferred by the Trustee to the Revenue Fund created by the General Resolution and the 2024 Series B and 2024 Series C Series Resolution on February 25 and August 25 of each Bond Year. The payments on account of rebate required by clause (iii) of subparagraph (c) of this caption shall be paid to the Trustee for deposit in the rebate account for the 2024 Bonds in the Rebate Fund at the times requested by the Authority.

The moneys in the Loan Account shall be invested in accordance with the Authority's investment policy including the investments identified in Exhibit A to the 2024 Series B and 2024 Series C Series Resolution. Such investments shall be made at the direction of the University with the approval of the Authority, or by the Authority if no instructions are received from the University.

The Authority shall not declare an Event of Default under the Loan Agreement with respect to the payments required in subparagraphs (c) and (d) of this caption until the Authority has furnished the University with a statement of amounts due and the University has failed to pay the same within ten (10) days after receipt of such statement.

Voluntary Payments by University

The Authority and the University agree that the University shall have the right to make voluntary payments in any amount to the Trustee for deposit in the Redemption Fund, if the University is not in default under the Loan Agreement. Any such payments (or delivery of 2024 Bonds to the Trustee by the Authority in lieu of cash payments under the Loan Agreement or 2024 Bonds purchased by the Trustee out of moneys in the Sinking Fund Account in the Debt Service Fund that have not theretofore been applied as a credit against any sinking fund installment) shall be applied as a credit against sinking fund installments as shall be directed by the University in writing to the Authority and the Trustee. Upon notification by the University to the Authority of any such voluntary payment or delivery, the Authority agrees that it shall direct the Trustee to purchase or redeem 2024 Bonds in accordance with the provisions of the General Resolution and the 2024 Series B and 2024 Series C Series Resolution.

Insurance

The University agrees that, with respect to the 2024 Project, it shall maintain, with responsible insurers, insurance of the kinds and in the amounts generally carried by institutions of similar size and character. All policies and certificates of insurance shall be open to inspection by the Authority and the Trustee at reasonable times and upon reasonable notice. The University agrees that it will insure any such facilities at replacement cost subject only to standard insurance industry exclusion and that it will notify the Authority and the Trustee within thirty (30) days of any deviation from standard insurance industry practice.

Termination

The Authority and the University agree that, upon sixty (60) days' written notice to the Authority, the University shall have the right to terminate the Loan Agreement by paying to the Authority or to the Trustee for the account of the Authority an amount equal to the sum of the following items: (i) the aggregate principal amount of the Outstanding 2024 Bonds on the date of such termination; (ii) accrued interest thereon to the date that the 2024 Bonds are next redeemable; (iii) redemption premiums, if any, due thereon to the next applicable redemption date, all in accordance with the provisions of the 2024 Bonds, the General Resolution and the 2024 Series B and 2024 Series C Series Resolution; and (iv) all other costs of the Authority and the Trustee in connection with such redemption; *provided*, *however*, that the indemnification provisions set forth in the Loan Agreement shall survive the termination of the Loan Agreement.

Events of Default; Remedies on Default

(a) As used in the Loan Agreement, the term "*Event of Default*" shall mean:

(1) If payment of any amount due under subparagraphs (a) or (b) in the caption above entitled "Payment Obligations of University" is not made when it becomes due and payable and if such amount remains unpaid for a period of two (2) days.

(2) If payment of any amount due under subparagraphs (c) or (d) in the caption above entitled "Payment Obligations of University" is not made when it becomes due and payable and if such amount remains unpaid for a period of ten (10) days after receipt of the statement required in the caption above entitled "Payment Obligations of University".

(3) If the University shall:

(A) admit in writing its inability to pay its debts generally as they become due,

(B) file a petition to be adjudicated a voluntary bankrupt in bankruptcy or a petition otherwise to take advantage of any state or federal bankruptcy or insolvency law,

(C) make an assignment for the benefit of its creditors or seek a composition with its creditors, or

(D) consent to the appointment of a receiver of itself, its fees or charges or the whole or any substantial part of the 2024 Project.

(4) If the University shall, upon an involuntary petition under any section or chapter of the federal bankruptcy laws filed against it, be adjudicated a bankrupt or if a court of competent jurisdiction shall enter an order or decree appointing a trustee or receiver (interim or permanent) or appointing the University a debtor-in-possession, with or without the consent of the University, or approving a petition filed against it seeking reorganization or an arrangement of the University under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof.

(5) If final judgment for the payment of moneys that, in the judgment of the Authority, will adversely affect the rights of the holders of the 2024 Bonds shall be rendered against the University and, at any time after thirty (30) days from the entry thereof, (a) such judgment shall not have been discharged or (b) the University shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and

shall not have caused, within thirty (30) days, the execution of or levy under such judgment, order, decree or process or the enforcement thereof to have been stayed pending determination of such appeal.

(6) If the University defaults in the due and punctual performance of any other covenant in the Loan Agreement and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given by the Authority or the Trustee.

(b) The Authority agrees that it shall notify the Trustee of the occurrence of an Event of Default under the Loan Agreement. The Authority and the University agree that, upon the occurrence of an Event of Default, the Authority may, by notice in writing to the University, declare all, including future, payments under the Loan Agreement to be immediately due and payable. At the expiration of ten (10) days from the giving of such notice of such declaration, such payments shall become and be immediately due and payable, anything in the Loan Agreement to the contrary notwithstanding. At any time after such payments shall have been so declared to be due and payable and before the entry of a final judgment or decree in any suit, action or proceeding instituted on account of such default or before the completion of the enforcement of any other remedies under the Loan Agreement, the Authority may annul such declaration and its consequences if moneys shall have accumulated in any fund created or held under the General Resolution or the 2024 Series B and 2024 Series C Series Resolution sufficient to pay all arrears of such payments under the Loan Agreement, other than payments due only because of such declaration. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

(c) The Authority and the University further agree that, upon the occurrence of an Event of Default, the Authority may exercise, with respect to any amount in any fund under the General Resolution, all of the rights of a secured party under the New Jersey Uniform Commercial Code.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

CONTINUING DISCLOSURE AGREEMENT

by and between

THE TRUSTEES OF PRINCETON UNIVERSITY

and

THE BANK OF NEW YORK MELLON

Dated as of [March][April] __, 2024

Entered into with respect to
New Jersey Educational Facilities Authority
[$500,000,000 Princeton University Revenue Bonds, 2024 Series B]
[$158,640,000 Princeton University Revenue Refunding Bonds, 2024 Series C]

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (this "*Agreement*"), made and entered into as of [March][April] ___, 2024, by and between THE TRUSTEES OF PRINCETON UNIVERSITY, a not-for-profit educational corporation duly incorporated and validly existing under the laws of the State of New Jersey (the "*University*"), and THE BANK OF NEW YORK MELLON, a state banking corporation duly created and validly existing under the laws of the State of New York with trust and fiduciary powers in and authorization to conduct business in the State of New Jersey (the "*Trustee*" and "*Dissemination Agent*").

W I T N E S S E T H:

WHEREAS, the New Jersey Educational Facilities Authority, a public body corporate and politic with corporate succession, constituting a political subdivision organized and existing under and by virtue of the laws of the State of New Jersey (hereinafter referred to as the "*Authority*"), is issuing its [$500,000,000 Princeton University Revenue Bonds, 2024 Series B] [$158,640,000 Princeton University Revenue Refunding Bonds, 2024 Series C] (the "*Bonds*"), dated [March][April] ___, 2024; and

WHEREAS, the Bonds are being issued pursuant to the Authority's Princeton University Revenue Bond Resolution adopted by the Authority on February 16, 1999, as heretofore amended and supplemented (collectively, the "*General Resolution*"), and the 2024 Series B and 2024 Series C Series Resolution adopted by the Authority on February 6, 2024 (the "*Series Resolution*"; and collectively with the General Resolution, the "*Resolution*"); and

WHEREAS, the University has entered into a Loan Agreement with the Authority, dated as of [March][April] 1, 2024 (the "*Loan Agreement*"), whereby the Authority has loaned a portion of the proceeds of the Bonds to the University to finance the [2024 Series B Capital Project and 2024 Series C Refunding Project] (as defined in the Loan Agreement) and certain costs related to the sale and issuance of the Bonds and the University has agreed to repay the loan of such proceeds; and

WHEREAS, the Trustee has duly accepted the trusts imposed upon it by the Resolution as Trustee for the Holders (as defined herein) from time to time of the Bonds; and

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

WHEREAS, the Authority and the University have determined that the University is an "obligated person" with respect to the Bonds within the meaning of Rule 15c2-12 and, in order to enable a "participating underwriter" (as such term is defined in Rule 15c2-12) to purchase the Bonds, is therefore required to cause the delivery of the information described in this Agreement to the municipal securities marketplace for the period of time specified in this Agreement; and

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

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

WHEREAS, the SEC adopted amendments, effective February 27, 2019, to Rule 15c2-12 revising the list of disclosure events and requiring that notices of such additional disclosure events be provided within ten (10) business days after the occurrence of the event; and

WHEREAS, on February 21, 2024, the Authority and the University entered into a contract of purchase with Goldman Sachs & Co. LLC, on behalf of itself and each of the original underwriters for the Bonds (each a "*Participating Underwriter*"), for the purchase of the Bonds;

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

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

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

ARTICLE 1
DEFINITIONS

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

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

"*Annual Report*" means Financial Statements and Operating Data provided at least annually. The Annual Report shall contain audited Financial Statements, if audited Financial Statements are then available. If audited Financial Statements are not available at the time the Annual Report is filed, then the Annual Report shall contain unaudited Financial Statements, and audited Financial Statements shall thereafter be provided as required by Section 2.1(c) hereof.

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

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

"*Disclosure Event*" means any event described in Section 2.1(d) of this Agreement.

"*Disclosure Event Notice*" means the notice to the MSRB as provided in Section 2.1(d) of this Agreement.

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

"*Electronic Means*" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee or the Dissemination Agent, or another method or system specified by the Trustee or the Dissemination Agent, as available for use in connection with its services hereunder.

"*EMMA*" means the MSRB's Electronic Municipal Market Access system or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and certain other information.

"*Final Official Statement*" means the final Official Statement of the Authority, dated February 21, 2024, pertaining to the Bonds.

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

"*Financial Statements*" means the statement of financial position, statement of activities, statement of cash flows or other statements that convey similar information of the University.

"*Fiscal Year*" means the fiscal year of the University. As of the date of this Agreement, the Fiscal Year of the University begins on July 1 of each calendar year and closes on June 30 of the next succeeding calendar year. If the Fiscal Year of the University should change, the Annual Reports under Section 2.1(a) of this Agreement shall be due not later than one hundred eighty (180) days after the end of each Fiscal Year.

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

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

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Operating Data*" means the financial and statistical information of the University of the type included in the Final Official Statement in Appendix A thereto entitled "APPENDIX A – PRINCETON UNIVERSITY". Information included in Appendix A that is not financial or statistical information (including, without limitation, the information under the captions "Sustainability" and "Cybersecurity") shall not be deemed to be Operating Data.

"*Opinion of Counsel*" means a written opinion of counsel expert in federal securities law and acceptable to the University.

"*State*" means the State of New Jersey.

"*Trustee*" means The Bank of New York Mellon, acting in its capacity as Trustee for the Bonds under the Resolution, and its successors and assigns.

Section 1.3. Capitalized Terms Not Defined Herein. Capitalized terms used but not defined herein shall have the meanings assigned to them in Section 1.01 of the General Resolution, Section 1.01 of the Series Resolution or Section 1 of the Loan Agreement, as the case may be.

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

Agreement as a whole unless otherwise expressly stated. The disjunctive term "or" shall be interpreted conjunctively as required to ensure that the University performs any obligations mentioned in the passage in which such term appears. The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

ARTICLE 2
CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1. Continuing Disclosure Covenants of University. The University agrees that it will provide, until such time as the University instructs the Dissemination Agent to provide, at which time the Dissemination Agent shall provide:

(a) Not later than each December 27th following the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2024, an Annual Report to the MSRB through EMMA, to the Trustee and to the Authority. If the University's audited Financial Statements are not available at the time the Annual Report is required to be filed, the Annual Report shall contain unaudited Financial Statements.

(b) Not later than fifteen (15) days prior to the date specified in Section 2.1(a) hereof, a copy of the Annual Report to the Dissemination Agent.

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

(d) In a timely manner not in excess of ten (10) Business Days after the occurrence of the event, to the MSRB through EMMA, to the Trustee and to the Authority, notice of any of the following listed events with respect to the Bonds (each a "*Disclosure Event*"):

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(vii) Modifications to the rights of Holders of the Bonds, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution or sale of property securing repayment of the Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar events of the University, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the University in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the University, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the University;

(xiii) The consummation of a merger, consolidation or acquisition involving the University or the sale of all or substantially all of the assets of the University, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the University, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the University, any of which affect Holders of the Bonds, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms or other similar events under a Financial Obligation of the University, if any such event reflects financial difficulties.

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

(f) In determining the materiality of the Disclosure Events specified in subsections (d)(ii), (vi), (vii), (viii), (x), (xiii), (xiv) or (xv) of this Section 2.1, the University may, but shall not be required to, rely conclusively on an Opinion of Counsel.

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

(a) Financial Statements shall be prepared in accordance with GAAP.

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

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

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

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

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

Section 2.5. Responsibilities and Duties of Dissemination Agent. (a) If the University or the Dissemination Agent has determined it necessary to report the occurrence of a Disclosure Event, the University or the Dissemination Agent shall, in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, file a Disclosure Event Notice of such occurrence with the MSRB in an electronic format as prescribed by the MSRB. The obligations of the University or the Dissemination Agent to provide the notices to the MSRB under this Agreement are in addition to, and not in substitution of, any of the obligations of the Trustee to provide notices of events of default to Bondholders under Section 7.11 of the General Resolution. The University or the Dissemination Agent shall file a copy of each Disclosure Event Notice with the Authority and the Trustee (for informational purposes only).

(b) If an Annual Report is received by it, the Dissemination Agent shall file a written report with the University and the Trustee (if the Dissemination Agent is not the Trustee), with a copy to the Authority, certifying that the Annual Report has been provided to the MSRB pursuant to this Agreement and stating the date it was provided to the MSRB.

Section 2.6. Appointment, Removal and Resignation of Dissemination Agent; Indemnification. (a) The University may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and it may discharge any such Dissemination Agent and appoint a successor Dissemination Agent, with written notice to the Authority, such discharge to be effective on the date of the appointment of a successor Dissemination Agent. The University hereby appoints The Bank of New York Mellon as Dissemination Agent, and The Bank of New York Mellon hereby accepts such appointment.

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

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days' written notice to the University and the Authority. Such resignation shall take effect on the date specified in such notice. If the Trustee under the Resolution is removed or resigns pursuant to the terms of the Resolution and a successor trustee is appointed thereunder, such successor trustee shall, *ipso facto*, be the successor Dissemination Agent.

Section 2.7. Responsibilities, Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VI of the General Resolution, Section 2.16 of the Series Resolution and Section 27 of the Loan Agreement are each hereby made applicable to this Agreement as if the duties of the Trustee and the Dissemination Agent hereunder were (solely for this purpose) set forth in the General Resolution, the Series Resolution and the Loan Agreement, respectively.

ARTICLE 3
DEFAULTS AND REMEDIES

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

Section 3.2. Remedies on Default. (a) The Trustee may (and shall, at the written request of any Participating Underwriter or the Holders of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds, after provision of indemnity in accordance with Section 6.02 of the General Resolution), or any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may, take whatever action at law or in equity is necessary or desirable against the University and any of its officers, agents and employees to enforce the specific performance and observance of any obligation, agreement or covenant of the University hereunder and may compel the University or any such officers, agents or employees, except for the Dissemination Agent, to perform and carry out their duties hereunder; *provided*, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

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

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

ARTICLE 4
MISCELLANEOUS

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

Section 4.2. Third-Party Beneficiaries; Authority and Bondholders. (a) The Authority is hereby recognized as being a third-party beneficiary hereunder, and may enforce any such right, remedy or claim conferred, given or granted hereunder in favor of the Dissemination Agent or the Bondholders.

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

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

The University agrees to indemnify and hold harmless the Authority, any member, officer, official, employee, counsel, consultant or agent of the Authority, including the Dissemination Agent, each Participating Underwriter and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies thereof (collectively, the "*Indemnified Parties*"), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by the University's failure to perform or observe any of its obligations, agreements or covenants under the terms of this Agreement, but only if and insofar as such losses, claims, damages, liabilities or expenses are caused by any such failure of the University to perform hereunder. In case any action shall be brought against the Indemnified Parties based upon this Agreement and in respect of which indemnity may be sought against the University, the Indemnified Parties shall promptly notify the University in writing. Upon receipt of such notification, the University shall promptly assume the defense of such action, including the retention of counsel, the payment of all expenses in connection with such action, including any expenses incurred prior to such notification, and the right to negotiate and settle any such action on behalf of such Indemnified Parties. However, failure on the part of the Authority to give such notification shall not relieve the University from its obligation under this Section 4.3 to the Authority. For any Indemnified Party other than the Authority, to the extent the University suffers actual prejudice as a result of any such failure to give such notification, such failure shall relieve the University from its indemnification obligation under this Section 4.3 to the extent of such prejudice or loss. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the sole expense of such Indemnified Party, unless the employment of such counsel has been specifically authorized by the University or unless by reason of conflict of interest (determined by the written opinion of counsel to any Indemnified Party delivered to the University) it is advisable for such Indemnified Party to be represented by separate counsel, in which case the fees and expenses of such separate counsel shall be borne by the University. The University shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the University or if there be a final judgment for the plaintiff in any such action with or without written consent, the University agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. Nothing in this Section 4.3 shall require or obligate the University to indemnify or hold harmless the Indemnified Parties from or against any loss, claim, damage, liability or expense caused by any gross negligence or intentional misconduct on the part of the Indemnified Parties in connection with the University's performance of its obligations, agreements and covenants hereunder.

Section 4.4. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from (a) disseminating any other information using the means of dissemination set forth in this Agreement or any other means of communication, or (b) including, in addition to that which is required by this Agreement, any other information in any Annual Report or any Disclosure Event Notice. If the University chooses to include any information in any Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Agreement, the University shall not have any obligation under this Agreement to update such information or to include it in any future Annual Report or any future Disclosure Event Notice. The University shall reimburse the Dissemination Agent for any expenses incurred by the Dissemination Agent in providing such additional information pursuant to this Section 4.4.

Section 4.5. Notices. All notices required to be given or authorized to be given by either party pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail (as well as by Electronic Means, in the case of the Trustee or the Dissemination Agent) addressed to, in the case of the University, the Treasurer of the University, P.O. Box 35, Princeton, New Jersey 08543 (facsimile (609) 258-0442); and in the case of the Trustee/ Dissemination Agent, its principal corporate trust office at The Bank of New York Mellon, c/o Corporate Trust Department, 385 Rifle Camp Road, 3rd Floor, Woodland Park, New Jersey 07424 (facsimile (973) 357-7840), with a copy to the Authority, at its offices at 103 College Road East, Princeton, New Jersey 08540 (facsimile (609) 987-0850) or such other address as the Authority may direct upon notice given to the parties named in this Section 4.5.

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

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

Section 4.8. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Both parties hereto may sign the same counterpart or each party hereto may sign a separate counterpart. The parties hereto acknowledge and agree that this Agreement and any related documents, and any amendments or waivers hereto or thereto, may be executed and delivered by facsimile, by electronic copies in portable document format ("*PDF*") or any other Electronic Means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means or by any digital or electronic signature process or program, and that any signature so delivered shall be treated as and have the same force and effect as an original signature, and copies of the same may be used and introduced as evidence at any legal proceedings relating to or arising under this Agreement. The parties hereto (a) explicitly consent to the delivery by Electronic Means of this Agreement, (b) agree that their present intent to be bound by this Agreement may be evidenced by transmission of digital images of signed signature pages via Electronic Means, and (c) affirm that such transmission indicates a present intent to be bound by the terms of this Agreement and is deemed to be valid execution and delivery as though an original ink or electronic signature. An electronic image of this Agreement (including signature pages) shall be as effective as an original for all purposes.

Section 4.9. Amendments, Changes and Modifications. (a) Except as otherwise provided in this Agreement, subsequent to the initial issuance of the Bonds and prior to their payment in full (or provision for payment thereof having been made in accordance with the provisions of the Resolution), this Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Dissemination Agent (with written notice to the Authority).

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

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

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices or legal requirements followed by or applicable to the University, to reflect changes in the identity, nature or status of the University or in the business, structure or operations of the University, or to reflect any mergers, consolidations, acquisitions or dispositions made by or affecting the University; *provided*, that any such modification shall not be in contravention of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity herein, to correct or supplement any provision hereof that may be inconsistent with any other provision hereof or to include any other provisions with respect to matters or questions arising under this Agreement, any of which, in each case, would have complied with the requirements of Rule 15c2-12 at the time of the primary offering, after taking into account any amendments or interpretations of Rule 15c2-12 as well as any changes in circumstances;

provided, that prior to approving any such amendment or modification, the University determines that such amendment or modification does not adversely affect the interests of the Bondholders in any material respect.

(c) Upon entering into any amendment or modification required or permitted by this Agreement that materially affects the interests of the Bondholders, the University shall deliver, or cause the Dissemination Agent to deliver, to the MSRB through EMMA written notice of any such amendment or modification.

(d) The University and the Dissemination Agent shall be entitled to rely exclusively upon an opinion of Bond Counsel to the Authority to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.9.

Section 4.10. Amendments Required by Rule 15c2-12. The University and the Dissemination Agent each recognize that the provisions of this Agreement are intended to enable compliance with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof or the promulgation of a successor rule, statute or regulation thereto, a change in this Agreement shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery of an opinion of Bond Counsel to the Authority addressed to the University and the Dissemination Agent to the effect that such amendments shall be permitted or necessary to assure continued compliance with Rule 15c2-12 as so amended or interpreted, then the University and the Dissemination Agent shall amend this Agreement to comply with and be bound by any such amendment to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and shall provide written notice of such amendment as required by Section 4.9(c) hereof.

Section 4.11. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State and the laws of the United States of America, as applicable. The University and the Dissemination Agent agree that the University or the Authority may be sued only in a court in the County of Mercer in the State of New Jersey.

Section 4.12. Termination of University's Continuing Disclosure Obligations. The continuing obligation of the University under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of this Agreement shall terminate if and when either (i) the Bonds are no longer Outstanding in accordance with the terms of the Resolution or (ii) the University no longer remains an "obligated person" (as such term is defined in Rule 15c2-12) with respect to the Bonds, and, in either event, only after the University delivers, or causes the Dissemination Agent to deliver, notice to such effect to the MSRB through EMMA. This Agreement shall be in full force and effect from the date of issuance of the Bonds and shall continue in effect until the date the Bonds are no longer Outstanding in accordance with the terms of the Resolution; *provided*, *however*, that the indemnification provisions set forth in Sections 2.6(b) and 4.3 hereof shall survive the termination of this Agreement.

Section 4.13. Prior Undertakings. Except as disclosed in the Final Official Statement, the University has not failed during the previous five years to comply in all material respects with any prior continuing disclosure undertaking made by it in accordance with Rule 15c2-12.

Section 4.14. Covenant. In accordance with P.L. 2005, c. 92, the Dissemination Agent covenants and agrees that all services performed by it under this Agreement shall be performed within the United States of America.

Section 4.15. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the University and the Dissemination Agent and their respective successors and assigns.

Section 4.16. Compliance with P.L. 2005, c. 271, Reporting Requirements. The Dissemination Agent hereby acknowledges that it has been advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission ("*ELEC*") pursuant to N.J.S.A. 19:44A-20.13 (L. 2005, c. 271, Section 3) if the Dissemination Agent enters into agreements or contracts, such as this Agreement, with a New Jersey public entity, such as the Authority, and receives compensation or fees in excess of $50,000 or more in the aggregate from New Jersey public entities, such as the Authority, in a calendar year. It is the Dissemination Agent's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elec.state.nj.us.

[SIGNATURE PAGE FOLLOWS]

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

THE TRUSTEES OF PRINCETON UNIVERSITY

By:____________________________
Timothy A. Graf
Associate Vice President for Treasury Services

THE BANK OF NEW YORK MELLON

By:____________________________
David J. O'Brien
Vice President

[Signature Page to Continuing Disclosure Agreement]

APPENDIX E

FORMS OF OPINION OF BOND COUNSEL

[THIS PAGE INTENTIONALLY LEFT BLANK]

[PROPOSED FORM OF OPINION OF BOND COUNSEL]

March __, 2024

New Jersey Educational Facilities Authority
Princeton, New Jersey 08540

Re: New Jersey Educational Facilities Authority
$500,000,000 Princeton University Revenue Bonds, 2024 Series B

Ladies and Gentlemen:

We have served as Bond Counsel to the New Jersey Educational Facilities Authority (the "Authority") in connection with the issuance of its $500,000,000 Princeton University Revenue Bonds, 2024 Series B (the "Bonds"). The Bonds are being issued by the Authority under the provisions of the New Jersey Educational Facilities Authority Law, being Chapter 72A, Title 18A of the New Jersey Statutes, as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act") and a resolution of the Authority adopted February 16, 1999 entitled "Princeton University Revenue Bond Resolution", as amended and supplemented (the "General Resolution"), including by the 2024 Series B and 2024 Series C Series Resolution of the Authority adopted February 6, 2024 (the "2024 Series B and 2024 Series C Series Resolution," and together with the General Resolution collectively, the "Resolution"). The Bank of New York Mellon, Woodland Park, New Jersey, is acting as trustee (the "Trustee") under the Resolution. Certain capitalized terms not otherwise defined herein have the meanings ascribed thereto in the Resolution.

The Bonds are being issued to finance: (i) in whole or in part, the costs of the acquisition, construction, renovation, campus improvement, installation and equipping of certain capital assets to be located at or near the University's (as hereinafter defined) Main/Meadows Campus in Princeton and West Windsor Township, New Jersey, at its Forrestal Campus in Plainsboro and South Brunswick, New Jersey, at its administrative building along Canal Pointe Boulevard in West Windsor, New Jersey (from 600 Alexander Road to 693 Alexander Road to 701 Carnegie Center near Route 1), or at its Hopewell Campus in Hopewell, New Jersey, consisting of (A) the construction, renovation, improvement, installation, equipping and repair of various University buildings, including, but not limited to, administrative, athletic, academic, staff, faculty and student housing, and other facilities, including utility systems, roads, grounds, parking, and infrastructure, (B) the purchase of capital equipment for academic departments and administrative and supporting units, and (C) the acquisition of land and other projects in or on University owned or leased buildings and land; and (ii) the payment of certain costs incidental to the sale and issuance of the Bonds, including deposits to certain funds created under the Resolution.

The proceeds of the Bonds will be loaned by the Authority to The Trustees of Princeton University (the "University") pursuant to the Loan Agreement, dated as of March 1, 2024 (the "Loan Agreement"), between the Authority and the University.

As Bond Counsel to the Authority, we have examined: (i) the relevant provisions of the Constitution of the State of New Jersey ("State"); (ii) the Act; (iii) the Loan Agreement; (iv) the proceedings of the Authority relating to the issuance of the Bonds; (v) an original counterpart of or a certified copy of the Resolution; and (vi) certain statements, certifications, affidavits and other documents and matters of law which we have considered relevant, including, without limitation, each certificate dated the date hereof (individually and collectively, the "Tax Certificate") of officials of the Authority and of the University, respectively, having responsibility for issuing and monitoring the Bonds, given pursuant to the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder ("Code"), opinions as to various matters delivered by the Authority's counsel and counsel to the University and the other documents, certifications, instruments and records listed in the Closing Index in respect of the Bonds filed with the Trustee on the date of original delivery of the Bonds. We have also examined a fully executed and authenticated Bond or a true copy thereof and we assume all other Bonds are in such form and are similarly executed and authenticated.

In rendering this opinion, we have relied upon the genuineness, accuracy and completeness of all documents, records, certifications and other instruments we have examined, including, without limitation, the authenticity of all signatures appearing thereon.

Except with respect to paragraph 7 below, our opinion is given only with respect to the internal laws of the State as enacted and construed on the date hereof.

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

1. The Authority is validly existing as a body politic and corporate constituting a political subdivision of the State established as an instrumentality of the State created pursuant to the Act, and has the right, power and authority under the Act to adopt the Resolution, execute the Loan Agreement and issue the Bonds.

2. The Resolution has been duly and lawfully adopted by the Authority, is in full force and effect, is valid and binding upon the Authority and is enforceable in accordance with its terms. The Resolution creates a valid pledge of and a valid lien on the Revenues that it purports to create, subject only to the provisions of the Resolution permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The Bonds have been duly authorized, executed, issued and delivered by the Authority, been authenticated by the Trustee, are valid and binding, special and limited

obligations of the Authority, enforceable in accordance with the terms thereof and the terms of the Resolution, and are entitled to the benefits of the Resolution.

4. The Bonds are payable from and secured by a valid and enforceable pledge of and lien upon the Revenues of the Authority derived from payments made by the University under the Loan Agreement, under existing loan agreements relating to the financing of facilities for the University with parity bonds, and under subsequent loan agreements relating to the financing of future eligible facilities for the University with additional parity bonds, all as more particularly provided in the Resolution.

5. The Loan Agreement has been duly authorized, executed and delivered by the Authority and the University, is in full force and effect and is valid and binding upon the Authority and the University, enforceable against the Authority and the University in accordance with its terms.

6. Under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale thereof are not includible in gross income of the holders thereof.

7. Under existing statutes, regulations, rulings and court decisions, interest on the Bonds, including interest in the form of original issue discount, will not be includible in gross income of the holders thereof for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, assuming continuing compliance by the Authority and the University with the requirements of the Code.

In rendering this opinion, we have assumed compliance by the Authority and the University with their representations contained in their respective Tax Certificates that are intended to comply with the provisions of the Code relating to actions to be taken by the Authority and the University in respect of the Bonds after issuance thereof to the extent necessary to effect or maintain the exclusion from federal gross income of the interest on the Bonds. These representations relate to, inter alia, the use of and investment of proceeds of the Bonds and the rebate to the United States Treasury of specified arbitrage earnings, if any. Failure to comply with such representations could result in interest on the Bonds becoming includible in gross income for federal income tax purposes from the date of issuance of the Bonds.

The foregoing opinions are qualified to the extent that the enforceability of the Resolution, the Loan Agreement and the Bonds may be limited as to remedies by any applicable bankruptcy, insolvency, debt adjustment, reorganization, moratorium and similar laws of general application at the time in effect and by judicial decisions and principles of equity affecting creditors' rights generally and judicial discretion. We further advise you that no opinion is being rendered as to the availability of any particular remedy under the Resolution, the Loan Agreement or the Bonds.

We call to your attention that the Bonds and the interest thereon are special and limited obligations of the Authority payable from the Revenues, and neither the State nor any political subdivision thereof, other than the Authority, shall be obligated to pay the principal of or interest on the Bonds except from the Revenues, and neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Authority has no taxing power.

We express no opinion as to any matter not set forth in the numbered paragraphs herein. This opinion is rendered on the basis of federal law and the internal laws of the State as enacted and construed on the date hereof. This opinion is rendered as of the date hereof and we assume no obligation to supplement this opinion to reflect changes in law that may hereafter occur or changes in facts or circumstances that may hereafter come to our attention. Without limiting the generality of the foregoing, we express no opinion herein with respect to and assume no responsibility for, the accuracy, adequacy or completeness of the Preliminary Official Statement or the Official Statement prepared in respect of the Bonds, and make no representation that we have independently verified the contents thereof.

Notwithstanding anything to the contrary contained herein, the undersigned acknowledges that under the Open Public Records Act (N.J.S.A. 47:1A-1 et seq.), this opinion is a government record subject to release to the extent provided therein.

Very truly yours,

ECKERT SEAMANS CHERIN & MELLOTT, LLC
(a Pennsylvania LLC)

[PROPOSED FORM OF OPINION OF BOND COUNSEL]

April __, 2024

New Jersey Educational Facilities Authority
Princeton, New Jersey 08540

Re: New Jersey Educational Facilities Authority
$158,640,000 Princeton University Revenue Refunding Bonds, 2024 Series C

Ladies and Gentlemen:

We have served as Bond Counsel to the New Jersey Educational Facilities Authority (the "Authority") in connection with the issuance of its $158,640,000 Princeton University Revenue Refunding Bonds, 2024 Series C (the "Bonds"). The Bonds are being issued by the Authority under the provisions of the New Jersey Educational Facilities Authority Law, being Chapter 72A, Title 18A of the New Jersey Statutes, as enacted by Chapter 271 of the Laws of 1967, as amended and supplemented (the "Act") and a resolution of the Authority adopted February 16, 1999 entitled "Princeton University Revenue Bond Resolution", as amended and supplemented (the "General Resolution"), including by the 2024 Series B and 2024 Series C Series Resolution of the Authority adopted February 6, 2024 (the "2024 Series B and 2024 Series C Series Resolution," and together with the General Resolution collectively, the "Resolution"). The Bank of New York Mellon, Woodland Park, New Jersey, is acting as trustee (the "Trustee") under the Resolution. Certain capitalized terms not otherwise defined herein have the meanings ascribed thereto in the Resolution.

The Bonds are being issued to finance: (i) the refunding and defeasance of a portion of the Authority's Princeton University Revenue Bonds, 2014 Series A; and (ii) the payment of certain costs incidental to the sale and issuance of the Bonds, including deposits to certain funds created under the Resolution.

The proceeds of the Bonds will be loaned by the Authority to The Trustees of Princeton University (the "University") pursuant to the Loan Agreement, dated as of April 1, 2024 (the "Loan Agreement"), between the Authority and the University.

As Bond Counsel to the Authority, we have examined: (i) the relevant provisions of the Constitution of the State of New Jersey ("State"); (ii) the Act; (iii) the Loan Agreement; (iv) the proceedings of the Authority relating to the issuance of the Bonds; (v) an original counterpart of or a certified copy of the Resolution; and (vi) certain statements, certifications, affidavits and other documents and matters of law which we have considered relevant, including, without limitation, each certificate dated the date hereof (individually and collectively, the "Tax Certificate") of officials of the Authority and of the University, respectively, having responsibility for issuing and monitoring the Bonds, given pursuant to the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder ("Code"), opinions as to various matters delivered by the Authority's counsel and counsel to the University and the other documents, certifications, instruments and records listed in the Closing Index in respect of the Bonds filed with the Trustee on the date of original delivery of the Bonds. We have also examined a fully executed and authenticated Bond or a true copy thereof and we assume all other Bonds are in such form and are similarly executed and authenticated.

In rendering this opinion, we have relied upon the genuineness, accuracy and completeness of all documents, records, certifications and other instruments we have examined, including, without limitation, the authenticity of all signatures appearing thereon.

Except with respect to paragraph 7 below, our opinion is given only with respect to the internal laws of the State as enacted and construed on the date hereof.

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

1. The Authority is validly existing as a body politic and corporate constituting a political subdivision of the State established as an instrumentality of the State created pursuant to the Act, and has the right, power and authority under the Act to adopt the Resolution, execute the Loan Agreement and issue the Bonds.

2. The Resolution has been duly and lawfully adopted by the Authority, is in full force and effect, is valid and binding upon the Authority and is enforceable in accordance with its terms. The Resolution creates a valid pledge of and a valid lien on the Revenues that it purports to create, subject only to the provisions of the Resolution permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The Bonds have been duly authorized, executed, issued and delivered by the Authority, been authenticated by the Trustee, are valid and binding, special and limited obligations of the Authority, enforceable in accordance with the terms thereof and the terms of the Resolution, and are entitled to the benefits of the Resolution.

4. The Bonds are payable from and secured by a valid and enforceable pledge of and lien upon the Revenues of the Authority derived from payments made by the University under the Loan Agreement, under existing loan agreements relating to the financing of facilities for the University with parity bonds, and under subsequent loan agreements relating to the financing of future eligible facilities for the University with additional parity bonds, all as more particularly provided in the Resolution.

5. The Loan Agreement has been duly authorized, executed and delivered by the Authority and the University, is in full force and effect and is valid and binding upon the

Authority and the University, enforceable against the Authority and the University in accordance with its terms.

6. Under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale thereof are not includible in gross income of the holders thereof.

7. Under existing statutes, regulations, rulings and court decisions, interest on the Bonds, including interest in the form of original issue discount, will not be includible in gross income of the holders thereof for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, assuming continuing compliance by the Authority and the University with the requirements of the Code.

In rendering this opinion, we have assumed compliance by the Authority and the University with their representations contained in their respective Tax Certificates that are intended to comply with the provisions of the Code relating to actions to be taken by the Authority and the University in respect of the Bonds after issuance thereof to the extent necessary to effect or maintain the exclusion from federal gross income of the interest on the Bonds. These representations relate to, inter alia, the use of and investment of proceeds of the Bonds and the rebate to the United States Treasury of specified arbitrage earnings, if any. Failure to comply with such representations could result in interest on the Bonds becoming includible in gross income for federal income tax purposes from the date of issuance of the Bonds.

The foregoing opinions are qualified to the extent that the enforceability of the Resolution, the Loan Agreement and the Bonds may be limited as to remedies by any applicable bankruptcy, insolvency, debt adjustment, reorganization, moratorium and similar laws of general application at the time in effect and by judicial decisions and principles of equity affecting creditors' rights generally and judicial discretion. We further advise you that no opinion is being rendered as to the availability of any particular remedy under the Resolution, the Loan Agreement or the Bonds.

We call to your attention that the Bonds and the interest thereon are special and limited obligations of the Authority payable from the Revenues, and neither the State nor any political subdivision thereof, other than the Authority, shall be obligated to pay the principal of or interest on the Bonds except from the Revenues, and neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Authority has no taxing power.

We express no opinion as to any matter not set forth in the numbered paragraphs herein. This opinion is rendered on the basis of federal law and the internal laws of the State as enacted and construed on the date hereof. This opinion is rendered as of the date hereof and we assume no obligation to supplement this opinion to reflect changes in law that may hereafter occur or changes in facts or circumstances that may hereafter come to our attention. Without limiting the generality of the foregoing, we express no opinion herein with respect to and assume no responsibility for, the accuracy, adequacy or completeness of the Preliminary Official Statement or the Official Statement prepared in respect of the Bonds, and make no representation that we have independently verified the contents thereof.

Notwithstanding anything to the contrary contained herein, the undersigned acknowledges that under the Open Public Records Act (N.J.S.A. 47:1A-1 et seq.), this opinion is a government record subject to release to the extent provided therein.

Very truly yours,

ECKERT SEAMANS CHERIN & MELLOTT, LLC
(a Pennsylvania LLC)

APPENDIX F

DESCRIPTION OF THE 2014 SERIES A BONDS TO BE REFUNDED

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F

DESCRIPTION OF THE 2014 SERIES A BONDS TO BE REFUNDED

Maturity Date	Outstanding Par Amount	Interest Rate	Redemption Date	Redemption Price	CUSIP No. **
7/01/2025	$3,710,000	5.000%	7/01/2024	100%	6460657U0
7/01/2026	29,440,000	5.000	7/01/2024	100	6460657V8
7/01/2027	29,630,000	4.000	7/01/2024	100	6460657W6
7/01/2028	29,840,000	4.000	7/01/2024	100	6460657X4
7/01/2029	30,050,000	4.000	7/01/2024	100	6460657Y2
7/01/2044	50,000,000	5.000	7/01/2024	100	6460657Z9

** CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2024 CUSIP Global Services. All rights reserved. CUSIP data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for CGS database. CUSIP numbers are included solely for the convenience of the registered owners of the applicable 2014 Series A Bonds to be Refunded. None of the Authority, the University or the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable 2014 Series A Bonds to be Refunded or as included herein.

[This Page Intentionally Left Blank]

PRINCETON UNIVERSITY

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY • PRINCETON UNIVERSITY REVENUE BONDS, 2024 SERIES B AND REVENUE REFUNDING BONDS, 2024 SERIES C

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

Printed by: ImageMaster, LLC
www.imagemaster.com