

MARKED TO SHOW EFFECT OF PROPOSED AMENDMENTS WITH **ADDITIONS IN**
BOLD AND UNDERLINED AND ~~DELETIONS STRUCKOUT~~

TRUSTEES OF BOSTON UNIVERSITY

and

U.S. BANK NATIONAL ASSOCIATION, as Trustee

INDENTURE OF TRUST

Dated as of August 1, 2018

\$300,000,000
BOSTON UNIVERSITY
TAXABLE REVENUE BONDS,
SERIES CC

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THIS INDENTURE OF TRUST (this “Indenture”), is made and entered into as of August 1, 2018, by and between TRUSTEES OF BOSTON UNIVERSITY, a corporation duly organized, validly existing and in good standing under the laws of The Commonwealth of Massachusetts (the “Institution”), and U.S. BANK NATIONAL ASSOCIATION, a national association duly organized and existing under and by virtue of the laws of the United States of America, having a corporate trust office in Boston, Massachusetts, and being qualified to accept and administer the trusts hereby created (the “Trustee”);;

W I T N E S S E T H:

WHEREAS, the Institution has the requisite power to contract, to borrow money and to issue its bonds, and desires to provide for and has authorized the issuance of its Taxable Revenue Bonds, Series CC (the “Bonds”) in an aggregate principal amount of \$300,000,000;

WHEREAS, the proceeds of the Bonds will be used by the Institution for eligible corporate purposes and costs of issuance, including repaying a term loan used to refund certain debt in connection with the merger of the Institution and Wheelock College (collectively, the “Project”);

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal or Redemption Price (as defined herein) thereof and of the interest thereon, the Institution has authorized the execution and delivery of this Indenture;

WHEREAS, the Bonds, and the Trustee’s certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Institution, authenticated and delivered by the Trustee and duly issued, the valid, binding obligations of the Institution, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture have been in all respects duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal (or Redemption Price) of, and the interest on, all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and for and in consideration of the premises and mutual covenants herein contained, of the acceptance by the Trustee of the trusts hereby created, of the purchase and acceptance of the Bonds by the Holders (as defined herein) thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Institution and the Trustee have executed and delivered this Indenture;

TO HAVE AND TO HOLD the same unto the Trustee and its successors in trust forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth for the benefit and security of those who shall hold or own the Bonds issued and to be issued hereunder, or any

of them, without preference of any of the Bonds over any others thereof for any reason whatsoever, except as otherwise provided herein;

IT IS HEREBY COVENANTED, DECLARED AND AGREED by and between the parties hereto that all the Bonds to be issued hereunder are to be issued, authenticated and delivered, and that all property subject or to become subject hereto, is to be held and applied, upon and subject to the further covenants, conditions, uses and trusts hereinafter set forth; and the Institution, for itself and its successors, does hereby covenant and agree to and with the Trustee and its successors in trust, for the benefit of all those who shall hold the Bonds, or any of them, as follows:

ARTICLE I

DEFINITIONS; CONTENT OF CERTIFICATES AND OPINIONS

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Agency” means the Massachusetts Development Finance Agency

~~“Alternative Indebtedness Agreement” means the Alternative Indebtedness Agreement dated April 30, 2013 among the Agency, the Institution, The Bank of New York Mellon Trust Company, N.A., Deutsche Bank Trust Company Americas, and the Banks, and any additional parties from time to time executing a Joinder Agreement in the form attached thereto as Exhibit A, including the Trustee, and any successor agreement.~~

“Authority” means the Massachusetts Health and Educational Facilities Authority.

“Authorized Denomination” means \$1,000 or any multiple integral thereof.

“Authorized Officer” means the Institution’s Chairman or other presiding officer of the Board of Trustees, President or other chief executive or administrative officer, the Senior Vice President, Chief Financial Officer & Treasurer or other chief financial officer or any Assistant Treasurer, and when used with reference to an act or document of the Institution, also means any other person authorized to perform the act or execute the document.

~~“Balloon Indebtedness” means Long-Term Indebtedness which is secured by a refinancing arrangement meeting the requirements of Section 6.06(G) or which is part of an issue of Indebtedness 25% or more of which has its Date of Maturity in the same twelve (12) month period.~~

“Beneficial Owner” means any Person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any of the Bonds (including any Person holding Bonds through nominees, depositories or other intermediaries) established to the reasonable satisfaction of the Trustee or the Institution.

“Bond Fund” means the fund by that name established pursuant to Section 5.02.

“Bonds” means the Boston University Taxable Revenue Bonds, Series CC authorized by, and at any time Outstanding pursuant to, this Indenture.

“Book-Entry Form” or “Book-Entry System” means a form or system, as applicable, under which physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as Bondholder, with the physical bond certificates held by and “immobilized” in the custody of the Securities Depository and the book-entry system maintained by and the responsibility of others than the Institution or the Trustee is the record that identifies and records the transfer of the interests of the owners of book-entry interests in those Bonds.

“Business Day” means any day other than (A) a Saturday or Sunday or legal holiday or a day on which banking institutions in the city or cities in which the Designated Office of the Trustee is located are authorized by law or executive order to close or (B) a day on which the New York Stock Exchange is closed.

“Certificate,” “Statement,” “Request” and “Requisition” of the Institution mean, respectively, a written certificate, statement, request or requisition signed in the name of the Institution by an Authorized Officer. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.02, each such instrument shall include the statements provided for in Section 1.02.

“Code” means the Internal Revenue Code of 1986, as amended, or any successor statute thereto and any regulations promulgated thereunder.

“Comparable Treasury Issue” means the United States Treasury security or securities selected by a Designated Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the Bonds to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such Bonds.

“Comparable Treasury Price” means, with respect to any redemption date, the average of the Primary Treasury Dealer Quotations for such redemption date or, if the Designated Investment Banker obtains only one Primary Treasury Dealer Quotation, such Primary Treasury Dealer Quotation.

“Continuing Disclosure Agreement” means an agreement among the Institution and the trustee for the holders of the bonds identified therein, executed in furtherance of the requirements of the Securities and Exchange Commission’s rule Section 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934.

~~“Date of Maturity” means as to any indebtedness of the Institution, as of any date of determination, the first date thereafter on which such indebtedness is payable, whether at maturity, by mandatory redemption (or purchase) or by redemption (or purchase) at the option of the holders;~~

~~provided that if portions of any indebtedness are payable on different dates, the Date of Maturity shall be separately determined for each such portion. Balloon Indebtedness may be deemed to be payable as provided in Section 6.06(G) in order to adjust actual Dates of Maturity for such indebtedness to assumed Dates of Maturity, to be used in calculating Total Principal and Interest Requirements.~~

“Default” means any event which is or after notice or lapse of time or both would become an Event of Default.

“Designated Investment Banker” means a Primary Treasury Dealer appointed by the Institution.

“Designated Office” means the Designated Office of the Trustee, which as of the date of this Indenture is located at One Federal Street, 3rd Floor, Boston, Massachusetts 02110, Attention: Corporate Trust Department, and such other offices as the Trustee may designate from time to time by written notice to the Institution and the Holders.

“Event of Default” means any of the events specified in Section 7.01.

~~“Hedge Agreement” means an interest rate swap, cap, collar, floor, forward, or other hedging agreement, arrangement or security, however denominated, expressly identified pursuant to its terms as being entered into in connection with and in order to hedge interest rate fluctuations on all or a portion of any Indebtedness.~~

“Holder” or “Bondholder,” whenever used herein with respect to a Bond, means the Person in whose name such Bond is registered.

~~“Indebtedness” shall mean all obligations of the Institution for borrowed money, or installment sale and capitalized lease obligations, incurred or assumed, including guaranties, Long-Term Indebtedness, Short-Term Indebtedness, subordinated Indebtedness or any other obligation of the Institution for payments of principal and interest with respect to money borrowed.~~

“Indenture” means this Indenture of Trust dated as of August 1, 2018 or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

“Indenture Fund” means the fund by that name established pursuant to Section 5.01.

“Institution” means Trustees of Boston University, a corporation existing under the laws of The Commonwealth of Massachusetts, or said corporation’s successor or successors.

“Interest Account” means the account by that name in the Bond Fund established pursuant to Section 5.02.

“Interest Payment Date” means April 1 and October 1 of each year, commencing April 1, 2019.

“Investment Securities” means either of the following: (1) direct nonprepayable, noncallable obligations of the United States of America (including obligations issued or held in

book-entry form on the books of the Department of the Treasury of the United States of America) or direct nonprepayable, noncallable obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America, including instruments evidencing a direct ownership interest in securities described in this clause (1) such as CATS, TIGRs, and Stripped Treasury Coupons rated or assessed in the highest Rating Categories by S&P and Moody's and held by a custodian for safekeeping on behalf of holders of such securities and (2) money market funds registered under the Investment Company Act of 1940, the shares in which are registered under the Securities Act of 1933 and that have a rating by S&P of AAA m-G, AAAM or AAm, including such funds for which the Trustee or its affiliates provide investment advisory or other management services.

~~“Long-Term Indebtedness” means any Indebtedness which is not Short-Term Indebtedness.~~

“Make-Whole Redemption Price” means the amount equal to the sum of (a) the greater of (i) 100% of the principal amount of the Bonds to be redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed (not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed), discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate plus 20 basis points, plus (b) accrued and unpaid interest on such Bonds to, but excluding, the redemption date.

~~“Maximum Total Principal and Interest Requirements” means the highest Total Principal and Interest Requirements for the then current or any future year during which any Bonds are Outstanding.~~

“Moody's” means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Institution upon notice to the Trustee.

“Offering Memorandum” means the final offering memorandum dated August 14, 2018, relating to the Bonds.

“Opinion of Counsel” means a written opinion of counsel (who may be counsel for the Institution, but not an employee thereof) satisfactory to the Trustee.

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 11.08) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which all liability of the Institution shall have been discharged in accordance with Section 10.02, including Bonds (or portions of Bonds) referred to in Section 11.08; and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to this Indenture.

~~“Parity Instruments” shall have the meaning given such term in the Alternative Indebtedness Agreement.~~

“Payment Date” means an Interest Payment Date or a Principal Payment Date.

“Person” means an individual, corporation, firm, association, partnership, trust, limited liability company or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Par Call Date” means April 1, 2048, six months prior to the maturity date of the Bonds.

“Primary Treasury Dealer” means one or more entities appointed by the Institution, which, in each case, is a primary U.S. Government securities dealer in the City of New York, New York and its or their respective successors.

“Primary Treasury Dealer Quotations” means, with respect to each Primary Treasury Dealer and any redemption date, the average, as determined by the Designated Investment Banker, of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Primary Treasury Dealer at 3:30 p.m. New York time on the third Business Day preceding such redemption date.

“Principal Account” means the account by that name in the Bond Fund established pursuant to Section 5.02.

“Principal Payment Date” means October 1 of each year in which a Bond is stated to mature or a Sinking Fund Installment is payable as set forth herein.

“Project” shall have the meaning given such term in the recitals of this Indenture.

“Rating Agency” means Moody’s and S&P.

“Rating Category” means a generic securities rating category, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

“Record Date” means the fifteenth (15th) day (whether or not a Business Day) of the month immediately preceding each Interest Payment Date.

“Redemption Fund” means the fund by that name established pursuant to Section 5.05.

“Redemption Price” means (i) when used in connection with redemption of Bonds at the election of the Institution in accordance with Section 4.01(A) of this Indenture, one hundred percent (100%) of the principal amount of the Bonds to be so redeemed, plus accrued and unpaid interest on such Bonds to, but excluding, the redemption date, (ii) when used in connection with redemption of Bonds at the election of the Institution in accordance with Section 4.01(B) of this Indenture, the Make-Whole Redemption Price, or (iii) when used in connection with mandatory redemption of a Bond from Sinking Fund Installments in accordance with this Indenture, one

hundred percent (100%) of the principal amount of the Bonds to be so redeemed, plus accrued and unpaid interest on such Bonds to, but excluding, the redemption date.

“Representation Letter” means that certain blanket issuer letter of representations between the Institution and DTC.

“Responsible Officer” means any officer of the Trustee assigned to administer its duties hereunder.

“S&P” means S&P Global Ratings, a division of S&P Global, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Institution upon notice to the Trustee.

“Securities Depository” means The Depository Trust Company and its successors and assigns, or any other securities depository selected as set forth in Section 2.10, which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds.

~~“Short Term Indebtedness” shall mean any issue of Indebtedness no portion of which has a date of maturity more than one year from the date of original issuance thereof.~~

“Sinking Fund Installments” means, as of any date of calculation, the amount of money required to be paid on a single future date for the retirement of Outstanding Bonds, but does not include any amount payable by the Institution by reason only of the maturity of a Bond, and said future date is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be Bonds entitled to such Sinking Fund Installment.

“Special Record Date” means the date established by the Trustee pursuant to Section 2.02 as the record date for the payment of defaulted interest on the Bonds.

“Supplemental Indenture” means any indenture hereafter duly authorized and entered into between the Institution and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

~~“Total Principal and Interest Requirements” means amounts required during a year (or twelve (12) consecutive calendar months) to amortize principal and to pay interest (other than capitalized interest) on Long-Term Indebtedness, taking into account in determining the Total Principal and Interest Requirements for any future period that (i) at the election of the Institution, Indebtedness described in Section 6.06(G) shall be deemed payable on the dates and in the amounts contemplated in such section; (ii) principal on all Indebtedness shall be deemed to be payable on the Date of Maturity thereof; (iii) the amounts of principal and interest taken into account during such period shall exclude amounts payable from proceeds of any refunding Indebtedness issued during such period or from interest earnings on the proceeds of such refunding Indebtedness; and (iv) in the event that there shall have been issued or entered into in respect of all or a portion of any Indebtedness a Hedge Agreement, and (A) interest on such Indebtedness or such portion of~~

~~such Indebtedness is payable at a variable rate of interest for any future period of time or is calculated at a varying rate per annum, and (B) a fixed rate is specified as payable by the Institution in such Hedge Agreement or such Indebtedness, taken together with the Hedge Agreement, results in a net fixed rate payable by the Institution for such period of time (the “Hedge Fixed Rate”), assuming the Institution and the party(ies) with whom the Institution has entered into the Hedge Agreement make all payments required to be made by the terms of the Hedge Agreement, then such Indebtedness shall be deemed for all purposes hereunder to bear interest for such period of time at the Hedge Fixed Rate and all provisions hereof applicable for fixed rate indebtedness shall apply with respect thereto. Computations of debt service on Long Term Indebtedness shall include an amount representing 25% of the debt service on obligations of others for borrowed money guaranteed by the Institution; provided, however, that if such guaranteed obligations are in default, computations shall include 100% of the debt service on such obligations. If any issue of Long-Term Indebtedness bears other than a fixed rate of interest the rate of interest on such indebtedness shall be calculated at the 30 year Bond Buyer Revenue Bond Index (published in The Bond Buyer, New York, New York no more than two (2) weeks prior to the date of calculation), or, if such index is no longer available, such index for comparable thirty (30) year maturity tax exempt revenue bonds as may be certified to the Trustee by a firm of investment bankers or a financial advisor firm.~~

“Treasury Rate” means, with respect to any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bonds to be redeemed; provided, however that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Trustee” means U.S. Bank National Association, a national association duly organized and existing under and by virtue of the laws of the United States of America, or its successor or successors, as Trustee hereunder as provided in Section 8.01.

“Underwriters” means Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, TD Securities (USA) LLC and U.S. Bancorp Investments, Inc.

“Uniform Commercial Code” means the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts from time to time.

SECTION 1.02. Content of Certificates. Every certificate provided for in this Indenture to be given by or on behalf of the Institution with respect to compliance with any provision hereof shall include (1) a statement that the Person making or giving such certificate has read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate is based; (3) a statement that, in the opinion of such Person, he or she has made or caused to be made such examination or investigation as is necessary to enable him or her to express an informed opinion with respect to the subject

matter referred to in the instrument to which his or her signature is affixed; and (4) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such certificate made or given by an officer of the Institution may be based, insofar as it relates to legal, accounting or management matters, upon a certificate or opinion of or representation by counsel, an accountant or a management consultant, unless such officer knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an accountant or a management consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Institution) upon a certificate or opinion of or representation by an officer of the Institution, unless such counsel, accountant or management consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same officer of the Institution, or the same counsel, accountant or management consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different officers, counsel, accountants or management consultants may certify to different matters, respectively.

SECTION 1.03. Interpretation.

(A) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(B) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(C) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE BONDS

SECTION 2.01. Authorization of Bonds. An issue of Bonds to be issued hereunder in order to obtain funds to carry out the Project and the purposes indicated herein for the benefit of the Institution is hereby created. The Bonds are designated as "Boston University Taxable Revenue Bonds, Series CC." The aggregate principal amount of Bonds that may be issued and Outstanding under this Indenture shall not exceed three hundred million dollars (\$300,000,000). This Indenture constitutes a continuing agreement with the Holders from time to time of the Bonds

to secure the full payment of the principal or Redemption Price of and interest on all such Bonds subject to the covenants, provisions and conditions contained herein and in the Bonds.

SECTION 2.02. Terms of the Bonds. (A) The Bonds shall be issued as fully registered Bonds in Authorized Denominations. The Bonds shall be registered initially in the name of Cede & Co., as nominee of the Securities Depository and shall be evidenced by one Bond for each maturity in the principal amount of the Bonds of such maturity. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 2.10. The Bonds shall be dated as of the date of first authentication and delivery by the Trustee and shall be numbered from R-1 upward. The Bonds shall mature (subject to prior redemption) on the following dates:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
\$300,000,000	4.061%	October 1, 2048

~~(B)~~ The principal or Redemption Price of the Bonds shall be payable by check or by wire transfer of immediately available funds in lawful money of the United States of America at the Designated Office of the Trustee.

~~(C)~~ The Bonds shall bear interest from their dated date, at the rates per annum set forth above. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months.

Interest on the Bonds shall be payable from the later of (i) the dated date of the Bonds and (ii) the most recent Interest Payment Date to which interest has been paid or duly provided for. Payment of the interest on each Interest Payment Date shall be made to the Person whose name appears on the bond registration books of the Trustee as the Holder thereof as of the close of business on the Record Date for each Interest Payment Date, such interest to be paid by check mailed by first class mail to such Holder at its address as it appears on such registration books, or, upon the written request of any Holder of at least \$1,000,000 in aggregate principal amount of Bonds, submitted to the Trustee at least one (1) Business Day prior to the Record Date, by wire transfer in immediately available funds to an account within the United States designated by such Holder.

Notwithstanding the foregoing, as long as the Securities Depository is the Holder of all or part of the Bonds in Book-Entry Form, said principal or Redemption Price and interest payments shall be made to the Securities Depository by wire transfer in immediately available funds. CUSIP number identification shall accompany all payments of principal or Redemption Price and interest, whether by check or by wire transfer.

Any such interest not so punctually paid or duly provided for with respect to any Bond shall forthwith cease to be payable to the Bondholder on such Record Date and shall be paid to the Person in whose name the Bond is registered at the close of business on a "Special Record Date" for the payment of such defaulted interest to be fixed by the Trustee, notice whereof to be given by first class mail to the Holders of such Bonds not less than ten (10) days prior to such Special Record Date.

(D) The Bonds shall be subject to redemption as provided in Article IV.

SECTION 2.03. Form of Bonds. The Bonds, and the Trustee's certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

SECTION 2.04. Execution of Bonds. The Bonds shall be executed in the name and on behalf of the Institution with the manual or facsimile signature of the Institution's Senior Vice President, Chief Financial Officer & Treasurer. The Bonds shall then be delivered to the Trustee for authentication by it. In case any officer who shall have signed any of the Bonds shall cease to be such officer of the Institution before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Institution, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Institution as though those who signed the same had continued to be such officer of the Institution, and also any Bond may be signed on behalf of the Institution by such Person as at the actual date of execution of such Bond shall be the proper officer of the Institution although at the nominal date of such Bond any such Person shall not have been such officer of the Institution.

Only such of the Bonds as shall bear thereon a certificate of authentication substantially in the form hereinbefore recited, manually executed by an authorized signatory of the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.05. Transfer of Bonds. Any Bond may, in accordance with its terms and subject to the limitations provided in Section 2.10, be transferred upon the books required to be kept pursuant to the provisions of Section 2.07 by the Person in whose name it is registered, in person or by its duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Trustee.

Whenever any Bond or Bonds shall be surrendered for transfer, the Institution shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, for a like aggregate principal amount in Authorized Denominations. The Trustee may require the Bondholder requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer, and the Trustee may also require the Bondholder requesting such transfer to pay a reasonable sum to cover any expenses incurred by the Institution in connection with such transfer. The Trustee shall not be required to transfer (i) any Bond during the fifteen (15) days next preceding the selection of Bonds for redemption or (ii) any Bond called for redemption.

SECTION 2.06. Exchange of Bonds. Bonds may be exchanged at the Designated Office of the Trustee for a like aggregate principal amount of Bonds of other Authorized Denominations. The Trustee may require the Bondholder requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange, and the Trustee may also require the Bondholder requesting such exchange to pay a reasonable sum to cover any expenses

incurred by the Institution in connection with such exchange. The Trustee shall not be required to exchange (i) any Bond during the fifteen (15) days next preceding the selection of Bonds for redemption or (ii) any Bond called for redemption.

SECTION 2.07. Bond Register. The Trustee shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times (during regular business hours at the location where such books are kept) be open to inspection by any Bondholder, the Institution or their respective agents duly authorized in writing; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Bonds as hereinbefore provided.

SECTION 2.08. Temporary Bonds. The Bonds may be issued in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bond may be printed, lithographed or typewritten, shall be of such denomination as may be determined by the Institution, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. A temporary Bond may be in the form of a single fully registered Bond payable in installments, each on the date, in the amount and at the rate of interest established for the Bonds. Every temporary Bond shall be executed by the Institution and be authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Institution issues temporary Bonds it will issue definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Designated Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

SECTION 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Institution, at the expense of the Holder of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the Institution. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to the Trustee and the Institution shall be given, the Institution, at the expense of the Holder, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof). The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.09 and of the expenses which may be incurred by the Institution and the Trustee in complying with this Section 2.09. Any Bond issued under the provisions of this Section 2.09 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Institution whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

SECTION 2.10. Use of Securities Depository. Notwithstanding any provision of this Indenture to the contrary:

(A) The Bonds shall be initially issued as provided in Section 2.02. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(1) To any successor of the Securities Depository or its nominee, or to any substitute depository designated pursuant to clause (2) of this subsection (A) (“substitute depository”); *provided* that any successor of the Securities Depository or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) To any substitute depository designated by the Institution and not objected to by the Trustee, upon (i) the resignation of the Securities Depository or its successor (or any substitute depository or its successor) from its functions as depository or (ii) a determination by the Institution that the Securities Depository or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; *provided* that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) To any Person as provided below, upon (i) the resignation of the Securities Depository or its successor (or substitute depository or its successor) from its functions as depository; *provided* that no substitute depository which is not objected to by the Trustee can be obtained or (ii) a determination by the Institution that it is in the best interests of the Institution to remove the Securities Depository or its successor (or any substitute depository or its successor) from its functions as depository.

~~(B)~~ In the case of any transfer pursuant to clause (1) or clause (2) of subsection (A), upon receipt of the Outstanding Bonds by the Trustee, together with a Certificate of the Institution to the Trustee, new Bonds for each maturity shall be executed and delivered in the principal amount of the Bonds of such maturity, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Certificate of the Institution. In the case of any transfer pursuant to clause (3) of subsection (A), upon receipt of the Outstanding Bonds by the Trustee together with a Certificate of the Institution to the Trustee, new Bonds shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such a Certificate of the Institution, subject to the limitations of Section 2.02, provided the Trustee shall not be required to deliver such new Bonds within a period less than sixty (60) days from the date of receipt of such a Certificate of the Institution.

~~(C)~~ In the case of partial redemption or an advance refunding of the Bonds evidencing all or a portion of the principal amount Outstanding, the Securities Depository shall make an appropriate notation on the Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee.

~~(D)~~ The Institution and the Trustee shall be entitled to treat the Person in whose name any Bond is registered as the Bondholder thereof for all purposes of the Indenture and any

applicable laws, notwithstanding any notice to the contrary received by the Institution or the Trustee.

(E) So long as the Outstanding Bonds are registered in the name of the Cede & Co. or its registered assign, the Institution and the Trustee shall cooperate with Cede & Co., as sole registered Bondholder, and its registered assigns, in effecting payment of the principal or Redemption Price of and interest on the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due, all in accordance with the letter of representations of the Institution to the Securities Depository or as otherwise agreed by the Trustee and the Securities Depository.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. Issuance of Bonds. At any time after the execution of this Indenture, the Institution may execute and the Trustee shall authenticate and, upon request of the Institution, deliver the Bonds in the aggregate principal amount of three hundred million dollars (\$300,000,000).

SECTION 3.02. Application of Proceeds of Bonds. The proceeds from the sale of the Bonds (net of original issue discount) shall be transferred by the Underwriters to the Institution to be applied towards the costs of the Project.

SECTION 3.03. Validity of Bonds. The recital contained in the Bonds that the same are issued pursuant to the Indenture shall be conclusive evidence of their validity and of compliance with the provisions of the Indenture in their issuance.

ARTICLE IV

REDEMPTION OF BONDS

SECTION 4.01. Terms of Optional Redemption. (A) On and after the Par Call Date, the Bonds are subject to optional redemption prior to maturity, in whole or in part on any Business Day, at the written direction of the Institution to the Trustee at least thirty-five (35) days before the redemption date, at a Redemption Price equal to 100% of the principal amount of the Bonds called for redemption, plus accrued and unpaid interest, to but excluding the date of redemption.

(B) Prior to the Par Call Date, the Bonds are subject to optional redemption prior to the maturity date, in whole or in part on any Business Day, at the written direction of the Institution to the Trustee at least thirty-five (35) days before the redemption date at a Redemption Price equal to the Make-Whole Redemption Price. The Institution will obtain an independent accounting firm or an independent financial advisor to determine the Make-Whole Redemption Price and perform all actions and make all calculations required to determine the Make-Whole Redemption Price. The Trustee and the Institution may conclusively rely on such accounting firm's or financial advisor's calculations in connection with, and its determination of the Make-Whole Redemption Price, and neither the Trustee nor the Institution will have any liability for such reliance. The determination of the Make-Whole Redemption Price by such accounting firm or

financial advisor will be conclusive and binding on the Trustee, the Institution and the Holders of the Bonds.

SECTION 4.02. Terms of Mandatory Sinking Fund Redemption. The Bonds are subject to redemption prior to maturity, in part, through application of Sinking Fund Installments, as described in the form of Bonds in Exhibit A.

SECTION 4.03. Registration of Bonds in the Book-Entry System.

(A) The provisions of this Section 4.03 shall apply with respect to any Bond registered to Cede & Co. or any other nominee of the Securities Depository while the Book-Entry System is in effect.

(B) On the date of original delivery thereof, the Bonds shall be registered in the registry books of the Trustee in the name of Cede & Co., as nominee of the Securities Depository as agent for the Institution in maintaining the Book-Entry System. With respect to Bonds registered in the registry books kept by the Trustee in the name of Cede & Co., as nominee of the Securities Depository, the Institution and the Trustee shall have no responsibility or obligation to any Participant (which means securities brokers and dealers, banks, trust companies, clearing corporations and various other entities, some of whom or their representatives own the Securities Depository) or to any Beneficial Owner (which means, when used with reference to the Book-Entry System, the Person who is considered the beneficial owner of the Bonds pursuant to the arrangements for book entry determination of ownership applicable to the Securities Depository) with respect to the following: (1) the accuracy of the records of the Securities Depository, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (2) the delivery to any Participant, any Beneficial Owner or any other Person, other than the Securities Depository, of any notice with respect to the Bonds, including any notice of redemption, or (3) the payment to any Participant, any Beneficial Owner or any other Person, other than the Securities Depository, of any amount with respect to the principal or Redemption Price of and interest on the Bonds only to or upon the order of the Securities Depository, and all such payments shall be valid and effective fully to satisfy and discharge the Institution's obligations with respect to the principal or Redemption Price of and interest on the Bonds to the extent of the sum or sums so paid. No Person other than the Securities Depository shall receive an authenticated Bond evidencing the obligation of the Institution to make payments of principal Redemption Price of and interest pursuant to this Indenture. Upon delivery by the Securities Depository to the Trustee of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." in this Indenture shall refer to such new nominee of the Securities Depository.

(C) In the event the Institution determines that it is in the best interests of the Beneficial Owners that they be able to obtain Bond certificates, the Institution may so notify the Securities Depository and the Trustee, whereupon the Securities Depository will notify the Participants of the availability through the Securities Depository of Bond certificates. In such event, the Trustee shall issue, transfer and exchange Bond certificates as requested by the Securities Depository in appropriate amounts and in authorized denominations. Whenever the Securities Depository requests the Institution and the Trustee to do so, the Trustee and the Institution will cooperate with the Securities Depository in taking appropriate action after reasonable notice to make available

Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging Bonds shall designate.

~~(D)~~ Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of the Securities Depository, all payments with respect to the principal or Redemption Price of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Securities Depository as provided in the Representation Letter, which is on file with the Institution.

~~(E)~~ Notwithstanding any provision in Article IV to the contrary, so long as all of the Bonds Outstanding are held in the Book-Entry System, if less than all of such Bonds are to be redeemed upon any redemption of Bonds hereunder, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Securities Depository in such manner as the Securities Depository may determine.

SECTION 4.04. Selection of Bonds for Redemption within a Maturity. If the Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of such Bonds, if less than all of the Bonds are called for prior redemption, the particular Bonds or portions thereof to be redeemed shall be allocated on a *pro rata pass-through distribution of principal* basis in accordance with DTC procedures, *provided* that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a *pro rata pass-through distribution of principal* basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

The Institution intends that redemption allocations made by DTC be made on a *pro rata pass-through distribution of principal* basis as described above. However, neither the Institution nor the Underwriters can provide any assurance that DTC, DTC's direct and indirect participants or any other intermediary will allocate the redemption of the Bonds on such basis.

In connection with any repayment of principal, including payments of scheduled mandatory sinking fund payments, the Trustee will direct DTC to make a *pass-through distribution of principal* to the holders of the Bonds. A Pro Rata Pass-Through Distribution of Principal table is set forth as Exhibit B hereto and reflects the current schedule of mandatory sinking fund redemptions applicable to the Bonds and the factors applicable to such redemption amounts and remaining bond balances, which is subject to change upon certain optional redemptions.

For purposes of calculation of the “*pro rata pass-through distribution of principal*,” “*pro rata*,” means, for any amount of principal to be paid, the application of a fraction to each denomination of the respective Bonds where (a) the numerator of which is equal to the amount due to the respective bondholders on a payment date, and (b) the denominator of which is equal to the total original par amount of the respective Bonds.

If the Bonds are no longer registered in book-entry-only form, each owner will receive an amount of Bonds equal to the original face amount then beneficially held by that owner, registered in such investor's name. Thereafter, any redemption of less than all of the Bonds will continue to

be paid to the registered owners of such Bonds on a pro-rata basis, based on the portion of the original face amount of any such Bonds to be redeemed.

SECTION 4.05. Notice of Redemption.

~~(A)~~ Notice of redemption shall be mailed by the Institution to the Trustee by first class mail, not less than thirty-five (35) days prior to the redemption date. Notice of redemption shall be mailed by the Trustee by first class mail, not less than thirty (30) days, nor more than sixty (60) days prior to the redemption date, to the respective Holders of any Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. If the Bonds are no longer held by the Securities Depository or its successor or substitute, the Trustee shall also give notice of redemption by overnight mail or other electronic means to such securities depositories and/or securities information services as shall be designated in a Certificate of the Institution. Each notice of redemption shall state the date of such notice, the date of issue of the Bonds, the redemption date, the Redemption Price (or the method of calculating such price), the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the maturity (including CUSIP number, if any), and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered.

~~(B)~~ Notice of redemption of Bonds shall be given by the Trustee, at the expense of the Institution, for and on behalf of the Institution.

~~(C)~~ Failure by the Trustee to give notice pursuant to this Section 4.05 to any one or more of the securities information services or depositories designated by the Institution, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. Failure by the Trustee to mail notice of redemption pursuant to this Section 4.05 to any one or more of the respective Holders of any Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Holders to whom such notice was mailed.

~~(D)~~ The Institution may instruct the Trustee to provide conditional notice of redemption, which may be conditioned upon the receipt of moneys or any other event. Additionally, any notice given pursuant to this Section 4.05 may be rescinded by written notice given to the Trustee by the Institution no later than five (5) Business Days prior to the date specified for redemption. The Trustee shall give notice of such rescission, as soon thereafter as practicable, in the same manner, to the same Persons, as notice of such redemption was given pursuant to this Section 4.05.

SECTION 4.06. Partial Redemption of Bonds. Upon surrender of any Bond redeemed in part only, the Institution shall execute (but need not prepare) and the Trustee shall prepare or cause to be prepared, authenticate and deliver to the Holder thereof, at the expense of the

Institution, a new Bond or Bonds of Authorized Denominations, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

SECTION 4.07. Effect of Redemption.

~~(A)~~ Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portion thereof) so called for redemption being held by the Trustee, on the date fixed for redemption designated in such notice, the Bonds (or portion thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice and interest accrued thereon to the date fixed for redemption, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portion thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Holders of said Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest to the date fixed for redemption from funds held by the Trustee for such payment.

~~(B)~~ All Bonds redeemed pursuant to the provisions of this Article IV shall be cancelled by the Trustee upon surrender thereof and delivered to, or upon the order of, the Institution.

ARTICLE V

FUNDS AND ACCOUNTS

SECTION 5.01. Establishment and Pledge of Indenture Fund.

~~(A)~~ The Trustee hereby establishes for the sole benefit of the Bondholders, a master fund referred to herein as the “Indenture Fund” containing the Bond Fund and the Redemption Fund and each of the accounts contained therein. The Indenture Fund and each of the funds and accounts in the Indenture Fund shall be identified on the books of the Trustee with reference hereto and shall be maintained by the Trustee and held in trust apart from all other moneys and securities held under this Indenture or otherwise, and the Trustee shall have the exclusive and sole right of withdrawal therefrom in accordance with the terms of this Indenture. All amounts deposited with the Trustee pursuant to this Indenture shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture.

~~(B)~~ Subject only to the provisions of this Indenture permitting or requiring the application thereof for the purposes and on the terms and conditions set forth herein, the Indenture Fund and all amounts held therein are hereby pledged, assigned and transferred by the Institution to the Trustee for the benefit of the Bondholders to secure the full payment of the principal or Redemption Price of and interest on the Bonds in accordance with their terms and the provisions of this Indenture. The Institution hereby grants to the Trustee a security interest in and acknowledges and agrees that the Indenture Fund and all amounts on deposit therein shall constitute collateral security to secure the full payment of the principal or Redemption Price of and interest on the Bonds in accordance with their terms and the provisions of this Indenture. For purposes of creating, perfecting and maintaining the security interest of the Trustee on behalf of the Bondholders in and to the Indenture Fund and all amounts on deposit therein, the parties hereto agree as follows:

(1) this Indenture shall constitute a “security agreement” for purposes of the Uniform Commercial Code;

(2) the Trustee shall maintain on its books records reflecting the interest, as set forth in this Indenture, of the Bondholders in the Indenture Fund and/or the amounts on deposit therein; and

(3) the Indenture Fund and the amounts on deposit therein and any proceeds thereof shall be held by the Trustee acting in its capacity as an agent of the Bondholders, and the holding of such items by the Trustee (including the transfer of any items among the funds and accounts in the Indenture Fund) is deemed possession of such items on behalf of the Bondholders.

~~(C)~~ Nothing in this Indenture or in the Bonds, expressed or implied, shall be construed to constitute a security interest under the Uniform Commercial Code or otherwise in the assets of the Institution other than in any interest of the Institution in the Indenture Fund and/or the amounts on deposit therein. No recourse for the payment of the principal or Redemption Price of or interest on any Bond, or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Institution in this Indenture or in any Supplemental Indenture or in any Bond, or because of the creation of any indebtedness represented thereby, shall be had against any employee, agent, or officer, as such, past, present or future, of the Institution or of any successor entity, either directly or through any successor entity, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly understood that all such liability is hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issue of the Bonds.

~~(D)~~ No officer or agent of the Institution, nor any Person executing the Bonds, shall in any event be subject to any personal liability or accountability by reason of the issuance of the Bonds.

SECTION 5.02. Bond Fund.

~~(A)~~ Upon the receipt thereof, the Trustee shall deposit all payments received from the Institution (other than proceeds from the sale of the Bonds which are to be applied pursuant to Section 3.02, amounts which are to be applied pursuant to Section 5.05 or income or profit from investments which are to be applied pursuant to Section 5.07) in a special fund designated the “Bond Fund” which the Trustee shall establish and maintain and hold in trust and which shall be disbursed and applied only as authorized in this Article V.

~~(B)~~ At the times specified below, the Trustee shall allocate within the Bond Fund in the following order of priority the following amounts to the following accounts or funds, each of which the Trustee shall establish and maintain and hold in trust and each of which shall be disbursed and applied only as hereinafter authorized:

(1) On each Interest Payment Date, the Trustee shall deposit in the “Interest Account” the aggregate amount of interest becoming due and payable on such Interest

Payment Date on all Bonds then Outstanding, until the balance in said account is equal to said aggregate amount of interest; and

(2) On each Principal Payment Date, the Trustee shall deposit in the “Principal Account” the aggregate amount of principal becoming due and payable on such Principal Payment Date, until the balance in said account is equal to said aggregate amount of such principal.

~~(C)~~ At least six (6) but not more than twenty (20) Business Days before each Interest Payment Date, the Trustee shall determine the amount, if any, credited or to be credited to the Bond Fund during the period from the day after the last Interest Payment Date to the next succeeding Interest Payment Date from any source. The Trustee shall give notice to the Institution of such amount and the amount due, which notice shall be mailed, sent by facsimile transmission or delivered in such manner that the Institution will receive such notice by the Business Day before such next succeeding Interest Payment Date. Any oral or telephonic notice shall be supplemented by notice given in accordance with the preceding sentence.

~~(D)~~ The Institution may at any time surrender to the Trustee for cancellation by it any Bonds that the Institution may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired. All Bonds after such surrender and cancellation shall be destroyed by the Trustee.

SECTION 5.03. Interest Account. All amounts in the Interest Account of the Bond Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

SECTION 5.04. Principal Account. All amounts in the Principal Account of the Bond Fund shall be used and withdrawn by the Trustee solely to pay at maturity the Bonds.

SECTION 5.05. Redemption Fund.

~~(A)~~ Upon the receipt thereof, the Trustee shall deposit the following amounts in a special fund designated the “Redemption Fund” which the Trustee shall establish and maintain and hold in trust:

(1) all moneys deposited by the Institution with the Trustee directed to be deposited in the Redemption Fund; and

(2) all interest, profits and other income received from the investment of moneys in the Redemption Fund.

~~(B)~~ All amounts deposited in the Redemption Fund shall be used and withdrawn by the Trustee solely for the purpose of redeeming Bonds, in the manner and upon the terms and conditions specified in Section 4.01, at the next succeeding date of redemption for which notice has been given; *provided* that, at any time prior to the selection of Bonds for such redemption, the Trustee shall, upon direction of the Institution, apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but

excluding accrued interest, which is payable from the Interest Account) as the Institution may direct, except that the purchase price (exclusive of accrued interest) may not exceed the Redemption Price then applicable to such Bonds (or, if such Bonds are not then subject to redemption, the par value of such Bonds); and *provided* further that in lieu of redemption at such next succeeding date of redemption, or in combination therewith, amounts in such account may be transferred to the Principal Account as requested by the Institution.

SECTION 5.06. Payments by the Institution; Allocation of Funds.

(A) On or before 11:00 AM on each Payment Date, until the principal of and interest on the Bonds shall have been fully paid or provision for such payment shall have been made as provided in this Indenture, the Institution shall pay to the Trustee a sum equal to the amount payable on such Payment Date as principal of and interest on the Bonds. Such payments shall be made in federal funds or other funds immediately available at the Designated Office of the Trustee and shall be promptly deposited by the Trustee upon receipt thereof in the Bond Fund.

Each payment made pursuant to this (A) shall at all times be sufficient to pay the total amount of interest and principal (whether at maturity or upon acceleration) becoming due and payable on the Bonds on such Payment Date. If on any Payment Date the amounts held by the Trustee in the accounts within the Bond Fund are insufficient to make any required payments of principal of (whether at maturity or upon acceleration) and interest on the Bonds as such payments become due, the Institution shall forthwith pay such deficiency to the Trustee.

(B) The obligations of the Institution to make the payments required by (A) hereof and to perform and observe the other agreements on its part contained herein shall be a general obligation of the Institution, absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment or counterclaim it might otherwise have against the Trustee, and during the term of this Indenture, the Institution shall pay all payments required to be made under (A) (which payments shall be net of any other obligations of the Institution) as prescribed therein and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off. Until such time as the principal of and interest on the Bonds shall have been fully paid, or provision for the payment thereof shall have been made as required by this Indenture, the Institution (i) will not suspend or discontinue any payments provided for in (A) hereof; (ii) will perform and observe all of its other covenants contained in this Indenture; and (iii) except as provided in Article IV or Article X hereof, will not terminate this Indenture for any cause, including, without limitation, the occurrence of any act or circumstances that may constitute failure of consideration, destruction of or damage to all or a portion of the Project financed with the proceeds of the Bonds, commercial frustration of purpose, any change in the tax or other laws of the United States of America or The Commonwealth of Massachusetts or any political subdivision of either of these, or any failure of the Trustee to perform and observe any covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Indenture, except to the extent permitted by this Indenture.

~~(C) As additional security for its obligations to make the payments required by (A) hereof, the Institution grants to the Trustee a lien and security interest upon all its tuition receipts in each half year beginning on January 1 or July 1, whether in the form of proceeds of accounts receivable or contract rights or otherwise, and in any rights to receive the same. For this purpose~~

~~tuition receipts shall include receipts from any source which are applied or to be applied to financial aid for tuition. If any required payment is not made when due, any receipts with respect to which this security interest remains perfected pursuant to law shall be transferred or paid over immediately to the Trustee without being commingled with other funds (unless already commingled) and any such receipts thereafter received shall upon receipt be transferred to the Trustee in the form received to the extent necessary to cure the deficiency. The Institution represents and warrants that the lien granted by this subsection is (i) on a parity with the liens on tuition receipts granted by the Institution under the Parity Instruments, and (ii) subject only to non-consensual liens arising by operation of law. The Institution further represents, warrants, and agrees that the liens mentioned in clause (ii) of this subsection are and will at all times be of an aggregate amount which is not material to the security of the Bonds.~~

SECTION 5.07. Investment of Moneys in Funds and Accounts Held By Trustee.

(A) Moneys held in the Indenture Fund shall be invested by the Trustee, upon written direction of the Institution, solely in Investment Securities. Investment Securities shall be purchased at such prices as the Institution may direct. All Investment Securities shall be acquired subject to the limitations as to maturities hereinafter in this Section 5.07 set forth and such additional limitations or requirements consistent with the foregoing as may be established at the request of the Institution. No request of the Institution shall impose any duty on the Trustee inconsistent with its responsibilities hereunder. The Trustee shall have no investment discretion.

(B) Moneys in such funds and accounts shall be invested in Investment Securities maturing not later than the date on which it is estimated that such moneys will be required for the purposes specified in this Indenture.

(C) All interest, profits and other income received from the investment of moneys in the Redemption Fund shall be deposited when received in the Redemption Fund. All interest, profits and other income received from the investment of moneys in the Bond Fund shall be deposited when received in the Bond Fund.

(D) Investment Securities acquired as an investment of moneys in any fund or account established under this Indenture shall be credited to such fund or account. Registrable Investment Securities held by the Trustee shall be registered in the name of the Trustee. In making any valuations of investments hereunder, the Trustee may utilize and rely on computerized securities pricing services that are available to it, including those available through its regular accounting system.

(E) The Trustee may commingle any of the funds or accounts established pursuant to this Indenture into a separate fund or funds for investment purposes only, *provided* that all funds or accounts held by the Trustee hereunder shall be accounted for separately as required by this Indenture. The Trustee or its affiliates may act as sponsor, depository, advisor, principal or agent in the making or disposing of any investment. The Trustee is hereby authorized, in making or disposing of any investment permitted by this Section 5.07, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account. The Trustee may sell at the best price reasonably obtainable by it, or present for redemption, any Investment

Securities so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security is credited, and, subject to the provisions of Section 8.03, the Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance with provisions of this Section 5.07. The Trustee shall not be responsible for any tax, fee or other charge in connection with any investment, reinvestment or the liquidation thereof.

~~(F)~~ The Trustee will furnish the Institution with monthly account statements detailing all funds and accounts and investment transactions made by the Trustee hereunder.

SECTION 5.08. Amounts Remaining in Funds and Accounts. When there are no longer any Bonds Outstanding, all fees, charges and expenses of the Trustee, including fees and expenses of outside counsel and internal counsel to the Trustee, have been paid or provided for and this Indenture has been discharged and satisfied, the Trustee shall pay any amounts remaining in any of the funds or accounts created under this Indenture to the Institution within thirty (30) days after the date of discharge and satisfaction.

ARTICLE VI

PARTICULAR COVENANTS; REPRESENTATIONS AND WARRANTIES

SECTION 6.01. Punctual Payment. The Institution shall punctually pay the principal or Redemption Price and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof. When and as paid in full, all Bonds shall be delivered to the Trustee and shall forthwith be cancelled by the Trustee and delivered to, or upon the order of, the Institution.

SECTION 6.02. Compliance with Indenture. The Institution covenants not to issue, or permit to be issued, any Bonds in any manner other than in accordance with the provisions of this Indenture, and shall not suffer or permit any Default (within its power to prevent) to occur under this Indenture, but shall faithfully observe and perform all the covenants, conditions and requirements of this Indenture.

SECTION 6.03. Against Encumbrances. The Institution shall not create or suffer to be created any pledge, lien, charge or other encumbrance upon all or any part of the Indenture Fund or any of the amounts held therein pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture and any statutory liens or other liens arising by operation of law. The Institution will do whatever is reasonably necessary to assist the Trustee in contesting any pledge, lien, charge or other encumbrance that does not comply with the provisions of this Section 6.03.

SECTION 6.04. Power to Issue Bonds and Make Pledge and Assignment. The Institution is duly authorized to issue the Bonds and to enter into this Indenture and to pledge and assign the funds and accounts purported to be pledged and assigned under this Indenture in the manner and to the extent provided in this Indenture. The Bonds are and will be legal, valid and binding obligations of the Institution in accordance with their terms, and the Institution and the Trustee shall at all times, to the extent permitted by law, defend, preserve and protect said pledge

and assignment of funds and accounts and all the rights of the Bondholders under this Indenture against all claims and demands of all Persons whomsoever, subject to the limitations set forth in Article VIII relating to the Trustee.

SECTION 6.05. Accounting Records and Financial Statements.

(A) The Trustee shall file and furnish to the Institution within thirty (30) days after the end of each month, a complete financial statement (which need not be audited and may be its regular account statements) covering receipts, disbursements, allocation and application of any moneys (including proceeds of Bonds) in any of the funds and accounts established pursuant to this Indenture for such month; *provided* that the Trustee shall not be obligated to deliver an accounting for any fund or account that has a balance of \$0.00 and has not had any activity since the last reporting.

(B) With respect to each fund or account established and maintained by the Trustee pursuant to this Indenture, the Trustee shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with corporate trust accounting standards, in which complete and accurate entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of payments received from the Institution and the proceeds of the Bonds. Such books of record and account, including the financial statement referenced in Section 6.05(A) above, shall be available for inspection by the Institution and any Bondholder, or his or her agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

SECTION 6.06. Representations, Warranties and Covenants of the Institution.

(A) Corporate Organization, Authorization and Powers. The Institution represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of The Commonwealth of Massachusetts, with the power to enter into and perform this Indenture, that it is a nonprofit educational institution within the Commonwealth authorized by law to provide a program of education beyond the high school level and that by proper corporate action it has duly authorized the execution and delivery of this Indenture. The Institution further represents and warrants that the execution and delivery of this Indenture and the consummation of the transactions contemplated herein will not conflict with or constitute a breach of or default under any bond, indenture, note or other evidence of indebtedness of the Institution, the charter or by-laws of the Institution, any gifts, bequests or devises pledged to or received by the Institution, or any contract, lease or other instrument to which the Institution is a party or by which it is bound or cause the Institution to be in violation of any applicable statute or rule or regulation of any governmental authority.

(B) Tax Matters. (1) The Institution represents and warrants that (a) it is an organization described in Section 501(c)(3) of the Code and it is not a “private foundation” as defined in Section 509 of the Code; (b) it has received letters from the Internal Revenue Service to that effect; (c) such letters have not been modified, limited or revoked; (d) it is in compliance with all terms, conditions and limitations, if any, contained in such letters; (e) the facts and circumstances which form the basis of such letters continue substantially to exist as represented to the Internal Revenue Service; and (f) it is exempt from federal income taxes under Section 501(a)

of the Code. To the extent consistent with its status as a nonprofit educational institution, the Institution agrees that it will not take any action or omit to take any action if such action or omission would cause any revocation or adverse modification of the Institution's status as an organization described in Section 501(c)(3) of the Code.

~~(C)~~ Securities Law Status. The Institution represents and warrants that it is an organization organized and operated exclusively for charitable purposes and not for pecuniary profit; and that no part of its net earning inures to the benefit of any Person, private stockholder or individual, all within the meaning of the Securities Act of 1933, as amended. The Institution shall not take any action or omit to take any action if such action or omission would change its status as set forth in this section.

~~(D)~~ Annual Reports and Other Current Information. The Institution shall from time to time render reports concerning compliance with this Indenture as the Trustee may reasonably request. Within one hundred fifty (150) days after the close of each fiscal year, the Institution shall furnish to the Trustee and to Bondholders requesting the same, copies of its audited financial statements. Copies of the reports and statements required to be filed with the Trustee pursuant to this section shall be filed with the Trustee in sufficient quantity to permit the Trustee to retain at least one copy for inspection by Bondholders and to permit the Trustee to mail a copy to each Bondholder who requests it. The Trustee shall maintain a list of Bondholders who have made such a request. The Institution shall furnish to the agencies rating the Bonds such information as they may reasonably require for current reports to their subscribers. The Institution shall furnish to the Trustee within 150 days after the close of each fiscal year a certificate signed by an Authorized Officer stating that the Institution has caused its operations for the year to be reviewed and that in the course of that review no default under this Indenture has come to its attention or, if such default has occurred, a description of such default.

~~(E)~~ Maintenance of Corporate Existence. The Institution shall maintain its existence as a nonprofit corporation qualified to do business in Massachusetts and shall not dissolve or dispose of all or substantially all its assets, or consolidate with or merge into another entity or entities, or permit one or more other entities to consolidate with or merge into it, except that it may consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it, or transfer all or substantially all of its assets to one or more other entities (and thereafter dissolve or not dissolve as it may elect), if (1) the surviving, resulting or transferee entity or entities each is a corporation having the status and powers set forth in (A), (B) and (C), (2) the transaction does not result in a conflict, breach or default referred to in (A), (3) the surviving, resulting or transferee entity or entities each (a) assumes by written agreement with the Trustee all the obligations of the Institution hereunder, (b) notifies the Trustee of any change in the name of the Institution, ~~and (c) executes, delivers, registers, records and files such other instruments the Trustee may reasonably require to confirm, perfect or maintain the security granted hereunder.~~

~~(F)~~ [Reserved]. Additional Indebtedness; Parity Position of Bonds.

~~—— (1) — The Institution shall not incur any additional Indebtedness on a parity with the Bonds or the Parity Instruments (except to refund existing Indebtedness that is on a parity with the Bonds) unless the Trustee receives a certificate of an Authorized Officer of~~

~~the Institution that prior to the incurrence of such proposed additional Indebtedness, Maximum Total Principal and Interest Requirements do not exceed twelve percent (12%) of unrestricted operating revenues (or equivalent line item if not so captioned) as shown on the most recent audited financial statements of the Institution.~~

~~(2) Subject to Subsection 6.06(F)(1), the Institution may incur additional Indebtedness on a parity with the Bonds or the Parity Instruments as to the lien on the Institution's tuition receipts as described in the Parity Instruments. The Bonds have qualified as "Alternative Indebtedness" with respect to the Parity Instruments and as a result the Bonds are on a parity with the Parity Instruments as to the lien on the Institution's tuition receipts. So long as any Parity Instrument is "Outstanding" as defined in the related Parity Instrument, the provisions of the Alternative Indebtedness Agreement shall control proceedings with respect to the Institution's tuition receipts.~~

~~(G) [Reserved]. Debt Service on Balloon Indebtedness. At the election of the Institution, for the purpose of determining Total Principal and Interest Requirements, the principal and interest deemed to be payable on Balloon Indebtedness shall be as set forth below:~~

~~(1) If the Institution has obtained a binding commitment of a responsible financial institution satisfactory to the Issuer to refinance such Balloon Indebtedness (or a portion thereof), including without limitation, a letter of credit or a line of credit, which commitment is subject only to such conditions as are reasonably acceptable to the Issuer, the Balloon Indebtedness (or a portion thereof) may be deemed to be payable in accordance with the terms of the refinancing arrangement; or~~

~~(2) If (i) the Date of Maturity of any portion of such Balloon Indebtedness is more than eighteen (18) months after the date of any transaction for which a determination of Total Principal and Interest Requirements is made, or (ii) the condition of Subsection 6.06(G)(1) is satisfied with respect to such portion by a financing arrangement having a term not less than three (3) years, such portion of such Balloon Indebtedness may be deemed (but, with respect to Balloon Indebtedness described in Subsection 6.06(G)(1) above, subject to the approval of the Issuer) to be indebtedness payable over a fifteen (15) year term, at the interest rate certified below, in equal annual installments of principal and interest, provided that the Institution has delivered to the Trustee a certificate of an investment banker satisfactory to the Trustee stating that it is reasonable to assume that such indebtedness of the Institution could be sold and stating the interest rate then applicable to fifteen (15) year obligations of comparable quality and type.~~

~~(H) Continuing Disclosure. In addition to the Institution's obligation to provide audited financial statements to the Trustee as required by this Indenture, the Institution shall comply with its obligation under each Continuing Disclosure Agreement to prepare and provide at the time required thereby the financial and operating information of the type required thereby and, in addition to providing such information to the persons required by such Continuing Disclosure Agreement shall simultaneously provide a copy thereof to the Trustee. In the event that at any time there are no Continuing Disclosure Agreements then in effect, the Institution shall continue to provide to the Trustee at the times required by the Continuing Disclosure Agreement that had~~

been most recently executed by the Institution, financial and operating information of the type required by such Continuing Disclosure Agreement.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 7.01. Events of Default. The following events shall be “Events of Default”:

(A) default in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by acceleration or otherwise;

(B) default in the due and punctual payment of any interest on any Bond when and as such interest shall become due and payable;

(C) default by the Institution in the performance or observance of any of the other covenants, agreements or conditions on its part contained in this Indenture or in the Bonds (other than a covenant, agreement or condition a default in performance or observance of which is elsewhere in this Section 7.01 specifically dealt with), if such default shall have continued for a period of sixty (60) days after written notice thereof, specifying such default and requiring the same to be remedied and stating that such notice is a “Notice of Default” under this Indenture, shall have been given to the Institution by the Trustee, or to the Institution and the Trustee by the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding;

(D) the commencement by the Institution of a voluntary case under the federal bankruptcy laws, or if the Institution shall become insolvent or unable to pay its debts as they become due, or shall make an assignment for the benefit of creditors, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property;

(E) the appointment of a trustee, receiver, custodian or similar official or agent for the Institution or for any substantial part of its property and such trustee or receiver shall not be discharged within sixty (60) days; or

(F) an order or decree for relief in an involuntary case under the federal bankruptcy laws shall be entered against the Institution, or a petition seeking reorganization, readjustment, arrangement, composition, or other similar relief as to it under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it and shall be consented to by it or shall remain undismissed for sixty (60) days.

SECTION 7.02. Acceleration of Maturity. If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, upon notice in writing to the Institution, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration by the Trustee the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding.

Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, there shall be deposited with the Trustee a sum sufficient to pay all the principal or Redemption Price of and interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the Bonds, and the reasonable charges and expenses of the Trustee, and any and all other Defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall, on behalf of the Holders of all of the Bonds, by written notice to the Institution, rescind and annul such declaration and its consequences and waive such Default; but no such rescission and annulment shall extend to or shall affect any subsequent Default, or shall impair or exhaust any right or power consequent thereon.

SECTION 7.03. Rights as to Tuition Receipts; Rights as a Secured Party.

~~(A) Subject to Section 6.06(F)(2), the Trustee may exercise all of the rights and remedies of a secured party, under the Uniform Commercial Code or otherwise, with respect to the lien on tuition receipts created by Section 5.06(C). Without limiting the generality of the foregoing, to the extent permitted by law, the Trustee may realize upon such lien by any one or more of the following actions: (1) enter the Institution's property and take possession of the financial books and records of the Institution relating to the tuition receipts and of all checks or other orders for payment of money and cash in the possession of the Institution representing tuition receipts or proceeds thereof; (2) notify account debtors obligated on any tuition receipts to make payment directly to the order of the Trustee; (3) collect, compromise, settle, compound or extend tuition receipts which are in the form of accounts receivable or contract rights from the Institution's account debtors by suit or other means and give a full acquittance therefor and receipt therefor in the name of the Institution, whether or not the full amount of any such account receivable or contract right owing shall be paid to the Trustee; (4) require the Institution to deposit all cash, money and checks or other orders for the payment of money which represent tuition receipts within five (5) Business Days after receipt of written notice of such requirement, and thereafter as received, into a fund or account to be established for such purpose by the Trustee, *provided, however,* that the requirement to make such deposits shall cease, and the balance of such fund or account shall be paid to the Institution, when all Events of Default have been cured; (5) forbid the Institution to extend, compromise, compound or settle any accounts receivable or contract rights which represent tuition receipts, or release, wholly or partly, any person liable for the payment thereof (except upon receipt of the full amount due) or allow any credit or discount thereon; and (6) endorse in the name of the Institution any checks or other orders for the payment of money representing tuition receipts or the proceeds thereof.~~

(B) The Trustee, as appropriate, may exercise all of the rights and remedies of a secured party under the Uniform Commercial Code with respect to securities in the Indenture Fund, including without limitation the Bond Fund and the Redemption Fund, including the right to sell or redeem such securities and the right to retain the securities in satisfaction of the obligation of the Institution hereunder.

~~(C) — Notice sent by registered or certified mail, postage prepaid, or delivered during business hours, to the Institution at least seven (7) days before an event under Uniform Commercial Code Sections 9-610 and 9-611, or any successor provision of law shall constitute reasonable notification of such event.~~

SECTION 7.04. Application of Moneys Collected by the Trustee. If an Event of Default shall occur and be continuing, all moneys then held or thereafter received by the Trustee under any of the provisions of this Indenture (subject to Section 11.09) shall be applied by the Trustee as follows and in the following order:

(A) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds and payment of reasonable fees and expenses of the Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture; and

(B) To the payment of the principal or Redemption Price of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Indenture, as follows:

(1) Unless the principal of all of the Bonds shall have become or have been declared due and payable,

First: To the payment to the Persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the Bonds, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date to the Persons entitled thereto, without any discrimination or preference.

(2) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest on the overdue principal at the rate borne by the Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, according to the amounts due respectively

for principal and interest, to the Persons entitled thereto without any discrimination or preference.

SECTION 7.05. Trustee to Represent Bondholders. The Trustee is hereby irrevocably appointed (and the successive respective Holders of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Bonds, this Indenture and applicable provisions of any law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bondholders, the Trustee in its discretion may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Holders by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee, or in such Holders under the Bonds, this Indenture or any applicable law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the amounts pledged under this Indenture, pending such proceedings. If more than one such request is received by the Trustee from the Holders, the Trustee shall follow the written request executed by the Holders of the greatest percentage (which percentage shall be, in any case, not less than a majority in aggregate principal amount) of the Bonds then Outstanding. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Holders of such Bonds, subject to the provisions of this Indenture.

SECTION 7.06. Bondholders' Direction of Proceedings. The Holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnifying the Trustee to its satisfaction therefor, to direct the time, method and place of conducting all remedial proceedings taken by the Trustee hereunder, *provided* that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

SECTION 7.07. Limitation on Bondholders' Right to Sue. No Holder of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture or any applicable law with respect to such Bond, unless (1) such Holder shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (3) such Holder or said Holders shall have tendered to the Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the

Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Holders of Bonds, or to enforce any right under this Indenture or applicable law with respect to the Bonds, except in the manner herein *provided*, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Holders of the Outstanding Bonds, subject to the provisions of this Indenture.

SECTION 7.08. Absolute Obligation of Institution. Notwithstanding any other provision of this Indenture, or in the Bonds, nothing shall affect or impair the obligation of the Institution, which is absolute and unconditional, to pay the principal or Redemption Price of and interest on the Bonds to the respective Holders of the Bonds at their respective dates of maturity, or upon call for redemption, as herein provided, or, subject to Section 7.07, affect or impair the right of such Holders to enforce such payment by virtue of the contract embodied in the Bonds.

SECTION 7.09. Termination of Proceedings. In case any proceedings taken by the Trustee or any one or more Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bondholders, then in every such case the Institution, the Trustee and the Bondholders, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the Institution, the Trustee and the Bondholders shall continue as though no such proceedings had been taken.

SECTION 7.10. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

SECTION 7.11. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power arising upon the occurrence of any Default shall impair any such right or power or shall be construed to be a waiver of any such Default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient.

SECTION 7.12. Waiver of Past Defaults. The Trustee may, and upon request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds shall, on behalf of the Holders of all the Bonds waive any past Default hereunder and its consequences, except a Default:

~~(A)~~ In the payment of the principal or Redemption Price of or interest on any Bond, or

~~(B)~~ in respect of a covenant or other provision of this Indenture which, pursuant to Section 9.01, cannot be modified or amended without the consent of the Holder of each Outstanding Bond affected.

Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

SECTION 7.13. Undertaking for Costs. Subject to the provisions of Section 8.06, the parties to this Indenture agree, and each Holder of any Bond by such Person's acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 7.13 shall not apply to any suit instituted by the Trustee or to any suit instituted by any Bondholder or group of Bondholders holding in the aggregate more than a majority in aggregate principal amount of the Outstanding Bonds.

SECTION 7.14. Notice of Default.

~~(A)~~ Upon a Responsible Officer's actual knowledge of the existence of any Default under this Indenture, the Trustee shall notify the Institution in writing as soon as practicable, but in any event within five (5) Business Days.

~~(B)~~ Upon a Responsible Officer's actual knowledge of the existence of any Default under this Indenture, the Trustee shall transmit by mail to all Bondholders, as their names and addresses appear in the bond register, notice of such Default hereunder within thirty (30) days, unless such Default shall have been cured or waived; *provided, however*, that, except in the case of a Default in the payment of the principal or Redemption Price of or interest on any Bond, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Bondholders.

SECTION 7.15. Trustee May File Proofs of Claim.

~~(A)~~ In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Institution or any other obligor upon the Bonds or the property of the Institution or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Institution for the payment of overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(1) To file and prove a claim for the whole amount of principal (or Redemption Price) and interest owing and unpaid in respect of the Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel including expenses and fees of outside counsel and allocated costs of internal legal counsel) and of the Bondholders allowed in such judicial proceeding; and

(2) To collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator or sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Bondholder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Bondholders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel including expenses and fees of outside counsel and allocated costs of internal legal counsel, and any other amounts due the Trustee under this Indenture.

~~(B)~~ Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Bondholder in any such proceeding.

ARTICLE VIII

THE TRUSTEE

SECTION 8.01. Duties, Immunities and Liabilities of Trustee.

~~(A)~~ The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture, and, except to the extent required by law, no implied covenants or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

~~(B)~~ The Institution may remove the Trustee at any time unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (E) of this Section 8.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of

rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint a successor Trustee by an instrument in writing.

~~(C)~~ The Trustee may at any time resign by giving written notice of such resignation to the Institution and by giving the Bondholders notice of such resignation by mail at the addresses shown on the registration books maintained by the Trustee. Upon receiving such notice of resignation, the Institution shall promptly appoint a successor Trustee by an instrument in writing. The Trustee shall not be relieved of its duties until such successor Trustee has accepted appointment.

~~(D)~~ Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within thirty (30) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Bondholder (on behalf of itself and all other Bondholders) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture, shall signify its acceptance of such appointment by executing and delivering to the Institution and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Institution shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Institution shall mail or cause to be mailed (at the expense of the Institution) a notice of the succession of such Trustee to the trusts hereunder to the Bondholders at the addresses shown on the registration books maintained by the Trustee. If the Institution fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Institution.

~~(E)~~ Any successor Trustee shall be a trust company or bank having trust powers in The Commonwealth of Massachusetts, having a combined capital and surplus of (or if such trust company or bank is a member of a bank holding system, its bank holding company shall have a combined capital and surplus of) at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal, Massachusetts or New York authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any

time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (E), the Trustee shall resign immediately in the manner and with the effect specified in this Section 8.01.

SECTION 8.02. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (E) of Section 8.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 8.03. Liability of Trustee.

~~(A)~~ The Trustee assumes no responsibility for the correctness of the recitals of fact herein except as they specifically apply to the Trustee, and makes no representations as to the validity or sufficiency of this Indenture or of the Bonds, nor shall the Trustee incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it except for any recital or representation specifically relating to the Trustee or its powers. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligent action, negligent failure to act or willful misconduct.

~~(B)~~ The Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

~~(C)~~ The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority (or such lesser or greater number as this Indenture may permit to direct the Trustee) in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

~~(D)~~ The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bondholders pursuant to the provisions of this Indenture unless such Bondholders shall have offered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities which may be incurred therein or thereby. The Trustee has no obligation or liability to the Holders for the payment of interest, principal or Redemption Price with respect to the Bonds from its own funds; but rather the Trustee's obligations shall be limited to the performance of its duties hereunder. Further, the Trustee shall have no responsibility for the use of Bond proceeds paid out in accordance with this Indenture.

~~(E)~~ Except with respect to Events of Default specified in Section 7.01(A) or Section 7.01(B), the Trustee shall not be deemed to have knowledge of any Event of Default unless and

until a Responsible Officer shall have actual knowledge thereof or the Trustee shall have received written notice thereof from the Institution or the holder of any Outstanding Bond at the Designated Office. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

(F) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through attorneys-in-fact, agents or receivers, and shall not be answerable for the negligence or misconduct of any such attorney-in-fact, agent or receiver selected by it with due care. The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney-at-law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of this Indenture, if such attorney-at-law or certified public accountant was selected by the Trustee with due care.

(G) The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys that shall be released or withdrawn in accordance with the provisions hereof.

(H) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provision of this Article VIII.

(I) The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

SECTION 8.04. Right of Trustee to Rely on Documents. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, statement, requisition, facsimile transmission, electronic mail or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the Institution, with regard to legal questions, and the opinion or written advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee shall not be bound to recognize any Person as the Holder of a Bond unless and until such Bond is submitted for inspection, if required, and such Person's title thereto is satisfactorily established, if disputed.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Institution, and such Certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but

in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

SECTION 8.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject upon prior written notice to the inspection of the Institution and any Bondholder, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

SECTION 8.06. Compensation and Indemnification.

(A) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, if it has not received the agreed compensation for such services or, in cases where the Trustee has a right to reimbursement or indemnification for such performance or exercise, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(B) The Institution further covenants and agrees to indemnify and save harmless the Trustee, and its officers, directors, employees, and agents against any loss, expense and liabilities that it may incur arising out of or in connection with (1) the exercise and performance of the Trustee's powers and duties hereunder in accordance with the provisions hereof or (2) the sale of any Bonds and the carrying out of any of the transactions contemplated by the Bonds or related documents, including the costs and expenses of defending against any claim of liability, but excluding liabilities that are due to the Trustee's negligence or willful misconduct. The obligations of the Institution under this Section 8.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

SECTION 8.07. Notice to Rating Agency. The Trustee shall give written notice to each Rating Agency then rating the Bonds if (1) a successor Trustee is appointed hereunder, (2) if this Indenture is amended or supplemented, (3) if the Bonds are paid and this Indenture defeased pursuant to Section 10.01, (4) if the Bonds are accelerated pursuant to Section 7.02, or (5) if the Bonds are redeemed in whole or in part pursuant to Section 4.01, *provided* that the Trustee shall incur no liability for failure to give any such notice.

ARTICLE IX

MODIFICATION OR AMENDMENT OF THE INDENTURE

SECTION 9.01. Amendments Permitted.

(A) This Indenture and the rights and obligations of the Institution and of the Holders of the Bonds and of the Trustee may be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Institution and the Trustee may enter into when the written consent of the Holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have been filed with the Trustee. No such modification or amendment shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or reduce the rate of interest thereon, or extend the time of payment of interest thereon, or

reduce any premium payable upon the redemption thereof, without the consent of the Holder of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or permit the creation of any lien on the Indenture Fund or the amounts pledged under this Indenture prior to or on a parity with the lien created by this Indenture, or deprive the Holders of the Bonds of the lien created by this Indenture on the Indenture Fund and such amounts (except as expressly provided in this Indenture), without the consent of the Holders of all Bonds then Outstanding. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the Institution and the Trustee of any Supplemental Indenture pursuant to this subsection (A), the Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Indenture, to the Bondholders at the addresses shown on the registration books maintained by the Trustee. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

~~(B)~~ This Indenture and the rights and obligations of the Institution, of the Trustee and of the Holders of the Bonds may also be modified or amended from time to time and at any time by an indenture or indentures supplemental hereto, which the Institution and the Trustee may enter into without the necessity of obtaining the consent of any Bondholders, but only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the Institution contained in this Indenture other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Institution, provided that such covenant, agreement, pledge, assignment or surrender shall not materially adversely affect the interests of the Holders of the Bonds;

(2) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Institution or the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and which shall not materially adversely affect the interests of the Holders of the Bonds;

(3) to modify, amend or supplement this Indenture or any Supplemental Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which shall not materially adversely affect the interests of the Holders of the Bonds (*provided, however*, that such modifications, amendments, supplements and additions shall be permitted under this subsection (B) only if qualification under said act or similar federal statute is required by applicable law now or hereafter in effect); or

(4) to provide for the procedures required to permit any Bondholder, at its option, to utilize an uncertificated system of registration of its Bond or to facilitate the

registration of the Bonds in the name of a nominee of the Securities Depository in accordance with the provisions of Section 2.10.

~~(C)~~ The Trustee may in its discretion, but shall not be obligated to, enter into any such Supplemental Indenture authorized by subsections (A) or (B) of this Section 9.01 which materially adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 9.02. Effect of Supplemental Indenture. Upon the execution of any Supplemental Indenture pursuant to this Article IX, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Institution, the Trustee and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 9.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after the execution of any Supplemental Indenture pursuant to this Article IX may, and if the Institution so determines shall, bear a notation by endorsement or otherwise in form approved by the Institution and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Holder of any Bond Outstanding at the time of such execution and presentation of such Bond for the purpose at the Designated Office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Institution (which may be based on an Opinion of Counsel, in the sole discretion of the Institution), to any modification or amendment contained in such Supplemental Indenture, shall be prepared by the Trustee at the expense of the Institution, executed by the Institution and authenticated by the Trustee, and, subject to the provisions of Section 4.03 while the Bonds remain in the Book-Entry System, upon demand of the Holders of any Bonds then Outstanding shall be exchanged at the Designated Office of the Trustee, without cost to any Bondholder, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amounts of the same maturity.

SECTION 9.04. Amendment of Particular Bonds. The provisions of this Article IX shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by such Bondholder, *provided* that due notation thereof is made on such Bonds.

ARTICLE X

DEFEASANCE

SECTION 10.01. Discharge of Indenture. The Bonds may be paid or discharged by the Institution or the Trustee on behalf of the Institution in any of the following ways:

~~(A)~~ by paying or causing to be paid the principal or Redemption Price of and interest on all Bonds Outstanding, as and when the same become due and payable;

~~(B)~~ by depositing with the Trustee, in trust, at or before maturity, moneys or securities in the necessary amount (as provided in Section 10.03) to pay when due or redeem all Bonds then Outstanding; or

~~(C)~~ by delivering to the Trustee, for cancellation by it, all Bonds then Outstanding.

If the Institution shall also pay or cause to be paid all other sums payable hereunder by the Institution, then and in that case at the election of the Institution (evidenced by a Certificate of the Institution filed with the Trustee signifying the intention of the Institution to discharge all such indebtedness and this Indenture and upon receipt by the Trustee of an Opinion of Counsel to the effect that the obligations under this Indenture and the Bonds have been discharged), and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of the Indenture Fund and all amounts held therein made under this Indenture and all covenants, agreements and other obligations of the Institution under this Indenture (except as otherwise provided in Section 8.06) shall cease, terminate, become void and be completely discharged and satisfied and the Bonds shall be deemed paid. In such event, upon the request of the Institution, the Trustee shall cause an accounting for such period or periods as may be requested by the Institution to be prepared and filed with the Institution and shall execute and deliver to the Institution all such instruments as may be necessary to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to the Institution all moneys or securities or other property held by it pursuant to this Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

SECTION 10.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), *provided* that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Institution in respect of such Bond shall cease, terminate and be completely discharged, and the Bonds shall be deemed paid, except only that thereafter the Holder thereof shall be entitled to payment of the principal or Redemption Price of and interest on such Bond by the Institution, and the Institution shall remain liable for such payments, but only out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 10.04.

The Institution may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Institution may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

SECTION 10.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(A) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of such Bonds and all unpaid interest thereon to the redemption date; or

(B) Investment Securities, the principal of and interest on which when due will provide money sufficient to pay the principal or Redemption Price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or Redemption Price and interest become due; *provided* that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice; *provided*, in each case, that the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by direction of the Institution) to apply such money to the payment of such principal or Redemption Price and interest with respect to such Bonds.

SECTION 10.04. Payment of Bonds after Discharge of Indenture. Notwithstanding any provisions of this Indenture, any moneys held by the Trustee in trust for the payment of the principal or Redemption Price of, or interest on, any Bonds and remaining unclaimed for three years (or, if shorter, one day before such moneys would escheat to the State of New York under then applicable New York law) after such principal, Redemption Price or interest, as the case may be, has become due and payable (whether at maturity or upon call for redemption), shall be repaid to the Institution free from the trusts created by this Indenture upon receipt of an indemnification agreement acceptable to the Institution and the Trustee indemnifying the Institution and the Trustee with respect to claims of Holders of Bonds which have not yet been paid, and all liability of the Trustee and the Institution with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the Institution as aforesaid, the Trustee may (at the cost of the Institution) first mail to the Holders of Bonds which have not yet been paid, at the addresses shown on the registration books maintained by the Trustee, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the Institution of the moneys held for the payment thereof.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture either the Institution or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Institution or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 11.02. Limitation of Rights to Parties and Bondholders. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any

Person other than the Institution, the Trustee and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Institution, the Trustee and the Holders of the Bonds.

SECTION 11.03. Waiver of Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 11.04. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to, or upon the order of, the Institution of any Bonds, the Trustee may, in lieu of such cancellation and delivery, destroy such Bonds.

SECTION 11.05. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

SECTION 11.06. Notices. Any notice, direction, instruction or demand given or made pursuant to this Indenture shall be given or made in writing and shall be served by: (i) United States first-class mail, postage prepaid, addressed to the requisite party as set forth in this paragraph; (ii) hand delivery, addressed to the requisite party as set forth in this paragraph; or (iii) confirmed facsimile, addressed to the requisite party as set forth in this paragraph. Any notice, direction or instruction to or demand upon the Trustee shall be addressed to the Trustee at the Designated Office of the Trustee. Any notice to or demand upon the Institution shall be addressed to the Institution at: Trustees of Boston University, 881 Commonwealth Avenue, Boston, Massachusetts 02215, Attention: Senior Vice President, Chief Financial Officer, and Treasurer, (or such other address as may have been filed in writing by the Institution with the Trustee).

SECTION 11.07. Evidence of Rights of Bondholders.

~~(A)~~ Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in Person or by an agent or agents duly appointed in writing.

~~(B)~~ The fact and date of the execution by any Person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the Person signing such request, consent or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

~~(C)~~ The ownership of Bonds shall be proved by the registration books for the Bonds held by the Trustee.

~~(D)~~ Any request, consent, or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Institution in accordance therewith or reliance thereon.

SECTION 11.08. Disqualified Bonds. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are known to the Trustee to be owned or held by or for the account of the Institution, or by any other obligor on the Bonds, or by any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Institution or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 11.08 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Institution or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel selected by it with due care shall be full protection to the Trustee.

SECTION 11.09. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held uninvested in trust by it for the Holders of the Bonds entitled thereto, subject, however, to the provisions of Section 10.04.

SECTION 11.10. Funds and Accounts. Any fund required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the corporate trust industry, to the extent practicable, and with due regard for the requirements of Section 6.05 and for the protection of the security of the Bonds and the rights of every Holder thereof. The Trustee may establish such additional funds and accounts as it deems necessary or appropriate to perform its obligations hereunder.

SECTION 11.11. Waiver of Personal Liability. No member, officer, agent or employee of the Institution shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or the performance of any duty hereunder; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

SECTION 11.12. Business Days. If any date specified herein shall not be a Business Day, any action required on such date may be made on the next succeeding Business Day with the same effect as if made on such date.

SECTION 11.13. Governing Law; Venue. This Indenture shall be construed in accordance with and governed by the Constitution and the laws of The Commonwealth of Massachusetts applicable to contracts made and performed in The Commonwealth of Massachusetts. This Indenture shall be enforceable in The Commonwealth of Massachusetts and any action arising hereunder shall (unless waived by the Institution) be filed and maintained in The Commonwealth of Massachusetts.

SECTION 11.14. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Institution and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

SECTION 11.15. CUSIP Numbers. Neither the Trustee nor the Institution shall be liable for any defect or inaccuracy in the CUSIP number that appears on any Bond or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Holders and that neither the Trustee nor the Institution shall be liable for any inaccuracies in such numbers.

SECTION 11.16. Agreement Not for the Benefit of Other Parties. This Indenture is not intended for the benefit of and shall not be construed to create rights in parties other than the Institution, the Trustee, and the Bondholders.

SECTION 11.17. Entire Agreement. This Indenture constitutes the entire agreement of the parties hereto and is not subject to modification, amendment, qualification or limitation except as expressly provided herein.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Trustees of Boston University has caused this Indenture to be signed in its name by its Senior Vice President, Chief Financial Officer & Treasurer, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its duly authorized officer all as of the day and year first above written.

TRUSTEES OF BOSTON UNIVERSITY

By _____
Martin J. Howard
Senior Vice President, Chief Financial Officer &
Treasurer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By _____
Authorized Officer

EXHIBIT A
[FORM OF BOND]

REGISTERED

No. R-__

\$300,000,000

UNITED STATES OF AMERICA

BOSTON UNIVERSITY
TAXABLE REVENUE BONDS,
SERIES CC

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ISSUE DATE</u>	<u>CUSIP</u>
4.061%	October 1, 2048	August 17, 2018	89838QAA1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE HUNDRED MILLION DOLLARS

TRUSTEES OF BOSTON UNIVERSITY, a corporation duly created and validly existing under the laws of The Commonwealth of Massachusetts (the “Institution”), for value received, hereby promises to pay, in lawful money of the United States of America, to the Registered Owner specified above, or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter mentioned), the principal amount specified above, and to pay interest on such principal amount on April 1, 2019 and semiannually thereafter on each October 1 and April 1 (each, an “Interest Payment Date”) until payment of such principal amount shall be discharged as provided in the Indenture (as defined below). This Bond shall bear interest at the rate set forth above from the later of (i) August 17, 2018 and (ii) the most recent Interest Payment Date to which interest has been paid or duly provided for. The principal or Redemption Price (as defined below) hereof is payable to the Holder hereof upon presentation and surrender hereof at the Designated Office of U.S. Bank National Association (together with any successor trustee as provided in the Indenture, herein called the “Trustee”), in Boston, Massachusetts (or, in the case of a successor Trustee, at the designated office of such successor Trustee). The Bonds are issuable as fully registered Bonds in “Authorized Denominations” of \$1,000 or any integral multiple thereof.

Payment of the interest on each Interest Payment Date shall be made to the Holder hereof as of the close of business on the Record Date for each Interest Payment Date, such interest to be paid by check mailed by first class mail to such Holder at its address as it appears on such registration books, or, upon the written request of any Holder of at least \$1,000,000 in aggregate principal amount of Bonds, submitted to the Trustee at least one (1) Business Day prior to the Record Date, by wire transfer in immediately available funds to an account within the United States designated by such Holder. Except with respect to defaulted interest (for which a special record date will be established), as used herein, “Record Date” means the fifteenth (15th) day (whether or not a Business Day) of the month immediately preceding each Interest Payment Date.

As long as the Securities Depository is the Holder of all or part of the Bonds in book-entry form, said principal or Redemption Price and interest payments shall be made to the Securities Depository by wire transfer in immediately available funds. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months.

This Bond is one of a duly authorized issue of bonds of the Institution designated as “Boston University Taxable Revenue Bonds, Series CC” (herein called the “Bonds”), limited in aggregate principal amount to three hundred million dollars (\$300,000,000) and issued pursuant to an Indenture of Trust, dated as of August 1, 2018 (herein called the “Indenture”), by and between the Institution and the Trustee. Capitalized terms used herein but not defined herein have the meanings assigned to them in the Indenture.

The Bonds and the interest thereon are payable from amounts paid to the Trustee by the Institution pursuant to the Indenture for deposit in the Indenture Fund (as that term is defined in the Indenture) and are secured by a pledge and assignment of said Indenture Fund and all amounts held therein by the Trustee for the benefit of the Bondholders, subject only to the provisions of the Indenture permitting or requiring the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

Interest payable on any Bond shall cease to accrue (i) on the maturity date of such Bond, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the principal amount thereof, plus interest thereon to such date; or (ii) on the date fixed for redemption thereof, provided that there has been irrevocably deposited with the Trustee an amount sufficient to pay the Redemption Price thereof, plus interest thereon to such date. The owner of such Bond shall not be entitled to any other payment for such Bond, and such Bond shall no longer be outstanding and entitled to the benefits of the Indenture, except for such payment from moneys held by the Trustee for such purpose.

This Bond has been executed by the Trustee pursuant to the terms of the Indenture. Copies of the Indenture are on file at the Designated Office of the Trustee in Boston, Massachusetts (or, in the case of a successor Trustee, at the Designated Office of such successor Trustee), and reference is made to the Indenture and any and all amendments thereof for a description of the pledges and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledges and covenants, the rights and remedies of the registered Holders of the Bonds with respect thereto and the other terms and conditions upon which the Bonds are delivered thereunder.

The Bonds are subject to redemption prior to maturity at the election of the Institution and from mandatory Sinking Fund Installments as provided below.

Optional Redemption. On or after the Par Call Date (April 1, 2048, six months prior to the maturity date of the Bonds), the Bonds will be subject to optional redemption prior to maturity, in whole or in part on any Business Day, at the written direction of the Institution, at a Redemption Price equal to 100% of the principal amount of the Bonds called for redemption, plus accrued and unpaid interest, to but excluding the date of redemption.

Prior to the Par Call Date, the Bonds are subject to optional redemption prior to maturity, in whole or in part on any Business Day, at the written direction of the Institution at a Redemption Price equal to the Make-Whole Redemption Price.

The Institution will obtain an independent accounting firm or an independent financial advisor to determine the Make-Whole Redemption Price and perform all actions and make all calculations required to determine the Make-Whole Redemption Price. The Trustee and the Institution may conclusively rely on such accounting firm's or financial advisor's calculations in connection with, and its determination of the Make-Whole Redemption Price, and neither the Trustee nor the Institution will have any liability for such reliance. The determination of the Make-Whole Redemption Price by such accounting firm or financial advisor will be conclusive and binding on the Trustee, the Institution and the Holders of the Bonds.

The "Make-Whole Redemption Price" is equal to the sum of (a) the greater of (i) 100% of the principal amount of the Bonds to be redeemed, and (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed (not including any portion of those payments of interest accrued and unpaid as of the date on which such Bonds are to be redeemed), discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate plus 20 basis points, plus (b) accrued and unpaid interest on such Bonds to, but excluding, the redemption date. "Treasury Rate" means, with respect to any redemption date, the rate per annum equal to (i) the semiannual equivalent yield to maturity or (ii) if no such semiannual equivalent yield to maturity is available, the interpolated yield to maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. "Comparable Treasury Issue" means the United States Treasury security or securities selected by a Designated Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the Bonds to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such Bonds. "Comparable Treasury Price" means, with respect to any redemption date, the average of the Primary Treasury Dealer Quotations for such redemption date or, if the Designated Investment Banker obtains only one. Primary Treasury Dealer Quotation, such Primary Treasury Dealer Quotation. "Designated Investment Banker" means a Primary Treasury Dealer appointed by the Institution. "Primary Treasury Dealer" means one or more entities appointed by the Institution, which, in each case, is a primary U.S. Government securities dealer in the City of New York, New York and its or their respective successors. "Primary Treasury Dealer Quotations" means, with respect to each Primary Treasury Dealer and any redemption date, the average, as determined by the Designated Investment Banker, of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Primary Treasury Dealer at 3:30 p.m. New York time on the third Business Day preceding such redemption date.

Mandatory Redemption. The Bonds are subject to redemption prior to maturity, in part, through application of Sinking Fund Installments, upon notice given in accordance with the Indenture, at the Redemption Price of one hundred percent (100%) of the principal amount of each Bond or portion thereof to be redeemed, plus accrued and unpaid interest, if any, to but excluding

the redemption date. Unless no Bonds shall then be Outstanding, there shall be due and the Institution shall be required to pay for the retirement of the Bonds, on October 1 of each of the years set forth in the following table, the respective principal amounts set forth in the following table, and each said respective amount to be paid on each such date is hereby established and shall constitute a Sinking Fund Installment for retirement of such Bonds:

<u>Year</u>	<u>Principal Amount</u>
2047	\$146,955,000
2048	153,045,000

There shall be credited against and in satisfaction of the Sinking Fund Installment payable on any date the principal amount of Bonds purchased by the Trustee with money in the Bond Fund and the principal amount of such Bonds so purchased shall be applied against and in fulfillment of a required Sinking Fund Installment of such Bonds in accordance with the Indenture. In addition, there shall be credited against and in satisfaction of the Sinking Fund Installments the Bonds (i) redeemed at the election of the Institution as set forth under “Optional Redemption,” (ii) purchased by the Institution and delivered to the Trustee for cancellation or (iii) deemed to have been paid in accordance with the Indenture, and the principal amount of such Bonds shall be applied against and in fulfillment of the required Sinking Fund Installments thereafter payable on such Bonds, as nearly as practicable pro rata, taking into consideration the Authorized Denominations.

If less than all of the Bonds are to be redeemed, the particular maturities of Bonds to be redeemed at the option of the Institution will be determined by the Institution in its sole discretion.

If the Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of such Bonds, if less than all of the Bonds are called for prior redemption, the particular Bonds or portions thereof to be redeemed shall be allocated on a *pro rata pass-through distribution of principal* basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

The Institution intends that redemption allocations made by DTC be made on a pro rata pass-through distribution of principal basis as described above. However, neither the Institution nor the Underwriters can provide any assurance that DTC, DTC’s direct and indirect participants or any other intermediary will allocate the redemption of Bonds on such basis.

In connection with any repayment of principal, including payments of scheduled mandatory sinking fund payments, the Trustee will direct DTC to make a pass-through distribution of principal to the holders of the Bonds. A Pro Rata Pass-Through Distribution of Principal table is included as Exhibit B to the Indenture and reflects the current schedule of mandatory sinking fund redemptions applicable to the Bonds and the factors applicable to such redemption amounts and remaining bond balances, which is subject to change upon certain optional redemptions.

For purposes of calculation of the “pro rata pass-through distribution of principal,” “pro rata,” means, for any amount of principal to be paid, the application of a fraction to each denomination of the respective Bonds where (a) the numerator of which is equal to the amount due to the respective bondholders on a payment date, and (b) the denominator of which is equal to the total original par amount of the respective Bonds.

If the Bonds are no longer registered in book-entry-only form, each owner will receive an amount of Bonds equal to the original face amount then beneficially held by that owner, registered in such investor’s name. Thereafter, any redemption of less than all of the Bonds will continue to be paid to the registered owners of such Bonds on a pro-rata basis, based on the portion of the original face amount of any such Bonds to be redeemed.

As provided in the Indenture, notice of redemption shall be mailed by first-class mail by the Trustee, not less than thirty (30) or more than sixty (60) days prior to the date fixed for redemption, to the Holder of each Bond designated for redemption at their address appearing on the registration books of the Trustee. If this Bond is called for redemption and payment is duly provided as specified in the Indenture, interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond is transferable by the registered Holder hereof, in person or by the registered Holder’s attorney duly authorized in writing, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds, for the same aggregate principal amount, having the same maturity date and in Authorized Denominations, will be issued to the transferee in exchange hereof. Subject to the limitations and conditions and upon payment of the charges, if any, provided in the Indenture, Bonds may be exchanged for the same aggregate principal amount of fully registered Bonds of other Authorized Denominations.

The Trustee shall not be required to transfer or exchange (i) any Bond during the fifteen (15) days next preceding the selection of Bonds for redemption or (ii) any Bond called for redemption.

The Institution and the Trustee may treat the registered owner hereof as the absolute owner hereof for all purposes, and the Institution and the Trustee shall not be affected by any notice to the contrary.

The Indenture and the rights and obligations of the Institution and of the registered owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that no such modification or amendment shall (i) extend the fixed maturity of this Bond, or reduce the amount of principal hereof, or reduce the rate of interest hereon, or extend the time of payment of interest hereon, or reduce any premium payable upon the redemption hereof, without the consent of the registered owner hereof, or (ii) reduce the percentage of Bonds the consent of the registered owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Indenture Fund or the amounts pledged under the Indenture prior to or on a parity with the lien created by the Indenture, or deprive the Holders of the Bonds of the lien created by the Indenture on the Indenture Fund and such amounts (except as expressly provided in the Indenture),

without the consent of the registered owners of all Bonds then outstanding, all as more fully set forth in the Indenture.

It is hereby certified and recited that any and all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Indenture, and that the amount of this Bond, together with all other Bonds (if any) is not in excess of the amount of Bonds permitted to be issued under the Indenture.

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

IN WITNESS WHEREOF, TRUSTEES OF BOSTON UNIVERSITY has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Senior Vice President, Chief Financial Officer & Treasurer, all as of the date set forth above.

TRUSTEES OF BOSTON UNIVERSITY

By _____
Martin J. Howard
Senior Vice President, Chief Financial Officer &
Treasurer

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the within-mentioned Indenture, and this Bond has been registered on the date set forth below.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

Dated:

By _____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____, attorney, to transfer the same on the books of the within-named Trustee, with full power of substitution in the premises.

Dated: _____ By _____

Signature Guaranteed By:

NOTICE: Signature must be guaranteed by a Participant in a Recognized Signature Guaranty Medallion Program.

EXHIBIT B

PRINCIPAL PAYDOWN FACTOR TABLE

PRO RATA PASS-THROUGH DISTRIBUTION OF PRINCIPAL

Term Bond Due 2048

<u>Principal Paydown Date</u>	<u>Mandatory Sinking Fund/Paydown Amounts⁽¹⁾</u>	<u>Paydown Amount per \$1,000</u>	<u>Remaining Balance per \$1,000</u>	<u>Paydown Factor</u>	<u>Remaining Bond Factor</u>
October 1, 2047	\$146,955,000	\$489.85	\$510.15	0.48985	0.51015
October 1, 2048	\$153,045,000	\$510.15	-	0.51015	-

⁽¹⁾ Subject to change in the event of certain optional redemptions or purchases of Bonds and subject to DTC's (or other securities depository) operational procedures on the date such mandatory sinking fund redemption.