NEW ISSUE | **Rating: S&P: BBB**
***See* RATING**

*In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Interest on the Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see **TAX MATTERS** herein.*

$60,000,000
STATE OF OHIO
(OHIO HIGHER EDUCATIONAL FACILITY COMMISSION)
HIGHER EDUCATIONAL FACILITY REVENUE BONDS
(JOHN CARROLL UNIVERSITY 2025 PROJECT)

Dated: Date of Issuance and Delivery | **Due: October 1, as shown on inside front cover**

The State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project) (the "Bonds") will be initially issued only as fully registered bonds in the denomination of $5,000 or any integral multiple thereof, issuable under a Book Entry System, registered initially in the name of The Depository Trust Company or its nominee ("DTC") as provided in the Trust Agreement dated as of June 1, 2025 (the "Trust Agreement"), between the Ohio Higher Educational Facility Commission (the "Commission") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), securing the Bonds. There will be no distribution of Bonds to the ultimate purchasers. The Bonds in certificated form as such will not be transferable or exchangeable, except for transfer to another nominee of DTC or as otherwise described in this Offering Circular. See **THE BONDS – Book Entry System** and **APPENDIX E – BOOK-ENTRY SYSTEM; DTC**. Principal of and premium, if any, on the Bonds will be payable to the registered owner (DTC), upon presentation and surrender at the designated corporate trust office of the Trustee, and interest will be transmitted by the Trustee on each interest payment date beginning October 1, 2025, and semiannually on each April 1 and October 1 thereafter, to the registered owner (DTC) as of the close of business on the 15th day of the calendar month next preceding the month in which that interest payment date occurs, all as more fully described in this Offering Circular.

The Bonds, when, as and if issued, will be special obligations of the State of Ohio issued by the Commission and shall be payable solely from the revenues and other money pledged and assigned by the Trust Agreement, which include the payments required to be made by John Carroll University (the "University") under a Lease between the Commission and the University.

JOHN CARROLL UNIVERSITY

THE BONDS DO NOT REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMISSION OR THE STATE OF OHIO AND WILL NOT BE SECURED BY AN OBLIGATION OR PLEDGE OF ANY MONEY RAISED BY TAXATION, AND DO NOT GRANT TO THE HOLDERS ANY RIGHTS TO HAVE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF LEVY ANY TAXES OR APPROPRIATE ANY FUNDS FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS.

The Bonds are subject to mandatory redemption, extraordinary optional redemption, optional redemption and purchase in lieu of redemption prior to maturity as described herein.

The Bonds are offered, subject to prior sale, when, as and if issued by the Commission and accepted by KeyBanc Capital Markets Inc. (the "Underwriter"), subject to, among other things, the delivery of the legal opinion of Squire Patton Boggs (US) LLP, Bond Counsel. Certain legal matters will be passed upon for the University by McDonald Hopkins LLC, counsel to the University, and for the Underwriter by Tucker Ellis LLP. It is expected that delivery of the Bonds will be made to DTC or its agent on or about June 3, 2025, against payment therefor.

This cover page includes certain information for reference only and is not a summary of matters set forth in this Offering Circular. Investors should read the entire Offering Circular, including the Appendices, to obtain information essential to the making of an informed investment decision.

KeyBanc Capital Markets Inc.

This Offering Circular has been prepared by John Carroll University in connection with the original offering for the sale of the Bonds. The information contained in this Offering Circular speaks only as of its date, May 13, 2025.

$60,000,000
STATE OF OHIO
(OHIO HIGHER EDUCATIONAL FACILITY COMMISSION)
HIGHER EDUCATIONAL FACILITY REVENUE BONDS
(JOHN CARROLL UNIVERSITY 2025 PROJECT)

MATURITY SCHEDULE

Serial Bonds

Due October 1	Principal Amount	Interest Rate	Yield	CUSIP (67756D)[a]
2027	$ 805,000	5.00%	3.880%	W93
2028	845,000	5.00	3.940	X27
2029	885,000	5.00	4.020	X35
2030	935,000	5.00	4.090	X43
2031	980,000	5.00	4.150	X50
2032	1,030,000	5.00	4.300	X68
2033	1,085,000	5.00	4.360	X76
2034	1,140,000	5.00	4.490	X84
2035	1,195,000	5.00	4.600	X92

Term Bonds

Due October 1	Principal Amount	Interest Rate	Yield	CUSIP (67756D)[a]
2040	$ 6,980,000	5.000%	5.050%	Y26
2045	9,050,000	5.375	5.470	Y34
2050	11,875,000	5.500	5.610	Y42
2057	23,195,000	5.500	5.650	Y59

(a) *See* **REGARDING THIS OFFERING CIRCULAR**.

REGARDING THIS OFFERING CIRCULAR

This Offering Circular does not constitute an offering of any security other than the original offering of the Bonds identified on the cover hereof. No person has been authorized to give any information or to make any representations other than those contained in this Offering Circular and, if given or made, such information or representations must not be relied upon as having been authorized by the University, the Commission, the Underwriter or any other person or entity. This Offering Circular does not constitute an offer to sell or a solicitation of an offer to buy, and there shall not be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. The information and expression of opinions herein are subject to change without notice and neither the delivery of this Offering Circular nor the sale of any of the Bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

The information and descriptions in this Offering Circular do not purport to be comprehensive or definitive. Statements regarding specific documents, including the Bonds, are brief descriptions of and subject to the detailed provisions of such documents and are qualified in their entirety by reference to each such document, copies of which will be on file with the Trustee and will be furnished upon request.

Information herein concerning the University has been obtained from the University, and other information has been obtained from other sources believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Commission or the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Offering Circular: "The Underwriter has reviewed the information in this Offering Circular in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information."

Upon issuance, the Bonds will not be registered by the Commission under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Offering Circular or, other than the Commission (to the extent described herein), approved the Bonds for sale.

The Bank of New York Mellon Trust Company, N.A., by acceptance of its duties as Trustee under the Trust Agreement (as described herein), has not reviewed this Offering Circular and makes no representations as to the information contained herein, including but not limited to, any representations as to the financial feasibility of the University, the Project or related activities.

CUSIP is a registered trademark of the American Bankers Association (the "ABA"). CUSIP data contained herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by FactSet Research Systems Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Underwriter, the Commission or the University. The CUSIP numbers are provided for convenience and reference only. None of the University, the Commission, Bond Counsel, the Trustee or the Underwriter is responsible for the selection or use of CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as set forth in this Offering Circular. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.

Except for the information contained under the captions "THE COMMISSION" and "ABSENCE OF MATERIAL LITIGATION" with respect to the Commission, the Commission has not confirmed, and assumes no responsibility for, the accuracy, completeness or fairness of any of the statements in the Offering Circular or any supplements thereto.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

PORTIONS OF THIS OFFERING CIRCULAR CONTAIN "FORWARD-LOOKING STATEMENTS" AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. AS A GENERAL MATTER, FORWARD-LOOKING STATEMENTS ARE THOSE FOCUSED UPON FUTURE PLANS, OBJECTIVES OR PERFORMANCE AS OPPOSED TO HISTORICAL ITEMS AND INCLUDE STATEMENTS OF ANTICIPATED EVENTS OR TRENDS AND EXPECTATIONS AND BELIEFS RELATING TO MATTERS NOT HISTORICAL IN NATURE. SUCH FORWARD-LOOKING STATEMENTS ARE SUBJECT TO UNCERTAINTIES AND FACTORS, INCLUDING THOSE RELATING TO THE UNIVERSITY'S OPERATIONS AND ITS ABILITY TO REPAY ITS DEBT, ALL OF WHICH ARE DIFFICULT TO PREDICT AND MANY OF WHICH ARE BEYOND THE UNIVERSITY'S CONTROL. SUCH UNCERTAINTIES AND FACTORS COULD CAUSE THE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE MATTERS EXPRESSED IN OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THOSE UNCERTAINTIES AND FACTORS INCLUDE, IN ADDITION TO THOSE MENTIONED ELSEWHERE HEREIN, INTEREST RATES, THE UNIVERSITY'S ENROLLMENT AND TUITION INCREASES, AND GIFTS, GRANTS AND BEQUESTS MADE TO THE UNIVERSITY. THE UNIVERSITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

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INTRODUCTION

This Offering Circular, including the cover page, table of contents page and the Appendices, is provided to furnish information in connection with the issuance by the Ohio Higher Educational Facility Commission (the "Commission") of $60,000,000 principal amount of State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project) (the "Bonds"). The Bonds are being issued pursuant to a Trust Agreement dated as of June 1, 2025 (the "Trust Agreement") between the Commission and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"). The Bonds will be dated their date of issuance and delivery, will mature as set forth on the inside of the front cover page, and will be subject to redemption and purchase in lieu of redemption prior to maturity as described under **THE BONDS – Redemption Prior to Maturity**.

The proceeds of the sale of the Bonds will be used for the purpose of providing funds to pay project costs as defined in Section 3377.01 of the Ohio Revised Code, including costs of and relating to (a) constructing, improving, furnishing and equipping (i) University portions of its Gateway Project, including the student residential, parking and student gathering spaces therein, (ii) improvements to the Student Center, and (iii) other University academic, student and faculty residential, administrative, athletic (including the turf athletic field project) and utility facilities, and (b) such other uses as are permitted by the Act and the Lease, including costs incidental thereto and costs of financing thereof, to provide capitalized interest and to pay certain issuance costs related to the Bonds.

The Project, which includes all facilities financed by the Bonds, will be leased by the University to the Commission under a Base Lease, dated as of June 1, 2025 (the "Base Lease"), between the University, as lessor, and the Commission, as lessee. The Project will be leased by the Commission to the University pursuant to a Lease, dated as of June 1, 2025 (the "Lease"), between the Commission, as lessor, and the University, as lessee. The University is required to make rental payments under the Lease (the "Rental Payments") in amounts sufficient to pay the principal of and premium, if any, and interest on (collectively, the "debt service") the Bonds, whether on an Interest Payment Date, at maturity, upon acceleration or upon redemption. In the Lease, the University has agreed to purchase all interests of the Commission in the Project after all of the debt service on the Bonds has been paid. A portion of the Project that is part of the Gateway Project further described under **THE PROJECT** is owned by The 1886 Company, Ltd., a wholly-owned subsidiary of the University (the **"Affiliate"**). Pursuant to a Lease Agreement between the Affiliate, as lessor, and the University, as lessee, the University will acquire a leasehold interest in that portion of the Project owned by the Affiliate (the **"Gateway Affiliate Lease"**).

The Bonds are special obligations of the State of Ohio (the "State") and the debt service on the Bonds will be payable solely from the revenues to be derived by the Commission from its lease of the Project, all as provided in the Lease and the Trust Agreement, including the Rental Payments and certain other amounts, as described under **THE BONDS – Sources of Payment and Security; Bondholder's Risks.** The Bonds are secured by the Trust Agreement, in which the Commission assigns to the Trustee all of the Commission's rights, excepting Unassigned Rights, with respect to the Revenues (including Rental Payments) and the money and investments in the Special Funds and certain other rights of the Commission under the Lease, as further described under **THE BONDS – Security and Source of Payment; Bondholder's Risks**. The Bonds are further secured by (i) the Guaranty Agreement dated as of June 1, 2025 (the "Guaranty") between the University and the Trustee by which the University unconditionally guarantees the payment of the debt service on the Bonds and (ii) the Pledged Revenues Trust Agreement dated as of June 1, 2025 ("Pledged Revenues Trust Agreement") between the University and the Trustee, as Pledge Trustee (the "Pledge Trustee"), by which certain revenues of the University are pledged to the Pledge Trustee to secure certain long term indebtedness of the University, including the Bonds.

The Commission has previously authorized and issued Higher Educational Facility Revenue Bonds for the benefit of the University. See **APPENDIX A - Outstanding Indebtedness**.

Brief descriptions of the Commission, the University, the Project, the Bonds, the Lease, the Trust Agreement, the Pledged Revenues Trust Agreement and the Guaranty are included in this Offering Circular, including **APPENDIX D – DOCUMENT DESCRIPTIONS** and **APPENDIX G – PROPOSED FORM OF PLEDGED REVENUES TRUST AGREEMENT**. The descriptions of the Bonds, the Lease, the Trust Agreement, the Pledged Revenues Trust Agreement and the Guaranty and references and excerpts of all other documents referred to do not purport to be complete statements of the provisions of such documents and are qualified in their entirety by reference to each such document. Reference is made to the originals of all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds, and the rights and remedies of Bondholders. All descriptions are further qualified in their entirety by reference to laws and principles of equity relating to or affecting the enforcement of creditors' rights. Copies of the above-described documents are available for inspection during the initial offering period at the principal office of KeyBanc Capital Markets Inc., Cleveland, Ohio, and thereafter at the Pittsburgh, Pennsylvania trust office of the Trustee. Capitalized terms used herein shall have the same meanings as given to them in the Lease or the Pledged Revenues Trust Agreement unless otherwise defined herein or where the context would clearly indicate otherwise. See, also, **APPENDIX D – DOCUMENT DESCRIPTIONS – Definitions** and **APPENDIX G – PROPOSED FORM OF PLEDGED REVENUES TRUST AGREEMENT**.

THE BONDS

General

The Bonds will be dated their date of issuance, will bear interest payable semi-annually on April 1 and October 1 of each year (each an "Interest Payment Date"), commencing October 1, 2025, and will bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their dated date. Interest will be calculated on the basis of a 30-day month and a 360-day year. The Bonds will mature, subject to prior redemption and purchase in lieu of redemption as hereinafter described, in the amounts and on the dates and will bear interest at the respective rates all as shown on the inside of the front cover page of this Offering Circular. The Bonds will be authorized and issued by the State acting by and through the Commission under the provisions of the Act and pursuant to a resolution adopted by the Commission (see **THE COMMISSION**).

Denomination; Payment

The Bonds are being issued as fully registered bonds in the denomination of $5,000 or any integral multiples thereof. Interest is to be paid by wire transfer to the person in whose name that Bond is registered (the "Holder" or "Bondholder") on the registration books (the "Register") maintained by the Trustee as registrar (the "Registrar") at the close of business on the fifteenth day of the calendar month next preceding each Interest Payment Date (the "Regular Record Date"). Principal of and premium, if any, on the Bonds will be payable when due upon presentation and surrender of the Bonds at the designated corporate trust office of the Trustee. See, also, **THE BONDS – Book Entry System**.

If and to the extent there is a default in the payment of interest on any Bonds on any Interest Payment Date, that interest in default will cease to be payable to the person who was the Holder of that Bond as of the close of business on the applicable Regular Record Date. Whenever money becomes available for the payment of defaulted interest, the Trustee will establish a special record date for the payment of that defaulted interest (the "Special Record Date"), which will not be more than 15 nor fewer than 10 days prior to the date of the proposed payment, and the Trustee will cause notice of the proposed payment and Special Record Date to be mailed by first class mail to each Holder at its address as it appears on the Register not fewer than 10 days prior to the Special Record Date. Such notice having been so mailed, the defaulted interest will be payable to the persons who are the Holders of the Bonds at the close of business on that Special Record Date.

Redemption Prior to Maturity

Mandatory Sinking Fund Redemption. The Bonds maturing on October 1, 2040, October 1, 2045, October 1, 2050 and October 1, 2057 (the "Term Bonds") are subject to mandatory redemption prior to maturity at a redemption price of 100% of the principal amount redeemed plus interest accrued to the redemption date, on October 1 in the following principal amounts in the years specified:

Term Bonds Due October 1, 2040

Mandatory Redemption Date (October 1)	Amount
2036	$1,260,000
2037	1,325,000
2038	1,390,000
2039	1,465,000

The remaining principal amount of $1,540,000 is payable at maturity on October 1, 2040 (unless redeemed earlier by optional redemption).

Term Bonds Due October 1, 2045

Mandatory Redemption Date (October 1)	Amount
2041	$1,620,000
2042	1,710,000
2043	1,805,000
2044	1,905,000

The remaining principal amount of $2,010,000 is payable at maturity on October 1, 2045 (unless redeemed earlier by optional redemption).

Term Bonds Due October 1, 2050

Mandatory Redemption Date (October 1)	Amount
2046	$2,120,000
2047	2,240,000
2048	2,370,000
2049	2,500,000

The remaining principal amount of $2,645,000 is payable at maturity on October 1, 2050 (unless redeemed earlier by optional redemption).

Term Bonds Due October 1, 2057

Mandatory Redemption Date (October 1)	Amount
2051	$2,795,000
2052	2,950,000
2053	3,115,000
2054	3,295,000
2055	3,480,000
2056	3,675,000

The remaining principal amount of $3,885,000 is payable at maturity on October 1, 2057 (unless redeemed earlier by optional redemption).

Extraordinary Optional Redemption. The Bonds are subject to extraordinary redemption prior to maturity on any date by and at the option of the Commission, at the direction of the University, at a redemption price of 100% of the principal amount redeemed, plus interest accrued to the redemption date: (i) in whole upon the occurrence of certain events described in the Lease (damage or destruction, governmental taking, changes in law, or loss of tax-exempt status by the University) and the exercise by the University of its option to terminate the Lease (see **APPENDIX D - DOCUMENT DESCRIPTIONS - The Lease – University's Options to Terminate Lease**) and (ii) in part (in accordance with the Trust Agreement for partial redemption described below) in the event of condemnation or taking through eminent domain of the Project or any part thereof to the extent provided in the Lease.

Optional Redemption. Unless previously redeemed, the Bonds maturing on or after October 1, 2036, are also subject to redemption by and at the option of the Commission, at the direction of the University, prior to stated maturity in whole or in part on any date, on or after October 1, 2035, at a redemption price of 100% of the principal amount to be redeemed plus accrued interest to the redemption date.

Partial Redemption. If fewer than all of the outstanding Bonds that are stated to mature on different dates are called for redemption at one time, the principal maturities of the Bonds to be called will be designated by the University. If fewer than all of the outstanding Bonds of one maturity are called for redemption, the selection of Bonds to be redeemed, or portions thereof in amounts of $5,000 or any integral multiple thereof, will be determined by DTC following receipt of notice of redemption from the Trustee (see **Redemption Prior to Maturity – Notice of Call**

for Redemption; Effect). For purposes of the Trust Agreement, Bonds maturing on the same dates at different interest rates will be considered separate maturities. In the event of a redemption of a Term Bond, the Trustee will allocate the principal amount of the Term Bond redeemed against the mandatory sinking fund redemption requirements as designated by the University.

Notice of Call for Redemption; Effect. The Trustee is to cause notice of the call for redemption, identifying the Bonds or portions of Bonds to be redeemed and any conditions to the redemption, to be sent by first class mail at least 30 days prior to the date set for redemption, to the registered owner of each Bond to be redeemed at the address shown on the Register on the fifteenth day preceding that mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of Bonds.

If at the time of mailing of a notice of redemption there has not been deposited with the Trustee money sufficient to redeem all Bonds called for redemption, such notice will state that it is conditional, that is, subject to the deposit of money sufficient for the redemption with the Trustee not later than the redemption date, and such notice will be of no effect unless such money is so deposited.

On the date designated for redemption, Bonds or portions of Bonds called for redemption will become due and payable upon satisfaction of any condition precedent set forth in the redemption notice. If the Trustee then holds sufficient money for payment of debt service and any applicable premium payable on that redemption date, interest on each Bond (or portion of a Bond) so called for redemption will cease to accrue on that date.

So long as all Bonds are held under a Book Entry System by a securities Depository (such as DTC), call notices are sent by the Trustee only to the Depository or its nominee. Selection of book entry interests in the Bonds called, and giving notice of the call to the owners of those interests called, is the sole responsibility of the Depository and of its Direct Participants and Indirect Participants. Any failure of the Depository to advise any Direct Participant or of any Direct Participant or any Indirect Participant to notify the book entry interest owners, of any such notice and its content or effect will not affect the validity of any proceedings for the redemption of any Bonds or portions of Bonds (see **Book Entry System,** below).

Purchase in Lieu of Redemption

In lieu of redeeming Bonds as described in **Redemption Prior to Maturity - Optional Redemption** herein, the University may purchase Bonds maturing on or after October 1, 2036 at any time and from time to time on or after October 1, 2035, at a purchase price equal to 100% of the principal amount purchased plus interest accrued to the purchase date. The purchase of the Bonds will be mandatory and enforceable against the Holders of the Bonds to be purchased and such Holders have no right to retain their Bonds. Following any such purchase, the purchased Bonds will be registered in the name of the University or its nominee or as otherwise directed by the University. In the case of the purchase of less than all of the Bonds, the particular Bonds to be purchased will be selected as described in **Redemption Prior to Maturity – Partial Redemption**. Notwithstanding the foregoing, no such purchase shall be made unless the University shall have delivered to the Trustee and the Commission concurrently with such purchase an opinion of Bond Counsel to the effect such purchase will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. No such purchase of Bonds will operate to extinguish purchased Bonds which will remain outstanding under the Trust Agreement. Notice of a purchase as described herein, including notice of any conditions that such purchase may be subject to, will be given to the Holders at the times and in the manner set forth in **Redemption Prior to Maturity - Notice of Call for Redemption; Effect**.

Nonpresentment of Bonds

If any Bonds are not presented for payment at the date fixed for their redemption or when due, or if a check or draft for interest is uncashed, and if funds sufficient for such redemption or payment are held by the Trustee, then the Trustee will thereafter hold such funds without liability for interest and the registered owners of such Bonds will thereafter be restricted exclusively to such funds for the satisfaction of any claim relating to such Bonds. Any such funds remaining unclaimed for four years after becoming due and payable will be paid to the University, and the registered owner entitled thereto will thereafter be entitled to look only to the University for such funds.

Book Entry System

The Bonds will be delivered in book-entry-only form and, when issued, registered in the name of The Depository Trust Company ("DTC"), or its nominee Cede & Co., which will act as securities depository for the Bonds. For discussion of the book-entry system and DTC and the replacement of Bonds in the event that the book-entry system is discontinued, see **APPENDIX E – BOOK-ENTRY SYSTEM; DTC**.

Sources of Payment and Security; Bondholder's Risks

The debt service on the Bonds is payable from the Revenues, including primarily the Rental Payments to be derived by the Commission under the Lease, and the money, securities and funds and accounts to be held by the Trustee (including investment earnings) available for that purpose under the Trust Agreement.

In addition, in order to secure the payment of the debt service on the Bonds and the performance of the obligations contained in the Trust Agreement and the Bonds, the Commission will assign to the Trustee all its right, title and interest in and to (i) the Revenues, (ii) the Lease, except certain rights to be reimbursed for fees and expenses, to be indemnified, to receive Additional Payments, to consent to amendments, and to enter into subsequent leases of the Project as permitted by the Lease, (iii) all money and investments in the Special Funds, and (iv) the proceeds of the Bonds to the extent included in the Revenues and the Guaranty. The Commission will also assign to the Trustee, excepting Unassigned Rights and effective only upon an Event of Default under the Lease and for so long as such an Event of Default continues to exist, all of its right, title and interest in the Base Lease. There is no debt service reserve fund securing the Bonds.

The Bonds are further secured by the Guaranty by which the University unconditionally guarantees the payment of the debt service on the Bonds.

Upon issuance of the Bonds, the University will enter into the Pledged Revenues Trust Agreement with the Pledge Trustee, pursuant to which the University pledges, assigns and grants to the Pledge Trustee, a lien on and a security interest in certain of its revenues (as defined in the Pledged Revenues Trust Agreement, the "Pledged Revenues"). The pledge under that agreement is subject to numerous limitations and exceptions and is not perfected under the Uniform Commercial Code as currently in effect in the State. The Pledged Revenues Trust Agreement will secure all of the University's currently outstanding bonds issued by the Commission and certain future long-term debt (including the Bonds), along with University obligations to any credit or liquidity facility providers or counterparties to derivative agreements relating to that debt. The Pledged Revenues Trust Agreement will secure all of those obligations on a parity basis and provides a mechanism for the University to secure future long-term indebtedness on a parity basis. See **APPENDIX G – Proposed Form of Pledged Revenues Trust Agreement**. Existing Commission bonds secured pursuant to the Pledged Revenues Trust Agreement, are identified in **APPENDIX A –Outstanding Indebtedness** and in **APPENDIX G**. Upon issuance, the Bonds will be treated as Parity Obligations secured by the Pledged Revenues Trust Agreement. The Pledged Revenues Trust Agreement sets forth conditions under which the University may incur future long-term indebtedness. See **APPENDIX G -Proposed Form of Pledged Revenues Trust Agreement**, including **Section 2.02** thereof.

THE BONDS DO NOT REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMISSION OR THE STATE, WILL NOT BE SECURED BY AN OBLIGATION OR PLEDGE OF ANY MONEY RAISED BY TAXATION, AND DO NOT GRANT TO THE HOLDERS ANY RIGHTS TO HAVE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF LEVY ANY TAXES OR APPROPRIATE ANY FUNDS FOR THE PAYMENT OF THE DEBT SERVICE ON THE BONDS.

The Project has been and is being specifically constructed and equipped for the benefit of the University for use in its educational programs, and may be subject to practical restrictions that may limit the use thereof by others. See **THE PROJECT**. Therefore, in the event of a default, the Trustee's ability to lease the Project to third parties would be limited by those practical restrictions and by Permitted Encumbrances. The rentals, if any, might thus be adversely affected. There is no assurance that, should an event of default occur, the proceeds from the lease or other disposition of the Project would be sufficient to allow payment in full of the Bonds. Also, as noted in **APPENDIX D – DOCUMENT DESCRIPTIONS - The Lease –Remedies on Default**, the Trustee as assignee has the right, upon default under the Lease, to sublease the Project. The Lease covers only a portion of the campus of the University, and university buildings are generally special-use buildings, so that it may be difficult to obtain rentals on subleasing adequate to pay debt service on the Bonds. The building housing the Gateway Project will not be entirely occupied by the University. Any such sublease may also adversely impact the tax status of interest on the Bonds under the Code. **The University has not granted a mortgage on the Project or any other property to secure the Bonds.**

Under existing law, the remedies specified by the Trust Agreement, the Lease, the Pledged Revenues Trust Agreement and the Guaranty may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by State and federal laws, rulings and decisions affecting remedies and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights or the application of general principles of equity.

The enforceability of the liens of the Lease, Pledged Revenues Trust Agreement and the Trust Agreement may be subject to subordination or prior claims in certain instances other than bankruptcy proceedings. For a discussion of examples of possible limitations on enforceability and of possible subordination or prior claims, see **ENFORCEABILITY OF REMEDIES**.

The University is subject to the same competitive pressures that affect other private colleges and universities. Changing demographics may mean a smaller pool of college-bound persons from which to draw entering classes. Greater competition for students together with rising tuition may mean that the University will need to increase its financial aid packages to attract and retain students or that it may face fewer students and decreased revenues. Attracting and keeping qualified administrators and faculty may mean higher expenditures for salaries and administrative costs. Each of these factors can have an impact on the revenues of the University. Factors that may also adversely affect the operations of the University, the extent of which cannot be presently determined, include, among others: (1) changes in the demand for higher education in general or for programs offered by the University in particular; (2) a decrease in availability of student loan funds or other aid; (3) increases in the costs of operating and maintaining the University's physical plant; (4) increases in salaries and other labor costs for the University's employees; (5) increases in the costs of health care benefits, retirement plan or other benefit packages offered by the University to its employees and retirees; (6) a significant decline in the University's investments based on market or other external factors; (7) reductions in funding support from donors or other external sources; (8) increased costs and decreased availability of public liability insurance; (9) cost and availability of energy; (10) high interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures; (11) litigation; (12) employee strikes and other labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs; (13) natural disasters, which might damage the University's facilities, interrupt service to its facilities or otherwise impair the operation of the facilities; (14) risks relating to the expansions or construction projects undertaken by the University including risks relating to construction and operation; (15) an increase in the cost of outstanding variable rate debt and/or associated liquidity facilities or credit enhancements or short-term borrowings the University periodically uses to fund operations; (16) risks associated with cybersecurity and cyberattacks; (17) developments in connection with name, image and likeness for collegiate athletics, employment status of student athletes, and other changes in college athletics; (18) the elimination or modification of, or reduction in, government funded or financially assisted programs, projects, grants, contracts or activities, including those funded or financially assisted by the U.S. government that may be affected by changes in governmental policy or decision-making; and (19) risks associated with the outbreaks of health related epidemics and pandemics. Neither the Underwriter nor the Commission has made any independent investigation of the extent to which any such factors will have an adverse impact on the revenues or operations of the University.

Construction and Completion Risk

As with any major construction or improvement effort of similar nature to the Gateway Project, the construction and completion of the Gateway Project involves risks such as shortages of, or increases in the costs of, materials and labor, work stoppages, labor disputes, weather interferences, unanticipated cost overruns, delayed governmental approvals and a shortage of anticipated fundraising, any of which could increase the cost or delay the construction or operation of the Project. There can be no assurance that the Project, including the Gateway Project, will be completed on the timetable projected by the University or within the budget and other assumptions used by the University.

Cybersecurity Risk

The University, like other public and private entities, relies on a technological environment to conduct its operations. As a recipient and provider of personal, private or sensitive information, the University is subject to multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the University's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage.

The University is not aware of any successful cyber threat event to date; however, no assurances can be given that the University's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the University. The University carries cyber liability insurance. See "**APPENDIX A – Insurance** and **- Cybersecurity Risks and Mitigation Efforts**."

No Assurance of Secondary Market for the Bonds

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that the Bonds can be sold for any particular price. Accordingly, purchasers of the Bonds should be prepared to have their funds committed until the Bonds mature. Given current market irregularities and volatility, at present, there is a limited secondary market for the Bonds. No assurance is given, and none can be given, by the University or the Underwriter that a more robust secondary market for the Bonds will be re-established (in the near or longer term) or, if re-established, will not be disrupted by ongoing world events. As a result, no assurances are given as to the ability of investors to reoffer any Bonds purchased in the secondary market.

Other Risks Relating to Institutions of Higher Education

Revenue Adequacy; Reliance on Tuition; Enrollment. Tuition and fees revenues represent a substantial portion of the University's total revenue. The University's ability to timely make payments of debt service on the Bonds and other financial obligations depends on, among other things, a relatively steady level of enrollment and income from tuition and fees paid by students. A number of factors including, without limitation, levels of tuition rates and other fees, competition from other higher education institutions, a change in the number of university age students, general economic conditions and employment opportunities in fields related to students' areas of study will influence the number of applicants to the University.

The University, in the past, has been able to raise tuition and related fees without adversely affecting enrollment, however, there can be no assurance that it will continue to be able to do so in the future or that employment opportunities will not adversely impact enrollment. Future tuition increases could adversely affect enrollment, which could adversely affect the University's financial position and results of operations. Additionally, increased tuition may not necessarily result in increased net revenues for the University if the increased scholarships and grants given to attract and retain qualified students offset the increase in tuition.

Dependence on Financial Aid. A substantial portion of the University's revenues from tuition and fees is funded by student loans and federal government programs, as well as the University's own funds. Financial assistance in the form of scholarships, grants, loans and employment is a significant factor in the decision of many students to attend a particular college or university. Generally, a substantial portion of the University's students receive grant or scholarship aid from the federal government, state/local government, and/or the University. The level of financial assistance is directly affected by funding levels of federal and State financial aid programs, the level of private giving to the University and income derived from the investment of endowment and other funds.

There is no assurance that all of these programs will continue to be available to the students of the University. Any significant reduction in the level of financial assistance offered to prospective students could reduce the number of students enrolling at the University, adversely affecting the University's ability to generate tuition revenues.

Fundraising. The University raises funds from a variety of sources to finance its operating and capital needs and to build its endowment. While the University plans to continue these efforts, there can be no assurance that it will be able to continue to raise funds at current levels. Fundraising may be adversely affected by a number of factors, including changes in general economic conditions and changes in tax law affecting the deductibility of charitable contributions.

Government Funding. The federal and state governments provide funding to support education, including tuition assistance. These sources of funding and the governmental programs that support them have been and will continue to be subject to elimination, modification and revision due to state and federal policy decisions and decision-making, executive orders, legislative action, and government funding limitations. The financial condition of the University could be adversely affected by these actions and the ability of the University to maintain its creditworthiness will be based on its ability to successfully manage the outcome of any such actions.

THE COMMISSION

The Commission is a body both corporate and politic constituting an agency and instrumentality of the State. It was created in 1968 by, and exists under, Chapter 3377 of the Ohio Revised Code. The Commission was established to enhance educational opportunities for the people of the State and to alleviate the pressing demands upon tax-supported colleges and universities by enhancing the availability, efficiency and economy of educational facilities for private colleges and universities by facilitating or achieving the lower costs of the financing or refinancing of such educational facilities.

The Commission is authorized, among other things, to issue revenue bonds of the State to provide funds for acquiring, constructing, equipping and furnishing educational facilities that are leased to private colleges or universities and to refund certain previously issued bonds. Each issue of bonds is secured by a pledge and assignment of the payments received by the Commission pursuant to the lease of the applicable educational facilities and may be secured by a mortgage on such facilities. In the lease, the university has the option to purchase the facilities prior to the termination of the lease and the university agrees to purchase the facilities at the lease termination, in each case after provision has been made for the retirement or redemption of all the bonds issued for such facilities. The Commission does not make any grants and has access to capital improvement funds only through issuance of revenue bonds.

The Commission may lease projects to private, nonprofit institutions of higher education that hold effective certificates of authorization issued by the Ohio Chancellor of Higher Education, but not to institutions whose principal educational activity is preparing students for religious or ecclesiastical fields. The Commission may acquire and lease any facility that is academic, administrative, or auxiliary thereto, other than facilities used exclusively as places for devotional activities.

The Commission consists of nine members including the Ohio Chancellor of Higher Education or a designee of the Chancellor, an *ex officio* member. The other eight members are appointed to overlapping eight-year terms by the Governor with the advice and consent of the State Senate. The Chair is designated by the Governor, and the other officers, including the Vice Chair and the Secretary, are elected by the members from their own number. The members of the Commission receive no compensation for their services, but are entitled to reimbursement for their actual and necessary expenses. The Commission's office is located in Columbus, Ohio. The Commission does not have any employees. The Ohio Department of Higher Education provides staffing assistance to the Commission when necessary.

THE PROJECT

Proceeds from the sale of the Bonds will be used to pay a portion of the costs of and relating to (1) constructing, improving, furnishing and equipping (i) University portions of its Gateway Project, including the student residential, parking and student gathering space therein, (ii) improvements to the Student Center, and (iii) other University academic, student and faculty residential, administrative, athletic (including the turf athletic field project) and utility facilities, and (2) such other uses as are permitted by the Act and the Lease, including costs incidental thereto, to provide capitalized interest, to pay issuance costs and costs of financing thereof. See also **ESTIMATED SOURCES AND USES OF FUNDS**. The Gateway Project is further described under **Student Housing** within **APPENDIX A** hereto.

SOURCES AND USES OF FUNDS

The proceeds expected to be received from the sale of the Bonds and their expected application is as follows:

Sources of Funds

Principal Amount of Bonds	$60,000,000.00
Net Original Issue Discount	(492,637.90)
TOTAL SOURCES	$59,507,362.10

Uses of Funds

Deposit to Issuance Expenses Fund(1)	$ 794,650.00
Deposit to Improvement Fund(2)	58,712,712.10
TOTAL USES	$59,507,362.10

(1) Includes Underwriter's Discount (see **UNDERWRITING**), legal, printing and Trustee fees, Rating Service fees and other related financing costs.

(2) $4,611,225.41 on deposit in the Improvement Fund to be applied towards capitalized interest on the issue.

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DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service requirements on long-term debt of the University following issuance of the Bonds.

		The Bonds		
Year Ending May 31	Existing Bonds[(1)]	Principal	Interest[(2)]	Total
2025	$ 6,714,800	$ -	$ -	$6,714,800
2026	7,363,175	-	2,656,577	10,019,752
2027	7,364,050	-	3,209,288	10,573,338
2028	9,995,675	805,000	3,189,163	13,989,838
2029	9,996,925	845,000	3,147,913	13,989,838
2030	9,995,350	885,000	3,104,663	13,985,013
2031	9,996,275	935,000	3,059,163	13,990,438
2032	9,995,306	980,000	3,011,288	13,986,594
2033	9,995,713	1,030,000	2,961,038	13,986,750
2034	9,998,163	1,085,000	2,908,163	13,991,325
2035	9,991,713	1,140,000	2,852,538	13,984,250
2036	9,996,738	1,195,000	2,794,163	13,985,900
2037	9,996,063	1,260,000	2,732,788	13,988,850
2038	9,998,313	1,325,000	2,668,163	13,991,475
2039	9,991,588	1,390,000	2,600,288	13,981,875
2040	9,995,538	1,465,000	2,528,913	13,989,450
2041	9,994,550	1,540,000	2,453,788	13,988,338
2042	9,999,300	1,620,000	2,371,750	13,991,050
2043	9,991,700	1,710,000	2,282,256	13,983,956
2044	9,993,700	1,805,000	2,187,791	13,986,491
2045	9,994,700	1,905,000	2,088,084	13,987,784
2046	9,999,200	2,010,000	1,982,869	13,992,069
2047	9,991,900	2,120,000	1,870,550	13,982,450
2048	9,997,300	2,240,000	1,750,650	13,987,950
2049	9,994,800	2,370,000	1,623,875	13,988,675
2050	9,994,000	2,500,000	1,489,950	13,983,950
2051	9,994,300	2,645,000	1,348,463	13,987,763
2052	9,995,100	2,795,000	1,198,863	13,988,963
2053	9,990,900	2,950,000	1,040,875	13,981,775
2054	-	3,115,000	874,088	3,989,088
2055	-	3,295,000	697,813	3,992,813
2056	-	3,480,000	511,500	3,991,500
2057	-	3,675,000	314,738	3,989,738
2058	-	3,885,000	106,838	3,991,838
Total	$281,316,831	$60,000,000	$69,618,839	$410,935,671

(1) Excludes debt service on the First American Lease Line referenced in **APPENDIX A**.
(2) Includes interest representing capitalized interest that will be paid with Bond proceeds.

JOHN CARROLL UNIVERSITY

The University is a private coeducational institution of higher education located in Cuyahoga County, Ohio. See **APPENDIX A** for a description of the University.

ENFORCEABILITY OF REMEDIES

Enforcement of the security interest in the Revenues and the Pledged Revenues and the remedies specified by the Trust Agreement, Lease, the Pledged Revenues Trust Agreement and Guaranty, as applicable, may be limited by the application of federal bankruptcy laws or other laws relating to creditors' rights. A court may decide not to order the specific performance of the covenants contained in these documents.

Under the United States Bankruptcy Code, allowable claims in a bankruptcy case for future rents under a lease of real property are limited to rentals during the greater of (i) one year or (ii) 15% (but not exceeding three years) of the lease term remaining after the date of the filing of the bankruptcy proceedings or the removal of the lessee from possession. There is no dispositive court decision that decides whether the Bankruptcy Code's limitation on claims for rentals may apply to a bond trustee's claim against a bankrupt obligor under a guaranty of the obligation to make payments on tax-exempt bonds. In light, however, of (i) the weight of the case law regarding claims in bankruptcy by bond trustees under lease agreements similar to the Lease and (ii) the economic realities of this tax-exempt bond financing, a claim by the Trustee under the Guaranty in a bankruptcy proceeding should not be subject to limitations imposed on amounts allowed for claims arising under the leases of real property. The degree to which such a claim is satisfied will be dependent upon amounts that are available for and ordered to be distributed in the bankruptcy proceeding.

The enforceability of the liens of the Lease, the Pledged Revenues Trust Agreement and the Trust Agreement may be subject to subordination or prior claims in certain instances other than bankruptcy proceedings. Examples of possible limitations on enforceability and of possible subordination or prior claims include (i) statutory liens, (ii) rights arising in favor of the United States of America or any agency thereof, (iii) present or future prohibitions against assignment in any federal statutes or regulations, (iv) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction, (v) claims that might arise if appropriate financing or continuation statements are not filed in accordance with the Ohio Uniform Commercial Code from time to time in effect or as a result of that code's not providing for perfection of a security interest therein, (vi) inability of the Trustee to perfect a security interest in those elements of the Revenues that can be perfected only by taking possession of such collateral, (vii) federal bankruptcy laws affecting, among other matters, payments made within 90 days prior to any institution of bankruptcy proceedings by the University or the Commission, (viii) state or federal fraudulent conveyance laws, (ix) the rights of holders of prior perfected security interests or of perfected purchase money security interests in equipment or other goods owned by the University and in the proceeds of the sale of such property and (x) the rights of other parties secured by liens permitted under the Bond Documents, including Permitted Encumbrances (as defined in the Lease and the Pledged Revenues Trust Agreement, respectively).

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights.

ABSENCE OF MATERIAL LITIGATION

To the knowledge of the appropriate officials of the Commission and the University, there is no litigation or administrative action or proceeding pending or threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the Trust Agreement, the Lease, the Pledged Revenues Trust Agreement or the Guaranty, or contesting or questioning the validity of the Bonds or the proceedings and authority under which the Bonds have been authorized and are to be issued or delivered, or the pledge or application of any money or security provided for the payment of the Bonds under the Trust Agreement, the Lease or the Guaranty. A no-litigation certificate to such effect with respect to the Bonds will be delivered to the Underwriter at the time of the original delivery of the Bonds.

From time to time, various claims, charges and litigation are and have been asserted or commenced against the University arising out of the operations of the University and its affiliated support entities. In certain instances, the amounts claimed are substantial or are unspecified, and may not be covered by the University's insurance policies. The damages claimed may not bear any reasonable relationship to the merits of the litigation.

The University is at present a party to various legal proceedings and aware of claims seeking damages or injunctive relief and generally incidental to its operations, unrelated to the Bonds, the security for the Bonds, or the Project. In the opinion of the administration of the University, the University has meritorious defenses to the claims and in the pending litigation against it and final judgments that might be rendered against the University in such litigation or related to such claims are covered by insurance or are not expected to have a material adverse effect on the financial position or operations of the University.

UNDERWRITING

Pursuant and subject to the terms and conditions set forth in the Bond Purchase Agreement relating to the Bonds among KeyBanc Capital Markets Inc. (the "Underwriter"), the Commission and the University, the Underwriter has agreed, subject to certain conditions precedent, to purchase the Bonds at an aggregate purchase price of $59,117,362.10 (representing the aggregate principal amount of the Bonds, minus net original issue discount of $492,637.90, less an underwriter's discount of $390,000.00). The University has agreed to indemnify the Underwriter and the Commission against certain civil liabilities, including liabilities under federal securities laws. The Bonds will be offered to the public initially at the offering prices set forth inside of the cover page of this Offering Circular. Those offering prices subsequently may change without any requirement of prior notice. The Underwriter may offer the Bonds to other dealers at prices lower than those offered to the public.

KeyBanc Capital Markets Inc. and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Such activities may involve or relate to assets, securities and/or instruments of the University (whether directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with (or that are otherwise involved with transactions by) the University. KeyBanc Capital Markets Inc. and its respective affiliates may have, from time to time, engaged, and may in the future engage, in transactions with, and performed and may in the future perform, various investment banking services for the University for which they received or will receive customary fees and expenses. Under certain circumstances, KeyBanc Capital Markets Inc. and its affiliates may have certain creditor and/or other rights against the University and any affiliates thereof in connection with such transactions and/or services. In addition, KeyBanc Capital Markets Inc. and its affiliates may currently have and may in the future have investment and commercial banking, trust and other relationships with parties that may relate to assets of, or be involved in the issuance of securities and/or instruments by, the University and any affiliates thereof. KeyBanc Capital Markets Inc. and its affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

ELIGIBILITY UNDER OHIO LAW FOR INVESTMENT AND AS SECURITY FOR THE DEPOSIT OF PUBLIC FUNDS

Under the authority of Section 3377.11 of the Ohio Revised Code and to the extent investments of the following are subject to Ohio law, the Bonds are lawful investments of banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of the State, the commissioners of the sinking fund of the State, the administrator of workers' compensation, the State teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and fire pension fund, and are also acceptable as security for the deposit of public money.

TAX MATTERS

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law: (i) interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Bond Counsel expresses no opinion as to any other tax consequences regarding the Bonds.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the Commission, the University and The 1886 Company, LTD (a wholly owned subsidiary of the University, the "Affiliate") contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. In addition, Bond Counsel has relied on, among other things, the opinion of McDonald Hopkins LLC, counsel to the University, regarding, among other matters, the current status of the University as an organization described in Section 501(c)(3) of the Code and the Affiliate's status as a disregarded entity of the University for federal income tax purposes, which opinion is subject to a number of qualifications and limitations. Bond Counsel has relied upon representations of the University and the Affiliate concerning the University's and the Affiliate's "unrelated trade or business" activities, as defined in Section 513(a) of the Code. Failure of the University to maintain its status as an organization described in Section 501(c)(3) of the Code or the University or the Affiliate's failure to maintain the Affiliate's status as a disregarded entity of the University for federal income tax purposes, or to operate the facilities financed by the Bonds in a manner that is substantially related to the University's exempt purpose under Section 513(a) of the Code, may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. Bond Counsel will not independently verify the accuracy of the Commission's, the University's and the Affiliate's certifications and representations or the continuing compliance with the Commission's, the University's and the Affiliate's covenants and will not independently verify the accuracy of the opinion of the University's counsel.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the Commission, the University or the Affiliate may cause loss of such status and result in the interest on the Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The University and the Affiliate and, subject to certain limitations, the Commission have each covenanted to take the actions required of it for the interest on the Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or the market value of the Bonds.

Interest on the Bonds may be subject to: (1) a federal branch profits tax imposed on certain foreign corporations doing business in the United States; (2) a federal tax imposed on excess net passive income of certain S corporations; and (3) the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Commission, the University, the Affiliate or the owners of the Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Bonds, under current IRS procedures, the IRS will treat the Commission as the taxpayer and the beneficial owners of the Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Bonds.

Prospective purchasers of the Bonds upon their original issuance at prices other than the respective prices indicated on the inside cover of this Offering Circular, and prospective purchasers of the Bonds at other than their original issuance, should consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax that was in effect at that time, and eliminated the tax-exempt advance refunding of tax-exempt bonds and tax-advantaged bonds, among other things. Additionally, investors in the Bonds should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be affected and the ability of holders to sell their Bonds in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, sale or other disposition of that Discount Bond. A purchaser of a Discount Bond in the initial public offering at the issue price (described above) for that Discount Bond who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

Owners of Discount and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Bonds, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

APPROVAL OF LEGAL PROCEEDINGS

Legal matters incident to the issuance of the Bonds and with regard to the tax-exempt status of the interest thereon (see **TAX MATTERS**) are subject to the legal opinion of Squire Patton Boggs (US) LLP, Bond Counsel. A signed copy of that opinion, dated and speaking only as of the date of the original delivery of the Bonds, will be delivered to the Underwriter.

The proposed text of the legal opinion is set forth as **APPENDIX C** hereto. The legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of the Offering Circular or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to its date.

While Bond Counsel has participated in the preparation of portions of this Offering Circular, it has not been engaged to confirm or verify, and expresses and will express no opinion as to, the accuracy, completeness or fairness of any statements in this Offering Circular, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the University or the Bonds that may be prepared or made available by the University, the Underwriter, or others to the bidders for or holders of the Bonds or others.

In addition to rendering the legal opinion, Bond Counsel will assist in the preparation of and advise the Commission and the University concerning documents for the bond transcript.

Certain legal matters in connection with the Bonds will be passed upon for the University by McDonald Hopkins LLC, counsel to the University. Certain matters will be passed upon for the Underwriter by Tucker Ellis LLP.

The legal opinions and other letters of counsel to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein and speak only as of the dates of such opinions. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that opinion, or the transaction on which the opinion or advice is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL STATEMENTS

The financial statements of the University as of and for the years ended May 31, 2024 and May 31, 2023, included in this Offering Circular have been audited by Forvis Mazars, LLP, independent auditors, as stated in their report appearing in **APPENDIX B**.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings and a certificate (described under **ABSENCE OF MATERIAL LITIGATION**) relating to litigation will be delivered by the Commission when the Bonds are delivered by the Commission to the Underwriter. The University at that time will also provide to the Underwriter a certificate, signed by the University officials who sign this Offering Circular and addressed to the Underwriter, relating to the accuracy and completeness of the Offering Circular and to its being a "final" offering circular in the judgment of the University for purposes of SEC Rule 15c2-12.

RATING

S&P has assigned a municipal bond rating of "BBB" with a stable outlook to the Bonds. The Bonds carry no rating from any other Rating Service. The University's other outstanding debt currently carries both the referenced S&P rating and a Moody's rating of Baa2 with a negative outlook, and the University has requested that Moody's withdraw its rating on its other outstanding debt.

The S&P rating reflects only the view of S&P and an explanation of the significance of the rating may only be obtained from S&P. The University has furnished to S&P certain information and materials, some of which have not been included in this Offering Circular. Generally, Rating Services base their ratings on such information and materials and on investigations, studies, and assumptions furnished to, obtained and made by the Rating Services. There is no assurance that such rating when assigned will continue for any given period of time or that it may not be changed or withdrawn entirely by the Rating Service, if in its judgment circumstances so warrant. Any downward change in or withdrawal of the rating may have an adverse effect on the marketability and/or market price of the Bonds. Neither the Commission, the University nor the Underwriter has undertaken any responsibility either to bring to the attention of the Holders of the Bonds any proposed revision or withdrawal of the rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE AGREEMENT

The University has agreed, for the benefit of the Holders and Beneficial Owners from time to time of the Bonds, in accordance with SEC Rule 15c2-12 (the "Rule"), to provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") such annual financial information and operating data, audited financial statements and notices of the occurrence of certain events in such manner as may be required for purposes of the Rule (the "Continuing Disclosure Agreement"). See **APPENDIX F** for the proposed form of the Continuing Disclosure Agreement.

The Continuing Disclosure Agreement will remain in effect only for such period that the Bonds are outstanding in accordance with their terms and the University remains an obligated person with respect to the Bonds within the meaning of the Rule.

The University has materially complied with its prior continuing disclosure undertakings in effect during the past five years.

CONCLUDING STATEMENT

The references herein to and summaries or descriptions of provisions of the Bonds, the Lease, the Trust Agreement, the Pledged Revenues Trust Agreement and the Guaranty and all references to other materials not stated to be quoted in full are only brief outlines of some of the provisions thereof, and do not purport to summarize or describe all of the provisions thereof. Copies of the Bonds, the Lease, the Trust Agreement and the Guaranty, are available during the initial offering period for inspection at the offices of KeyBanc Capital Markets Inc. in Cleveland, Ohio and thereafter at the designated corporate trust office of the Trustee.

To the extent that any statements made in this Offering Circular involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of those statements have been or will be realized. Information in this Offering Circular has been derived by the University from official and other sources and is believed by the University to be accurate and reliable. Information other than that obtained from official records of the University has not been independently confirmed or verified by the University and its accuracy is not guaranteed.

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Neither this Offering Circular nor any statement that may have been or that may be made orally or in writing is to be construed as or as part of a contract with the original purchasers or subsequent holders of the Bonds.

The University and the Commission have authorized distribution of this Offering Circular; it has been prepared and delivered by the University and signed for and on behalf of the University by its official identified below.

JOHN CARROLL UNIVERSITY

By: /s/ Alan Miciak
President

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APPENDIX A

JOHN CARROLL UNIVERSITY

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1 Description of the University

John Carroll University (the "University", "John Carroll" or "JCU"), an Ohio nonprofit corporation, is a Catholic, Jesuit university dedicated to developing women and men with the knowledge and character to lead and to serve. Founded in 1886 by the Society of Jesus (the "Jesuits"), the University is one of 27 Jesuit universities in the United States.

Degree programs through the College of Arts and Sciences, Boler College of Business, and newly launched College of Health are offered in 47 major fields in the arts, social sciences, natural sciences, and business at the undergraduate level, and in 17 selected areas at the Master's level. The University has recently introduced new majors such as Nursing, Public Health, Neuroscience, and a 3+2 program in Psychology and Applied Behavioral Analysis. Additionally, the University offers over 20 graduate-level degrees.

The University offers undergraduate and Master's degree programs and full- or part-time scheduling opportunities for the convenience of its students. In Fall 2024, total full-time equivalent undergraduate and graduate enrollment at the University was 2,764 students, of which 2,325 were undergraduate students.

There are 27 buildings on approximately 65 landscaped acres that make up the University Heights campus located approximately 10 miles east of downtown Cleveland, Ohio. As its primary mission, the University provides rigorous academic programs with a solid liberal arts foundation. The University is committed to instructional excellence, faculty research and community service. The University is recognized for excellent retention and graduation rates with 83% of freshmen returning as sophomores and 72% of undergraduate students receiving their Bachelor's degrees in four years, compared with 49% for other four-year private schools nationwide and 33% for four-year public schools (Source: *National Center for Education Statistics*).

In 2024 the University earned the third spot in the *U.S. News & World Report*'s Best Colleges Rankings among "Best Regional Universities in the Midwest" and was listed in *The Princeton Review*'s "Best in the Midwest" honors. The University was ranked among top institutions of higher learning nationwide in the *Wall Street Journal's* 2025 Best Colleges in the U.S. The University has also consistently been recognized by U.S. News & World Report for its academic excellence, as evidenced by its 31 straight years in their top rankings.

The Boler College of Business maintains dual AACSB accreditation in business and accounting, a distinction earned by less than 20% of institutions in the United States. Students from the Kramer School of Accountancy and Information Sciences in the Boler College of Business who sat for the 2023 CPA Exam earned the second spot in Ohio and ranked 35th nationally based on the pass rate for first time test takers.

2 Mission and Vision

As one of 27 Jesuit colleges and universities in the United States, John Carroll is part of a global network of higher education that includes over 200 institutions with roots dating back over 450 years. The University is guided in all of its activities by its Jesuit Catholic Mission, stated briefly below:

As a Jesuit Catholic university committed to academic rigor, inclusive excellence, and care for the whole person, John Carroll University inspires individuals of intellect and character to learn, lead, and serve in the community and throughout the world.

The mission of the University is realized through the following Vision Statement:

Grounded in its Jesuit Catholic heritage, John Carroll University will:

- *Build upon its strengths in the liberal arts to advance innovative, rigorous programs for a diverse community of students,*
- *Enhance its reputation as a top-ranked university of choice through distinction in health, business, analytics, and experiential learning, and*
- *Provide a culture of care where all experience a deep sense of belonging and thrive as engaged learners who become inspired, discerning leaders in service for and with others.*

These commitments define and distinguish John Carroll as a Jesuit and Catholic university that prepares students to lead and serve in the 21st century with a special sensitivity to the need for social justice in response to current social pressures and problems.

In its recent reaffirmation of the University's accreditation in 2019, the Higher Learning Commission judged without any concerns or reservations that the University's mission is clear, that it is articulated publicly, and that it guides the institution's operations. The University's mission was also reaffirmed in the 2016 Mission Reaffirmation Process by the Jesuit Provincial of the Midwest Province of Jesuits, as well as the General Superior in Rome.

In October 2021, Dr. Al Miciak, President of John Carroll, signed a pledge on behalf of the University to join the first cohort of colleges and universities to answer Pope Francis' call to join the Vatican's Seven-Year Journey to become a Laudato Si' Campus. John Carroll will take concrete steps to promote ecological education and simplified lifestyles, reduce its carbon footprint, invest and spend responsibly, and listen carefully to the voices of those who are poor and most adversely affected by climate change.

3 Governance Structure

The University is governed by a Board of Directors (the "Board"), which has responsibility for the policies and overall governance of the University. The elected directors may not number fewer than 25 nor more than 60. A minimum of three directors, excluding ex officio directors, must be members of The Society of Jesus. The President of the University and a representative of the University's Alumni Association are ex officio members of the Board, with full voting rights. Directors do not receive compensation for their services. The Corporate Governance and Nominating Committee of the Board recommends candidates to serve as directors. Directors are elected for three-year terms by the full Board of Directors and are confirmed by the Board of Members of the University. The Board of Members of the University consists of the President of the University, the Rector of the John Carroll Jesuit Community, and two Jesuits assigned to the John Carroll Jesuit Community who are employed by or have retired from employment at the University.

The Board holds at least three regular meetings during the University's fiscal year and special meetings may be called. The presence of a majority of voting directors at a meeting is necessary for a quorum. In general, the actions of the Board require the vote of a majority of directors present at a meeting. Some actions require an additional vote of the Board of Members of the University. Between Board meetings, the Board's Executive Committee has full power and authority to take most actions that the Board may take. The Executive Committee consists of the Board Chair(s), Vice-Chair(s), chairs of the Board's standing committees, the University President, and several members who are designated to provide special expertise or advice to the Committee. Current Board standing committees or task forces include Academic Affairs; Advancement; Athletics; Audit; Corporate Governance and Nominating; Enrollment and Marketing; Executive; Finance; Health; Investments; Mission and Diversity; Properties, Facilities & Technology; and Student Experience and Campus Belonging.

The following list sets forth the current members of the Board, each member's principal business or professional affiliation, and the year in which each member's term expires.

Name	Affiliation	Term Expires
William P. Donnelly '83 (Co-Chair)	Lead Director Ingersoll Rand Corp. Director various other corporations Executive Vice President & CFO (Retired) Mettler Toledo	2027
Nancy Cunningham Benacci '77 (Co-Chair)	Managing Director of Equity Research (Retired) KeyBanc Capital Markets	2025
Richard J. Adams, Jr. '78	Practice Leader (Retired) / Willis Towers Watson	2025
Victor B. Alexander '02	Executive Vice President / KeyCorp	2026
Ara A. Bagdasarian '78	Executive VP (Retired) / TravelCenters of America	2025
Eric H. Beck, DO '04	President / ESO	2026
Barbara O. Brown '82	Corporate Sustainability Service Lead (Retired) / ERM	2027
Rita Carroll '86	Director of Corporate Strategy & Development SouthWest Water Company	2025
Timothy J. Cavanagh '84	Partner/Founder / Cavanagh Law Group	2025
Rev. Martin Connell, S.J.	Dean / Arrupe College	2027
Edward L. Cooper, III '84	Senior Vice President / Heartland Financial, USA	2026
F. Michael Covey III '94	Managing Director / Merrill Private Wealth Mgmt.	2025
James A. Coyne '82	Vice-Chairman, Director, & Chief Financial Officer Stoneleigh Capital LLC	2026
John P. Dempsey '84	Principal / Vanderbilt Office Properties	2025
Ronald A. Deneweth '74	Managing Partner / Deneweth Vittiglio & Sassak, PC	2026
Barbara J. Duganier '79	Corporate Director / Various companies	2025
Kevin J. Embach, S.J., M.D.	Assistant Professor / Creighton University	2025
London L. Fletcher '97	Football Analyst / CBS Sports	2027
William J. Gagliano '77	Partner (Retired) / Ulmer & Berne LLP	2026
Christopher A. Gessner	President and CEO / Akron Children's Hospital	2027
Irwin G. Haber	Chairman and Owner / The PDI Group	2027
Howard W. Hanna, III '69	Chairman / Howard Hanna Real Estate Services	2026

Harold F. Hawk, Jr. '81	President & CEO Crown Battery Manufacturing Company	2026
Bruce D. Jarosz '72	Senior Advisor CFO and VP of Operations (Retired) / M.F. Cachat Co	2026
Michael A. Keresman, III '79	Chief Executive Officer / 3X3 Ventures, LLC	2025
Christine M. Kramer '86	Board Member/Stan Hywet Hall and Gardens	2025
Jane B. Lambesis '83	Vice President, Sales / Federated Investors, Inc.	2027
Rev. Lukas M. Laniauskas S.J.	Pastor / Church of the Gesu	2027
Bruce Luecke '78	President and CEO (Retired) / Homeport	2025
Annmarie P. Lyons '95	Vice President / Women's Health Svc Line at UPMC	2025
John L. Mastrantoni '80	President (Retired) / IMCD US, LLC	2026
Anthony J. Mazzella '77	President and CEO / Mazzella Lifting Tech/Sheffield	2026
James B. Meathe '79	Partner / Young & Meathe	2027
Linda Meglin '74	President Meglin Marketing and Communications Inc.	2025
Alan R. Miciak, PhD	President / John Carroll University	2027
Brian J. Mortellaro '94	Owner, Operator / Mortellaro McDonalds	2027
James J. Moses II '80	Senior VP, Dallas Fort Worth Hub Operations American Airlines	2027
Susan S. Mullaney '83	Principal / HMS Interiors Ltd.	2027
Gregory G. Muresan '98	Tax Partner / PwC	2027
James M. Myers '80	Chairman (Retired) / PETCO	2025
Sean P. Nolan '90	Executive Chairman / Jaguar Gene Therapy	2027
Ann Chiarucci O'Brien	Health Care Executive (Retired)	2027
Jeffrey H. Paravano '88	Managing Partner / Baker Hostetler.	2026
Holly B. Perzy, M.D. '85	Chair, Pediatrics Internal Medicine / MetroHealth	2026
Michael B. Petras, Jr. '89	Chief Executive Officer / Sotera Health, LLC	2026
David Robinson '74	Executive (Retired) / Hospice of Michigan	2026
George A. Sample '02, '12G	Principal Consultant / Blue Streak Consultants	2025
Daniel F. Sansone '74	Executive VP & CFO (Retired) / Vulcan Materials	2026
Rev. Nicholas Santos S.J.	Rector / Jesuit Community	2026
Alex Schmitt '98	CPA and Assurance Partner / Ernst & Young	2026
Carol J. Simon PhD, '78	Senior Vice President / The Lewin Group	2026
Gregory J. Skoda '78	Senior Partner / Marcum LLP	2025
Jason J. Therrien '01	Founder and President / Thunder::Tech	2025
Anthony Tricarichi '78	CFO (Retired) / Park Place Technologies, LLC	2026
Paul M. Voinovich '94	Principal / Vocon	2026
James E. Winchester, Jr. '65	Chief Executive Officer / The QUIKRETE Companies	2027
Lisa M. Zone '98	Senior Managing Director / Dix & Eaton	2027

Members of the Board of Directors, 88% of whom are alumni, are proudly committed and unified to ensure the success and financial sustainability of John Carroll. They not only show this commitment through their financial support, time spent in meeting preparation and attendance, and sharing of their expertise, but also in the level of their engagement with each other, with the University's senior leadership team and the life of the University. Non-Jesuit board members typically donate in excess of $2.0 million annually and also make extraordinary donations to campaigns and endowments.

Certain members of the Board (now or in the future) may be partners, officers, directors or stockholders of, or may have other financial interests or business relationships with, financial institutions or other firms that may be among the firms considered to provide services in connection with the University's financial or related needs. The Board's Conflict of Interest policy requires members to disclose the existence of such relationships, and for the Audit Committee of the Board to review such conflicts and consider management plans to resolve such conflicts. Such transactions are permitted only if they are on terms no less favorable to the University than could be obtained from unrelated parties and subject to written management plan terms.

4 Administration

Alan Miciak, Ph.D., *President*

Dr. Alan R. Miciak is the 26th president of John Carroll University. He became President in June 2021 and had previously served as the John M. and Mary Jo Boler Dean of the Boler College of Business at JCU. Under his leadership, JCU has embraced significant advancements aligned with its Jesuit mission and commitment to academic excellence and formative student experiences.

Guided by the strategic plan, *Inspired Futures*, that he implemented at the beginning of his term as University President, President Miciak has overseen the launch of the College of Health which includes the School of Nursing, and over $125 million in capital improvement initiatives. These initiatives include renovations to the Grasselli Library and Breen Learning Center, state-of-the-art laboratories for the College of Health, and the DJ Lombardo Student Center and residence halls.

Dr. Miciak has announced that he intends to retire at the end of the 2025-2026 academic year. The Board will commence a search to select the University's 27th President.

Bonnie Gunzenhauser, Ph.D., *Vice President for Academic Affairs*

Dr. Bonnie Gunzenhauser serves as Vice President for Academic Affairs at John Carroll University in Cleveland, Ohio. Prior to this role, Dr. Gunzenhauser served as Dean of Arts and Sciences at John Carroll and as Dean of Arts and Sciences at Roosevelt University in Chicago. An English professor by training, her scholarship focuses on the literature and culture of the long 18th century, the rise of a mass reading public, and – more recently – on leadership development, academic innovation, and 21st-century approaches to the liberal arts. She holds a Bachelor of Arts in English, philosophy, and political science from Luther College and an MA and PhD in English from the University of Chicago.

Carolyn Noll Sorg, ***Vice President for Enrollment and Marketing***

Carolyn Noll Sorg joined John Carroll University's Senior Leadership Team as Vice President for Enrollment Management in May 2023. At that time, Ms. Sorg's areas of oversight included undergraduate admission, financial aid, student services, and enrollment operations. In August 2024, Ms.Sorg was appointed Vice President for Enrollment and Marketing with the addition of Integrated Marketing and Communications (IMC) to her portfolio. Ms. Sorg previously worked with the College Board where she consulted with global higher education clients and has served in admission roles at U.S. universities both public and private. She has published research on the impact of the campus visit on college choice. Ms. Sorg holds an MA in higher education from Columbia University's Teachers College, and a Master of Fine Arts in experience design from Miami University.

Naomi Sigg, ***Vice President for Student Experience and Campus Belonging***

Naomi Sigg serves as the Vice President for Student Experience and Campus Belonging at John Carroll University. In this role, she oversees key areas such as the Center for Student Diversity and Inclusion, the Dean of Students Office, Campus Recreation, Student Engagement, Residence Life, Title IX Initiatives, and diversity, equity, inclusion, and belonging (DEIB) programming for both students and faculty. Ms. Sigg's vision is centered on fostering an inclusive, welcoming campus environment where all students feel supported to thrive academically, socially, and personally. Before joining John Carroll University, Ms. Sigg served as Senior Associate Dean of Students and Director of Multicultural Affairs at Case Western Reserve University. She also led the Midwest Asian American Students Union as its Executive Director, a role that allowed her to amplify the voices and experiences of the Asian Pacific Islander Desi American community.

Ms. Sigg's work has earned her national recognition and numerous prestigious awards, including the Flora Stone Mather Women of Achievement Award, the National Dialogue Award from Sustained Dialogue International, the OCPA Equity and Inclusion Award, the Myrtis Powell Community Builder Award from Miami University, and the G. Dean Patterson People Are Most Important Award from Case Western Reserve University Student Affairs.

Edward Peck, Ph.D., ***Vice President for University Mission and Identity***

Dr. Edward J. Peck, Ph.D. is the Vice President for University Mission and Identity. In this role, he oversees the Department of Campus Ministry, the Ignatian Spirituality Institute, and the Office of Ignatian Formation for faculty and staff. He is a certified spiritual director in the Ignatian tradition and serves on several regional and national committees and task forces related to Jesuit mission and identity. Before assuming this role, Dr. Peck served as the founding Executive Director of the Ignatian Colleagues Program, housed at John Carroll, for the Association of Jesuit Colleges and Universities ("AJCU"). Preceding that role was his time as Associate Dean of the Graduate School at John Carroll where Dr. Peck taught Ethics in the M.B.A. and Nonprofit Administration programs and the Department of Theology and Religious Studies. Dr. Peck also served as Assistant Professor of Religious Studies at Neumann College in Aston, Pennsylvania, where he served as coordinator of the Religious Studies department and was awarded the Distinguished Faculty Award. He designed and served in Neumann College's residential and athletic chaplaincy programs. Dr. Peck earned a Master's degree in Divinity and Systematic

Theology from St. John’s Seminary, a Ph.D. in Christian Ethics from Loyola University Chicago, and a certificate in Ignatian Spiritual Direction from the Ignatian Spirituality Institute at John Carroll.

Mike Scanlan ’06, *Vice President for University Advancement*

Mike Scanlan is the Vice President for University Advancement overseeing development, alumni relations, and advancement services. In this role, he is responsible for annual and campaign fundraising, engagement with the University’s over 45,000 alumni, and donor stewardship. He also serves as John Carroll's primary spokesperson. Prior to leading University Advancement, he spent five years overseeing John Carroll's marketing and communications efforts, most recently as Vice President for University Relations. He joined John Carroll in 2019 after 12 years in the sports and entertainment industry, including roles with the Buffalo Bills, Ladies Professional Golf Association (LPGA), and International Management Group (IMG).

Robert F. Connors ’91, *Vice President for Finance and Administration*

Bob Connors is the Vice President for Finance and Administration. He is responsible for leading and managing the University’s finances and budget, treasury operations, investment management, human capital, information technology, facilities, risk management and external properties. Prior to joining John Carroll, he served as Corporate Controller at Mazzella Companies, Chief Financial Officer of Swensons Drive-In Restaurants and Director of Finance/Corporate Controller at Vitamix Corporation. He earned a BSBA in Accounting at John Carroll University in 1991 and began his career in public accounting at Ernst & Young. Mr. Connors is a licensed Certified Public Accountant in the State of Ohio and School Board Member of the Albert Einstein Academy of Ohio.

Brian Polian ’97, *Vice President for Athletics and National Engagement*

Mr. Polian has served as Vice President for Athletics and National Engagement since August 1, 2024.

Mr. Polian brings extensive administrative experience to the role. Most recently, he served as the Associate Athletics Director / General Manager of Football at Louisiana State University. At LSU, Mr. Polian guided the Tigers through a major roster overhaul, helping to produce two top-10 recruiting classes in 2022 and 2023. He also worked as special teams coordinator at the University of Notre Dame from 2017-21, during which time the Fighting Irish made two College Football Playoff appearances and consistently finished in the top 20 special teams rankings.

Additionally, Mr. Polian served as a member of the inaugural College Football Officials Competition Committee, as well as the American Football Coaches Association (AFCA) Ethics Committee. A 25-year veteran of collegiate sports leadership, Mr. Polian’s roots in athletics and ties to John Carroll run deep. Mr. Polian graduated from John Carroll in 1997 with a B.A. in History following a four-year stint on the JCU Football Team.

Jeremiah Swetel, ***Assistant Vice President for Facility and Auxiliary Services***

Jeremiah Swetel is the Assistant Vice President of Facility and Auxiliary Services. He is responsible for campus facility design, construction, operation and maintenance as well as auxiliary services which include dining operations, the campus bookstore, event scheduling, mail and copy services. Prior to John Carroll, Mr. Swetel spent 18 years in the public sector where he was responsible for construction, planning and governmental affairs. He holds a Bachelor of Art in Business from Hiram College, Master of Arts in Interdisciplinary Studies from Hiram College and a Master of Science in Environmental Science from Green Mountain College.

Colleen G. Treml, J.D., ***General Counsel***

Colleen G. Treml is the General Counsel, providing counsel regarding legal matters related to John Carroll, and legal support to the University's governing boards, president, executive officers, and other University constituents. Ms. Treml has practiced law for more than 25 years, focusing on higher education law in positions with Taft, Stettinius & Hollister, Ursuline College, and Case Western Reserve University, including as Deputy General Counsel at Case Western Reserve University. Ms. Treml earned her J.D. with honors from the University of North Carolina School of Law. She holds a B.A. in English/Journalism and Economics and Management from Albion College in Albion, Michigan.

5 Accreditation

John Carroll is accredited by The Higher Learning Commission, an institutional accreditation agency recognized by the U.S. Department of Education. The next reaffirmation of the University's accreditation will occur in April 2025. The University is authorized by the State of Ohio to grant degrees. The current authorization extends through 2025. John Carroll participates in the State Authorization Reciprocity Agreements, allowing us to teach distance education students in other states.

The Boler College of Business is among only 6% of business schools worldwide that hold accreditation from AACSB International (The Association to Advance Collegiate Schools of Business) at both the undergraduate and graduate levels. Among 2% of the world's schools with independent accreditation for accountancy hold this distinction.

The College of Arts and Sciences' programs in Education are approved by the Ohio Department of Higher Education and accredited by the Council for the Accreditation of Educator Preparation (CAEP) for the 2024-2025 academic year for the preparation of Primary, Middle Childhood, Adolescent and Young Adult, and Multi-Age school teachers and principals. Education programs are in the process of transitioning to their accreditation to the Association for Advancing Quality in Educator Preparation. The undergraduate degree program in chemistry is approved by the Committee on Professional Training of the American Chemical Society (ACS). Students majoring in chemistry can receive an ACS-certified degree with the appropriate coursework. The Engineering Physics program in the department of Physics aligns with ABET accreditation standards. The department will formally apply for ABET accreditation in 2025 after its first cohort graduates. The Master's degree in Applied Behavior Analysis is eligible to initiate the accreditation process through the Association for Behavior Analysis International in Summer 2025.

In the College of Health, the Clinical Mental Health Counseling and the School Counseling Programs are accredited by the Council on Accreditation of Counseling and Related Educational Programs (CACREP). The University's Bachelor of Science in Nursing has conditional approval from the Ohio Board of Nursing and is seeking accreditation from the Commission on Collegiate Nursing Education (CCNE). The Master's degree in Exercise Physiology is beginning the process of receiving accreditation from the Commission on Accreditation of Allied Health Education Programs (CAAHEP).

In addition to other affiliations in specialized areas and disciplines, the University holds memberships in many other educational organizations and associations, including the Council of Graduate Schools in the United States, the Midwest Association of Graduate Schools, the Association of Graduate Schools in Catholic Colleges and Universities, the Association of American Colleges and Universities, the Association of Jesuit Colleges and Universities, the National Catholic Educational Association, the American Council on Education, the Association of Independent Colleges and Universities of Ohio, the American Association of Collegiate Registrars and Admissions Officers, and the Association of College Admissions Counselors.

6 Academic Programs

The University offers a wide range of academic curricular and co-curricular programs through the College of Arts and Sciences, Boler College of Business, and College of Health.

The College of Arts and Sciences, through its 18 academic departments, offers programs in both the traditional liberal arts and in several pre-professional fields, including education, professional writing, integrated marketing communication, behavior analysis, and preparation for law school. Degrees offered include Bachelor of Arts, Bachelor of Science, Master of Arts, Master of Science, and Master of Education, as well as several certificates, endorsements, and post-Master's certifications.

The Boler College of Business, and its Donnelly School of Leadership and Social Innovation and Kramer School of Accountancy and Information Science, prepares students for a range of business careers in fields such as corporate finance, personal finance, accounting, marketing, management and organizational leadership, supply chain management, economics, and entrepreneurship with a focus on developing next-generation leaders who can successfully navigate today’s broader environmental, societal, and ethical challenges. Degrees offered include Bachelor of Science in Business Administration and Bachelor of Science in Economics. Additionally, the Master of Business Administration is offered in three alternative formats: the Boler M.B.A. (also offered in hybrid and online formats), the Boler Global M.B.A., and the Professional M.B.A. The Boler M.B.A. is designed as a full-time program for students with little business experience, while the Professional M.B.A. is a part-time program for working professionals. The Boler Global M.B.A. is similar to the Boler M.B.A. but provides a more global focus.

The College of Health was established in December 2023 and offers programs in a variety of direct-care and healthcare-adjacent fields, including counseling, nursing, exercise science, and preparation for medical school and other health professions. Degrees offered include Bachelor of Arts, Bachelor of Science, Bachelor of Science in Nursing, Master of Arts, and Master of Education, Master of Science, as well as several certificates and post-Master's certifications. The College of Health leverages partnerships with the Cleveland Clinic, University Hospitals and MetroHealth to provide students with access to insights, research and networking opportunities.

Undergraduate students in the three colleges may choose from among 70 distinct majors and minors and interdisciplinary concentrations or through participation in one of the University's Honors and Scholars Programs: the Honors Program; the Arrupe Scholars for Social Justice; and the Leadership Scholars Program. All academic programs rest on the foundation of the University's Integrative Core Curriculum, an innovative program that emphasizes the development of whole persons educated in the humanizing arts and sciences, skilled in expression and scholarly investigation, and aware of the interrelationship of knowledge and the interdependence of people. The Core Curriculum highlights intellectual, moral and spiritual principles, and the responsible social actions that flow from them. The Core Curriculum and major programs are integrated into a coherent educational experience to prepare students for positions of leadership and service in professional, business, and service careers.

In the past five years, approximately 60% of all first-year undergraduate students entered as either business or STEM majors. The highest enrollment of majors in STEM are biology, psychology, chemistry, and computer science. The largest enrollment of majors in the Boler College of Business are finance, marketing, and accounting. The largest undergraduate program in the College of Health is exercise science, while its new nursing program is growing rapidly. Outside of those majors, other popular areas of study are political science and communication.

All undergraduate students have several curricular and co-curricular experiential learning opportunities. Undergraduate students have opportunities and funding to conduct research on campus, in the community, and around the world. The University's annual Discover Day showcases the depth and breadth of research on campus.

Experiential learning continues through a variety of high-impact practices: research, study abroad, professional development, internships, and service learning.

The University's most recent results of the National Survey on Student Engagement from 2023 indicate that 34% of seniors had worked with a faculty member on a research project outside of class over their four years at John Carroll, and that 38% of first-year students already had or were planning to do so, comparing favorably against other schools in the University's Carnegie class. In 2023-2024, 144 students received academic credit for doing research with a faculty member, and an additional 35 students participated in funded research during the summer of 2024, representing 8.0% of the undergraduate population.

The University offers directly and through various partnerships a wide variety of study abroad programs in various locations around the globe.

All students are encouraged to participate in professional development programs that provide workplace skills appropriate to their major. Internships arranged by the University's Center for Career Services and academic departments help students gain increasingly important on-the-job experience while receiving credit. 86% of the graduating seniors in the last five graduating classes reported completing at least one internship.

Students also have the opportunity to pursue academic service learning via the Center for Service and Social Action (CSSA). The Center connects the campus with the community through sustained partnerships that enable John Carroll to realize the Jesuit goal of developing well-educated men and women who understand what it means to stand in solidarity with those living in poverty and on the margins, to engage in ongoing reflection; and to build a more just and humane society. In academic year 2023-2024 almost 1,300 John Carroll students delivered more than 16,000 hours of service.

7 Research, Grants, and Programs

The University is classified as a Master's Level I institution under the Carnegie Classification of Institutions of Higher Education. Externally sponsored research and program grants are managed by the Office of Sponsored Programs (OSP). Sponsored programs consist of externally funded projects covering a range of activities including research, teaching, training, and services. The project may be supported by a number of different sponsors, such as federal agencies, state agencies, private foundations, corporate or industry, or non-profit organizations. OSP also houses the Institutional Review Board and Institutional Animal Care and Use Committee and administers research compliance and integrity programs for funded projects as well as the University community.

John Carroll has a rich history of social, behavioral, and educational research (SBER). SBER encompasses a range of methodologies and tackles questions that seek to improve John Carroll's understanding of human behavior, attitudes, beliefs, and interactions as well as social and economic systems, organizations, and institutions. Notable sponsored research awards in this category have been made to the University through the following institutions: U.S. Department of Education, U.S. Department of Justice, U.S. Department of Defense, National Science Foundation, National Endowment for the Humanities, and Health Resources and Services Administration (HRSA), an agency of the U.S. Department of Health and Human Services, Corporation for National Community Service, and the Ohio Department of Education.

Through the University's sponsored program activities, the University also sustains strong relationships with many other institutions of higher education including Cleveland Clinic Lerner College of Medicine, Kent State University, University of Cincinnati, Oberlin College, New Mexico State University, Furman University, the Citadel, Gonzaga University, University of Oregon, Western Oregon University, Hobart and William Smith Colleges, University of Detroit Mercy, Stanford University, and Xavier University. The University also has relationships with the Cleveland Municipal Court, MetroHealth Medical Center, University Hospitals, Cleveland Metropolitan School District, and many other local partners.

The Office of Sponsored Programs continues to maintain a rich and robust submission and funding portfolio. The following table shows the proposed and awarded sponsored program proposals for fiscal years 2022-2023 and 2023-2024.

	2022-2023	2023-2024
Submitted Proposals	21	23
Amount Requested	$5,598,779	$3,684,225
Funded Proposals	11	16
Amount Awarded	$3,435,473	$3,708,000
Success Rate	52%	70%

Federal sponsors from fiscal year 2023-2024 include the U.S. Department of Education, U.S. Department of Health and Human Services, National Science Foundation, and National Endowment for Humanities. Given uncertainty regarding federal funding for research and academic programs, there is no assurance that the current level of funding will be maintained in future years.

8 Faculty and Employees

The University has approximately 143 full-time faculty members; 73% have tenure, and 98% hold doctoral or terminal degrees (excluding librarians and administrators who hold faculty rank). The University employs 135 part-time faculty members and 52 graduate assistants. The student-faculty ratio is currently 13 to 1.

The University believes that it provides a competitive compensation program for faculty and can attract and retain educators with outstanding qualifications. The University offers a competitive benefits package and has a practice of benchmarking compensation, benefits, and staffing levels with other private institutions in the Midwest as well as customized peer groups, supported by data provided by the College and University Professional Association for Human Resources (CUPA-HR). The rate of faculty turnover averaged 4.5% over the last five years.

As of November 2024, the University had approximately 457 full-time and 226 part-time employees, including faculty. The employees of the University are not represented by a union. The University believes that its employee relations remain positive.

9 Retirement Plans

The University has a defined contribution retirement plan. Retirement investment options are provided to employees through Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF), a national organization used by numerous educational institutions and certain other not-for-profit organizations. Full-time faculty, administration, and support staff are required to participate in the defined contribution plan after reaching age 21. The University also provides for voluntary participation in supplemental retirement savings under Section 403(b) of the Internal Revenue Code of 1986, as amended. Effective July 1, 2008, the University adopted a non-trusted private 457(b) deferred compensation plan (the “457 Plan”) for certain employees with any employer contributions to be made on a discretionary basis. The University has made no contributions to the 457 Plan since its inception.

The University contributes to the defined contribution retirement plan on behalf of all eligible employees an amount between 6.5% and 7.0% of each employee's eligible wages based on years of service. The University contributions to the retirement plan amounted to approximately $2.2 million in the fiscal year 2023 and $2.3 million in the fiscal year 2024. Plan participants also are required to make contributions of 4.5% of each employee's eligible wages. Participants in the University's retirement programs are fully vested immediately. The University has no unfunded retirement obligations.

10 University Strategic Planning

In Spring 2021, John Carroll launched its Strategic Vision, "Inspired Futures," with the goal of ensuring each student receives the right balance of academic rigor, experiential learning, and personal development. This vision emphasizes a holistic approach to education, where resources are focused on enhancing both academic and co-curricular experiences, with the ultimate aim of preparing students to be creators of value in their careers and communities. A key component of this vision is the development of integrative academic programs that blend liberal arts education with professional application.

To support this vision, the University established five strategic priorities to address areas of potential growth and improve both student outcomes and financial sustainability.

Reinvigorating the Academic Offering

The University seeks to strengthen its academic offerings by responding to changing student expectations and market demands. Research shows that students increasingly desire flexible curriculums that allow for greater customization in their studies, such as combining disciplines to create interdisciplinary programs that align with future career paths. Additionally, students are seeking more experiential learning opportunities that integrate directly into the academic experience, rather than being separate from it. By responding to these needs, John Carroll aims to remain competitive and relevant in an evolving higher education landscape. Recent milestone achievements related to this priority include the establishment of the College of Health and School of Nursing in 2023.

Enhancing the Student Experience

Recognizing that the student experience extends beyond academics, John Carroll is committed to improving campus life for its residential students. In Fall 2021, the University initiated a comprehensive plan to enhance the physical campus, which includes updating student housing and the student center, reimagining the library space, and building the Athletic, Wellness, and Event Center to be completed in May 2025. These upgrades are designed to create a more vibrant campus that supports both academic and personal growth.

Strengthening Marketing and Enrollment

John Carroll identified a need to enhance its marketing and enrollment strategies to boost brand recognition and attract a broader pool of prospective students. The University is committed to innovative ways to improve marketing effectiveness. This includes increasing the quality and quantity of marketing content, enhancing the website and social media presence, and expanding efforts to reach new geographic markets.

Promoting Diversity in Enrollment

As a Jesuit educational institution, diversity in all respects is a key focus area for the University. Currently, about 25% of students at John Carroll are under-represented students, first-generation, or non-Christian.

Achieving Financial Sustainability

In recent years, John Carroll has taken steps to improve its financial sustainability by reducing structural costs and growing key revenue streams. Looking forward, the University recognizes that its long-term financial health will depend on increasing enrollment, optimizing net tuition revenue, and growing its endowment. With the addition of the College of Health, the School of Nursing, and other academic innovations, John Carroll expects enrollment to return to historical levels of over 3,000 undergraduate students. The University also anticipates a growth in net tuition revenue by improving brand recognition, expanding its market share outside northeast Ohio, and offering high-demand academic programs. While challenges such as a declining number of high school graduates in Ohio and increasing competition may pose obstacles, the University is confident that these strategic efforts will drive long-term growth and sustainability.

11 Student Demand

As part of the University's focus on its Strategic Priorities, it increasingly uses program-demand data to identify both underleveraged and new programs which can help increase student demand. Opportunities identified have included further leverage of the undergraduate biology and business majors and part-time M.B.A., graduate certificate programs in digital marketing analytics and content marketing, interdisciplinary programs through current academic offerings, and new programs in health, business, and analytics.

John Carroll is considered a regional university with applicants and matriculants from across the country. Approximately two-thirds of the University's students are from Ohio. Traditionally, the University's out-of-state applicants largely have come from the Midwest and Northeast; in recent years the top states include Pennsylvania, New York, Illinois, Michigan, Indiana, Florida, and Maryland. Target markets outside of northeast Ohio where the University has experienced recent recruiting success include: Columbus, Ohio; Chicago, Illinois; Rochester, New York; and Erie, Pennsylvania.

John Carroll competes with a variety of schools, public and private, both in and outside of Ohio. The University's top 10 competitors over the past 8 years include seven public and three private universities. The most impactful competitor is The Ohio State University, and the fastest rising competitor is Kent State University (which went from taking 102 admitted students from the University in 2016 to 216 admitted students in 2024). For applicants outside of northeast Ohio, the University of Dayton is the most impactful competitor; the overall competitor set among this population tends to be regional (namely institutions in the Midwest and Northeast) and is slightly more skewed toward private institutions. However, a longitudinal view of competitor data shows public universities like Miami University of Ohio and Kent State University also have taken larger shares of admitted applicants from outside northeast Ohio each year. State flagships like The Ohio State University, Pennsylvania State University, and larger private universities like Duquesne University, The University of Pittsburgh, and Marquette University also make the list. See the comparative list in the **Tuition, Fees, Room and Board** section.

Prior to 2020, overall undergraduate enrollment remained somewhat stable. From 2020-2023 a confluence of environmental challenges contributed to a decreasing headcount in first-year enrollment at John Carroll: increasing competition, especially from regional public universities in Ohio, the COVID-19 pandemic and its impact on campus visits and recruitment travel, and lack of a cohesive strategic enrollment management plan as a result of leadership turnover, to name the three most impactful. Other contributing factors to enrollment declines were strategic in nature as well: the University's focus on increasing per student revenue and its introduction of four-year residential requirement were designed to elevate the student experience and drive requisite revenue. The result of this strategic shift drove more total revenue to the University even as headcount declined. In Fall 2024, the University set out to continue growing net tuition revenue while focusing on more than one class at a time, building a pipeline for future cohorts, and improving the value proposition of JCU in an effort to disrupt the multi-year trend of declining headcount.

The following table shows the number of applications received, the number accepted for admission, the size of the entering first-year class, the enrollment yield percentage of the accepted applicants, and the per-student net tuition revenue for each class.

Fall	Applications Received	Applicants Accepted	Acceptance Rate	Confirmed Admits	Percentage of Accepted Confirmed	Per Enrolled Student Net Tuition Revenue
2020	3,610	3,171	87.8%	631	19.9%	$14,327
2021	3,817	3,363	88.1%	586	17.4%	$15,824
2022	4,310	3,550	82.3%	566	15.9%	$17,105
2023	4,238	3,437	81.1%	556	16.2%	$17,237
2024	4,623	3,740	80.9%	596	16.0%	$17,913

For the 2025 entering first-year class, the University's application volume is currently about 3% ahead of the same time last year in total applicants and has passed its total end of cycle application volume from last year. Completed applications are currently about 1.3% ahead of the same time last year. The enrollment yield percentage for 2025 is currently 6.5 percentage points higher than the same time last year and about 2.5 percentage points higher than the highest rate at the same time since 2021. The acceptance rate is currently almost 4% lower from last year and about 6.5% lower than the average acceptance rate over the last four years. Given that the University's 2025 admissions cycle has not yet ended, there is no assurance of the final enrollment[1].

Looking beyond the 2025 entering first-year class, high school junior inquiries are up 20% year to date, with over 13,000 junior inquiries coming from more targeted and enhanced recruitment strategies and communications. Engagement is measured by student web activity on

[1] The admissions/demand data for the 2025 entering class and beyond is as of April 22, 2025.

the University's website as well as student logins to their admissions portal. Measuring this engagement in two week windows of time, our "highly engaged" metric as of April 2025 has consistently grown over previous years. Likewise, the percentage of admitted students who have "zero engagement" has decreased over the same cycle(s).

12 Enrollment Strategy

The University strives to meet enrollment goals through a strong recruitment program through scaled and targeted outreach. This outreach is conducted over various communication channels (direct mail, email, text, video, social media, digital), directed at multiple audiences (high schools, transfer students, school counselors, parents, and other key influencers). The approach is rooted in ongoing market research including psychographic segmented marketing around five personas. The University acquires student leads from third party sources, particularly assessment providers, and assigns each lead to a marketing persona aligned to their mindset around college choice. Assignments to personas are made by analyzing a number of data sources provided by students' assessment records, college-going trends from their high schools (to public/private, average tuition, in-state/out-of-state, selectivity ratings), and information about their neighborhood from the American Community Survey (ACS) including family incomes, diversity, parent education levels, and more. Marketing and communication, when written to a persona, can better match prospective student mindset. The five personas are prestige-seeking, JCU bread and butter, diversity-seeking, price-sensitive, and high-challenge environment. Personalized recruitment strategies grounded in relationship development, a focused campus visit program (including virtual opportunities), and a well-developed alumni recruitment program round out the approach. Recruiting efforts focus on (i) building relationships with key high schools and improving market share in these schools, (ii) identifying and developing relationships in schools and communities in new markets that share geodemographic traits with core market schools, (iii) establishing and maintaining relationships with high school counselors through an advisory board, fly-in program, group visits, hosted Continuing Education Unit opportunities for learning, virtual offerings, and a quarterly newsletter, (iv) developing digital and social media strategies to influence demand at the inquiry, applicant, and yield stage, (v) elevating academic program strengths that respond to market demand to influence enrollment, (vi) understanding its "north star" goals and remaining focused only on initiatives that are measurable and relevant to the University's enrollment and marketing plan and (vii) understanding its "elevator pitch" and what makes JCU compelling, ensuring that the entire campus is in alignment on how JCU talks about and delivers on its brand promises. With declining demographics in the Midwest expected to reach a peak low in 2025 (demographic cliff), clarity around who JCU serves and how it brings its message to new markets has never been more important.

A comprehensive communication plan is in place in which students (beginning as early as the sophomore year of high school) and parents regularly receive information that is strategically positioned to present John Carroll in a manner differentiated from its top competitors. The goal is to establish a strong relationship with candidates to move them through the enrollment funnel while showcasing JCU's value proposition and return on investment. Communication channels vary, and messages highlight external proof points like rankings, graduation and placement rates, academic programs, connections to Cleveland, alumni achievements, current student experiences, student life, and various calls to action, such as visit campus, apply, deposit, among other factors. The team has been restructured with two recruitment arms, the Admissions team and National

Recruitment teams, which are each led by a Director. The Admissions team manages the core market, on-campus visit programs, and exploration into expansion markets while the National Recruitment Team lives and recruits in developed regions outside northeast Ohio - which today include Chicago, Illinois, western New York, and key markets in the south - so they can be fully present to the students and counselors who reside there.

John Carroll participates in *The Common Application* and the *Coalition for College*, allowing prospective students to submit an online admission application to the University.

JCU will join the North Coast Athletic Conference (NCAC) beginning competition in Fall 2025. The move aligns JCU to national liberal arts institutions that complement the University's commitment to academic inquiry and a four-year residential experience. NCAC peer institutions include Denison University, Kenyon College, DePauw University, and The College of Wooster, among others.

JCU became test optional in 2021 when testing was disrupted during the COVID-19 pandemic and has remained so today. JCU implemented a “no harm” test-optional policy in 2024, whereby scores submitted that do not strengthen an application are ignored and replaced with additional weight given to course grades in Math and English. The academic profile of entering freshman students remains consistently higher than the national average on the Scholastic Aptitude Test (SAT) and the American College Test (ACT) as shown on the following table:

John Carroll Averages				National Averages		
Academic Year	SAT		ACT Composite	SAT		ACT Composite
	EBRW	Math		EBRW	Math	
2021-2022	616	617	26.7	533	528	20.3
2022-2023	620	616	27.4	529	521	19.8
2023-2024	630	632	27.3	520	508	19.5
2024-2025	630	632	28.1	519	505	19.4

The average GPA of enrolling students has been in the 3.7 range for the past five years, with a high of 3.77 in 2022.

Fall	Average GPA
2020	3.66
2021	3.68
2022	3.77
2023	3.74
2024	3.71

13 Enrollment

Total full-time equivalent (FTE) undergraduate enrollment at the University was 2,325 for the 2024 Fall Semester. Historically, part-time students account for a small percentage of the overall enrollment. For reference, there were 2,283 full-time students and 57 part-time students enrolled for the 2024 Fall Semester.

The John Carroll student body is 55% male and 45% female, students hail from 30 states and U.S. Territories and 20 countries. Roughly two-thirds come to the University from within Ohio.

Total undergraduate and graduate headcount enrollment at the University was 2,865 students for the 2024 Fall Semester, of which 2,340 were undergraduate students and 525 were graduate students. Full-time equivalent enrollment at the University has declined during the past five years from 3,199 during the 2020-2021 academic year to a low of 2,685 for 2023-2024. For the academic year 2024-2025, about 2% of undergraduate students and 45% of graduate students enrolled on a part-time basis, respectively. The 2024 Fall Semester first-year class size was 596 students.

Academic Year	FTE Undergraduate Enrollment	FTE Total Enrollment
2020-2021	2,775	3,199
2021-2022	2,615	3,040
2022-2023	2,373	2,777
2023-2024	2,287	2,685
2024-2025	2,325	2,764

The first- to second-year retention rate for the last five years, as well as four and six-year graduation rates at the University are shown in the tables below:

Cohort Entering Fall	Freshman to Sophomore Retention Rate
2019	84%
2020	86
2021	86
2022	85
2023	83

Cohort Entering	Graduation Rate	
Fall	4-year	6-year
2015	68%	76%
2016	67	78
2017	70	76
2018	73	79
2019	69	-
2020	72	-

The University's primary commitment is to the education of full-time undergraduate students.

Student Outcomes

For students who graduated between 2018 and 2022 95.2% of John Carroll's one-year-out survey respondents were employed full-time, involved in an educational program, or committed to a full-time unpaid activity like the Jesuit Year of Service. Of these respondents, more than 80% indicate that they are satisfied or extremely satisfied with what they are doing post-graduation. The most prominent areas of study for those pursuing further education were business, counseling, medical/health professions, education, law, and accounting. The list of largest employers of this group of recent alumni includes The Sherwin-Williams Company, The Cleveland Clinic, PwC, KeyBank, Ernst & Young, Deloitte, and KPMG.

14 Tuition, Fees, Room and Board

The University meets the costs of its operations primarily through tuition, room and board fees, gifts and grants, and endowment income.

The following table sets forth the tuition and room and board charges per student by the University and the resulting total revenue from student charges for the most recent five fiscal years as well as projections for the current year.

Fiscal Year	Tuition	Room & Board	Total Tuition, Room & Board	Fees	Gross Revenue from Tuition, Room & Board and Fees ($000's)	
2020-2021	$42,674	$12,560	$55,234	$1,730	$131,904	
2021-2022	43,740	12,876	56,616	1,774	138,696	
2022-2023	45,490	13,200	58,690	1,800	131,285	
2023-2024	47,300	14,160	61,460	1,800	130,794	
2024-2025	48,700	14,520	63,220	1,800	139,600	(projected)

The University believes that it will be necessary to modestly increase tuition and fees each year during the foreseeable future. On average, over the last five years, the University has increased tuition and fees by approximately 3.3% per year. Given market and competitive dynamics, there is no assurance that the University will be able to continue to increase tuition and fees at the same rate in the future.

The following table compares the tuition and fees charged by the University for the 2024-2025 academic year relative to fees charged by other private universities and colleges with a full-time undergraduate enrollment of over 1,000 students with which the University competes for students:

Institution	2024-2025 Tuition and Fees	Institution	2024-2025 Tuition and Fees
Kenyon College	$71,196	Capital University	$42,744
Denison University	67,000	University of Findlay	42,490
Oberlin College	66,410	Baldwin Wallace University	39,832
Case Western Reserve University	66,020	Marietta College	39,652
University of Notre Dame	65,025	Ohio Northern University	38,250
College of Wooster	61,640	Mount St. Joseph University	38,150
St. Louis University	54,760	University of Mount Union	36,600
Ohio Wesleyan University	53,264	Otterbein University	35,548
Loyola University of Chicago	52,230	Heidelberg University	33,650
John Carroll University	**50,500**	University of Detroit Mercy	32,946
Xavier University	50,410	Muskingum University	32,390
Marquette University	50,070	Wilmington College	32,082
University of Dayton	49,140	Ashland University	31,210
Creighton University	48,856	Wheeling University	29,690
Wittenberg University	45,376	Hiram College	27,100

Source: U.S. News & World Report and College Board

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15 Financial Aid

All socioeconomic groups and student levels are represented in the student population of the University. Thus, the University's financial aid policy seeks to address the financial need of all students, utilizing the Free Application for Federal Student Aid (FAFSA) and within federal guidelines. The University also maintains a portion of its scholarship funds for students demonstrating strong academic potential and demonstrated financial need.

Financial aid for students is provided in the form of scholarships, grants, loans, gifts, and on-campus employment. The total amount of aid received by students in 2023-2024 was $86.9 million.

Source of Aid	Amount of Aid	% of Total
University Scholarships/Grants	$63,940,990	74%
Federally Funded Loans:		
Stafford - subsidized	3,660,735	4%
Stafford - unsubsidized	8,192,353	9%
Plus	5,008,031	6%
Federal and State Grants	4,334,515	5%
Student Employment	693,486	1%
Outside Scholarships	1,030,561	1%
Total Aid	**$86,860,671**	**100%**

There is no assurance that the current level of federal, state, or University assistance will be maintained in future years. Any change in the availability of financial aid from these sources could affect the University's ability to attract students from all socioeconomic groups.

Because federal and state funding is subject to outside control, the University continues to increase its commitment to providing financial aid support for students. Support from both annual unrestricted operating funds and endowed funds has markedly increased over the last several years. The University has made efforts to stabilize the amount of aid it offers while improving recruitment and retention.

In addition to these sources, the University participates in three targeted programs to assist with diversity efforts: (1) Phoenix Pact, (2) Howley Fund, and (3) Say Yes to Education Program. All of these initiatives commit to full tuition to students who meet income criteria as set forth by each program.

16 Campus Facilities

The University's campus is nestled in the quiet suburb of University Heights, Ohio, just 10 miles east of downtown Cleveland, allowing students to enjoy all the benefits of a suburban neighborhood near a thriving and energized city. The University's walkable campus includes over 1,000 trees and features 27 buildings, predominantly Gothic in architecture, on approximately 65 landscaped acres.

Three original structures were constructed in 1935, consisting of (1) St. Ignatius Hall, with the iconic Grasselli Tower, (2) Rodman Hall, which served as housing for the Jesuit community for several decades, and (3) Bernet Hall. Other buildings include seven additional student residence facilities, the Grasselli Library and Breen Learning Commons, the D.J. Lombardo Student Center, a recreation complex featuring a gymnasium, natatorium, and workout facility, Saint Francis Chapel, a business school addition, and the communication and language arts building. The three original structures, as well as three residence halls, Pacelli Hall, Dolan Hall, and Murphy Hall, are listed on the National Register of Historic Places as part of the John Carroll University North Quad District.

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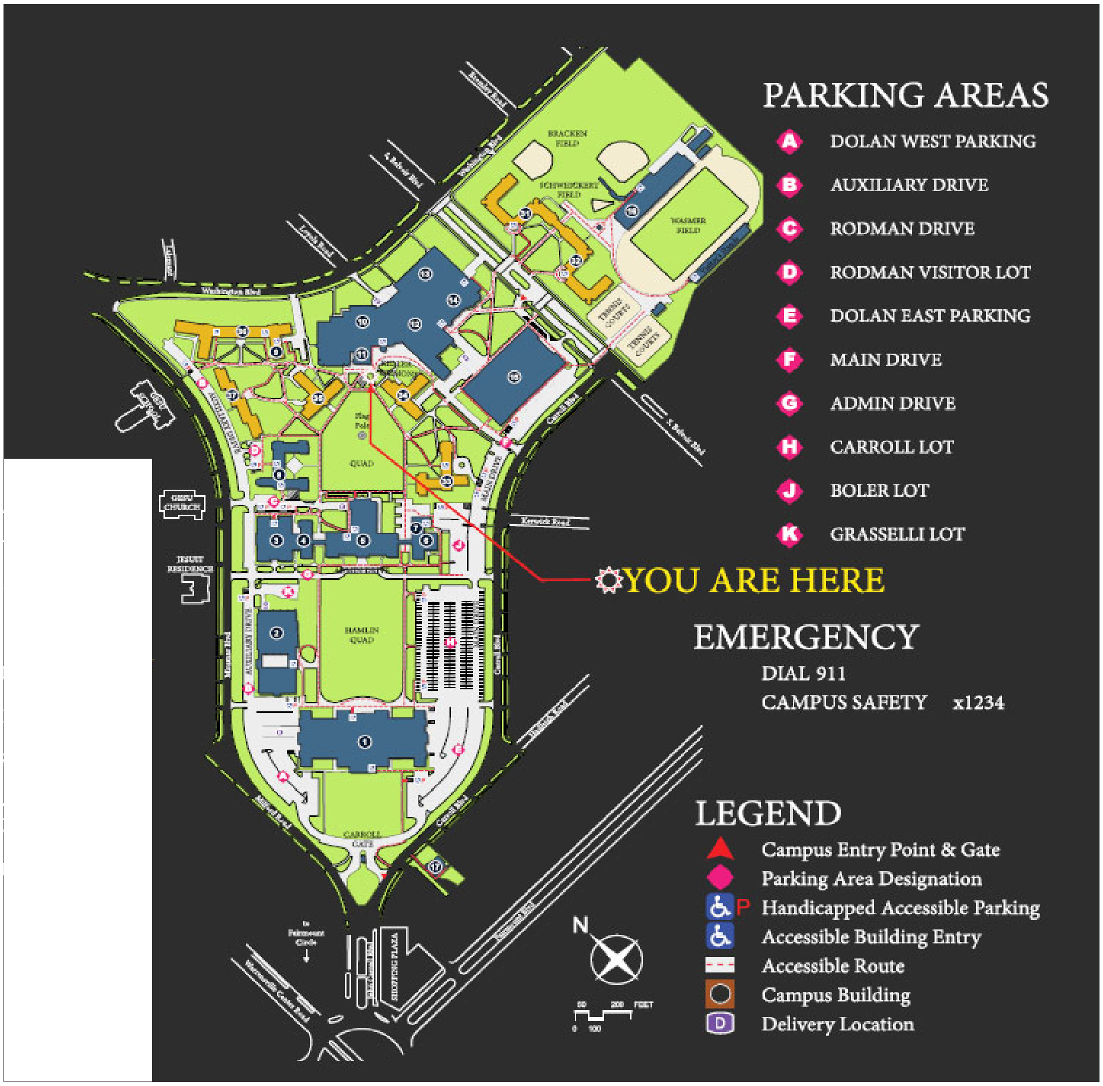

JOHN CARROLL UNIVERSITY BUILDINGS & PUBLIC LOCATIONS

1. DOLAN CENTER for SCIENCE & TECHNOLOGY
   - Muldoon Atrium
   - Donahue Auditorium
   - O'Connell Reading Room
2. GRASSELLI LIBRARY and BREEN LEARNING CENTER
   - Career Services
   - Student Accessibility Services
3. O'MALLEY CENTER - O'Malley Center for Communications & Language Arts
4. SAINT IGNATIUS HALL - B Wing
   - Dean, College of Arts & Sciences
   - Registrar's Office
5. SAINT IGNATIUS HALL - A Wing
   - Office of the President
   - Office of the Academic VP
   - Kulas Auditorium
6. BOLER COLLEGE of BUSINESS - C Wing
   - Dean, Boler College of Business
7. BRUENING HALL
8. RODMAN HALL
   - Business Office
   - Human Resources
   - Admission
   - Student Enrollment & Financial Services
   - Alumni & Advancement
   - Information Technology Services
9. STUDENT HEALTH CENTER
10. LOMBARDO STUDENT CENTER
    - Schott Dining Hall & Atrium
    - Conference & Meeting Rooms
    - Dining Facilities
    - Bookstore
    - Marinello Little Theatre
11. SAINT FRANCIS CHAPEL
12. RECREATION COMPLEX - Rec Plex
    - Campus Safety Services
    - Student Engagement & Residence Life
    - Facilities Department
13. DeCARLO VARSITY CENTER
    - Varsity Gymnasium
14. JOHNSON NATATORIUM
15. ATHLETIC WELLNESS and EVENT CENTER
16. SHULA STADIUM
    - Wasmer Field - Field & Track
    - Schweickert Field - Baseball Field
    - Bracken Field - Softball Field
    - Tennis Courts
17. MILITARY SCIENCE-ROTC
31. CAMPION HALL - Residence Hall
32. HAMLIN HALL - Residence Hall
33. BERNET HALL - Residence Hall
34. PACELLI HALL - Residence Hall
35. DOLAN HALL - Residence Hall
36. MURPHY HALL - Residence Hall
    - Student Health Center
37. SUTOWSKI HALL - Residence Hall

The University invests in capital renewal and addresses deferred maintenance every year. Maintaining and/or upgrading classroom and residence hall furniture, infrastructure for ADA compliance, masonry, HVAC equipment, roofing, elevators, campus roadways, parking lots, sidewalks, and fire alarm systems are funded on an on-going basis. The University has invested over $125 million since 2021 in capital improvement initiatives.

In the past three years, the University's completed major capital projects include Saxby's Coffee, Short Family Tennis Courts, Schott Dining Hall, E-Sports Gaming Lab, athletic turf field project and Exercise Science Labs. In the current year, $5.6 million is being spent to address many of these areas as well as the new Ignite Welcome Center in Rodman Hall. The reimagined Inn Between space in the DJ Lombardo Student Center was completed in the current year, and is being funded by a portion of a master lease line financing provided by First American Commercial Bancorp, Inc. (the "First American Lease Line"). Phase II of the improvements to the Grasselli Library are anticipated to be completed in 2025 and are funded by a prior series of bonds issued by the Ohio Higher Education Facility Commission (the "Series 2022 Bonds") in an amount of approximately $15 million.

The University is constructing the Athletics, Wellness & Events Center (the "AWE Center") as an extension of the Lombardo Student Center that can also act as a shared space for various campus constituents, all or a portion of the costs of which are to be funded by the Series 2022 Bonds in an amount of approximately $60 million. Also included in this capital undertaking is the renovation of selected recreation, athletic and student center areas in the Lombardo Student Center as well as the construction of a parking garage to replace parking spaces that may be displaced by the AWE Center. The University currently expects to complete the AWE Center in Summer 2025.

17 Student Housing

The University is a residential campus with a capacity of 1,673 active beds. Students of a traditional age, who entered John Carroll beginning Fall 2023 are required to live in university-sponsored housing for four years unless they are commuting from the permanent and primary residence of their parent or guardian that is within 35 miles of the campus. There are currently seven residence halls, five residential houses, seven duplexes (each with two units), and three apartment buildings (with 172 beds in one-, two-, and three-bedroom units) available to students. Aggregate occupancy levels for the last five academic years are shown below.

Academic Year	Occupancy (%)
2020-2021	52
2021-2022	67
2022-2023	72
2023-2024	76
2024-2025	85

Capital investments in the seven university residence halls have totaled approximately $60 million over the last 10 years. A major historical renovation of Murphy Hall was performed in 2014. The renovation established the University's first LEED certified building and created an essentially new air-conditioned, ADA-accessible residence hall with a variety of room types ranging from single and double rooms to triple and quad suites.

A complete renovation of Dolan Residence Hall was completed in the Fall of 2022, including new updated suites, air conditioning, new ADA-compliant restrooms, a new elevator and shared communal space on each floor and the University completed a similar significant renovation of Pacelli Residence Hall in the Fall of 2023, funded by the Series 2022 Bonds in an amount of approximately $15 million. Social and study lounges and meeting areas are included on each floor, and a 1,900 square-foot addition provides a new elevator and community meeting and classroom space. The design also includes single and double medical accommodation rooms on each of the first, second and third floors. The addition of the medical accommodation rooms along with air conditioning provides more housing options to support the continued increase in students who require ADA medical accommodations and / or air conditioning. Additionally, air conditioning in Pacelli Hall will provide another attractive option for revenue-generating summer camps and conferences.

Capital renewal in the remaining residence halls include masonry restoration, roof replacements, window replacements, HVAC equipment replacements, fire alarm systems upgrades, and ADA renovations. The buildings' interior spaces have also been upgraded with carpet replacements, painting, new ceiling tile, lighting upgrades and new student room and lounge furniture.

The University, directly or through subsidiary entities, owns a number of properties off of the University's main campus that are currently used for commercial and residential purposes. In the Fall of 2024, three apartment buildings located on the Fairmount Circle were added to the options available to students as part of the expanded four-year residential requirement. The apartments underwent $8 million in renovations and upgrades, including renovated kitchens, updated flooring, fixtures, and appliances, along with new furniture and the addition of shared community space in the buildings. The renovations also added ADA-compliant units to the inventory.

The University's Gateway Project will provide off campus housing for upper class students as part of the four year residential experience. The Gateway Project is a mixed-use retail and student residence complex. The Gateway Project will feature retail on the first floor, including a specialty grocer and space for a restaurant, with student living accommodations located on the four stories above. The project includes approximately 163,153 square feet of floor area in the Gateway Project, 351 beds in 96 residential units, offering two-, three-, and four-bedroom apartments for junior and senior University students, and approximately 27,289 square feet of retail space, envisioned as a hub for University students and the greater University Heights community. Construction is scheduled to begin in May 2025, with the entire Gateway Project expected to be completed by December of 2026.

18 Budget Procedures

The University has a comprehensive and collaborative budget process led by the Vice President for Finance and Administration and the Budget Office. For the past several years, a three-year, high-level financial plan has been prepared, with the first year evolving into a more detailed budget. Each Fall, recent historical trends, informed by more detailed data, result in assumptions that are included in the financial plan, which is updated with one additional year. These assumptions include freshman enrollment, freshman discount rate, retention rates for returning students, residence hall occupancy rates, overall expectations for graduate programs, faculty and staff needs, operating expense needs, and depreciation and debt financing expectations. Extensive analysis of competitor school tuition, room, and board rates is carried out to inform the development of rate increase recommendations for the next fiscal year.

The planning assumptions, including tuition, fee, room, and board rate increases, are reviewed and approved by the Senior Leadership Team. The assumptions are next reviewed and discussed by the University Committee on Resource Allocation (UCRA), which includes faculty and staff. Tuition, fees, room and board rate recommendations are discussed at the September meeting of the Board's Finance Committee, and after approval, are presented to the full Board of Directors for final approval.

Work continues after the December Board meeting in the Budget Office. Net tuition revenue projections are developed using the new rates and student cohort retention modeling. Projections for room and board revenue as well as other revenue streams, including available endowment funds, are developed. Compensation costs are projected based on current faculty and staff levels with any plans for additional faculty or staff hiring included as well as merit pools for faculty and staff. Fringe benefit projections are developed with particular attention to the cost of the University employee medical plan. Anticipated cost increases in various contracts and utility expenses are layered into the budget projections. Strategic investments initiated by the University Strategic Planning Group and approved by the President and Senior Leadership Team are included in the budget as well. Depreciation expense is estimated by considering all capital spending planned for the next year in addition to the existing depreciation schedule. Debt service interest expense is also included.

19 Certain Financial Information

The University's financial statements are maintained according to accounting principles generally accepted (GAAP) in the United States and traditional concepts employed among institutions of higher education. The fiscal year ends on May 31st. The University's annual financial statements are audited by independent auditors.

The audited financial statements of the University as of and for the fiscal years ended May 31, 2024, and 2023 are attached as **Appendix B** to the Offering Circular. Such financial statements have been audited by ForvisMazars, LLP, independent auditors, as stated in their report appearing in Appendix B. No bring-down procedures have been undertaken by the auditors since the date of the report. Appendix B should be read in its entirety for more complete information concerning the University's financial position and results of operations.

To provide historical comparisons, the following table sets forth the University's Consolidated Statements of Financial Position, as derived from audited financial statements, for each of the past five fiscal years as of May 31st.

Fiscal Year Ending May 31:	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**
Assets					
Cash and cash equivalents	$10,866,253	$10,209,596	$10,425,391	$11,283,620	$12,044,040
Cash and cash equivalents, restricted for investment in plant	-	16,311,888	101,615,703	80,388,470	54,022,041
Student accounts receivable, net	1,215,825	1,824,820	2,430,951	1,457,309	1,477,027
Grants receivable	82,951	51,937	(44,015)	113,989	(281,758)
Contributions receivable	2,898,551	2,898,551	-	-	-
Prepaid expenses and other assets	1,473,531	5,366,105	1,628,970	1,567,904	2,320,631
Investments	234,245,478	297,672,537	279,804,332	257,730,620	278,441,054
Student notes receivable, net	3,156,107	2,318,433	1,588,885	1,206,413	898,805
Property and equipment, net	190,185,294	189,271,234	197,083,846	226,779,851	249,556,044
Beneficial interests in perpetual trusts	3,814,377	4,551,036	4,127,058	3,798,980	4,208,816
Total assets	**$447,938,367**	**$530,476,137**	**$598,661,121**	**$584,327,156**	**$602,686,700**
Liabilities and Net Assets					
Liabilities					
Accounts payable and accrued expenses	$7,438,511	$6,859,678	$7,119,447	$9,312,632	$11,105,822
Accrued salaries and wages	7,402,008	11,193,460	8,810,726	5,646,711	5,804,992
Deposits and advance payments	2,489,578	2,283,953	1,317,106	1,048,614	1,213,930
Deferred revenue	934,249	927,547	761,994	812,223	836,145
Asset retirement obligations	3,425,581	3,463,032	3,514,112	3,567,646	3,606,148
Debt	65,538,024	81,073,101	178,827,777	177,608,752	176,380,728
U.S. Government refundable advances	522,236	650,560	350,879	324,410	412,102
Total liabilities	**$87,750,187**	**$106,451,331**	**$200,702,041**	**$198,320,988**	**$199,359,867**
Net Assets					
Without donor restrictions	$181,471,176	$200,998,973	$183,019,355	$174,157,773	$166,070,386
With donor restrictions	178,717,004	223,025,833	214,939,725	211,848,395	237,256,447
Total University net assets	360,188,180	424,024,806	397,959,080	386,006,168	403,326,833
Noncontrolling interest assets –without donor restrictions	-	-	-	-	-
Total net assets	**$360,188,180**	**$424,024,806**	**$397,959,080**	**$386,006,168**	**$403,326,833**
Total liabilities and net assets	**$447,938,367**	**$530,476,137**	**$598,661,121**	**$584,327,156**	**$602,686,700**

The following table sets forth the University's Consolidated Statements of Activities, as derived from audited financial statements for each of the past five fiscal years as of May 31st.

Fiscal Year Ending May 31:	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Revenue, Gains and Other Support					
Net tuition and fees	$53,609,821	$52,804,330	$51,181,820	$48,583,003	$49,085,643
Residence and dining fees[1]	14,928,941	5,963,944	15,502,179	15,842,746	16,987,856
Net student fees	68,538,762	58,768,274	66,683,999	64,425,749	66,073,499
Contributions and private grants	10,783,323	12,344,110	14,523,821	15,116,053	16,929,034
Governmental grants and contracts	1,112,893	9,317,334	7,363,025	1,817,711	1,958,706
Investment return designated for operations	10,907,160	10,994,842	11,238,380	12,438,521	15,667,160
Interest income	480,599	185,932	46,726	331,545	431,012
Rental income	3,875,857	4,022,202	4,161,735	4,103,187	3,634,710
Other	1,427,263	4,958,802	2,677,159	4,599,798	1,400,993
Total revenue, gains and other support	**$97,125,857**	**$100,591,496**	**$106,694,845**	**$102,832,564**	**$106,095,114**
Expenses					
Instruction	$42,374,085	$39,151,157	$37,551,879	$39,563,498	$40,771,719
Sponsored programs	1,342,887	4,368,168	4,691,679	1,827,774	1,942,879
Academic support	9,397,699	8,478,304	9,056,581	10,292,122	10,164,618
Student services	14,774,763	12,492,307	15,491,377	18,189,820	18,766,309
Institutional support	12,654,933	14,587,088	14,818,679	14,913,111	16,672,949
Auxiliary enterprises	12,644,780	10,445,692	13,210,066	14,564,737	15,986,892
Rental expenses	3,392,093	3,304,219	3,258,512	3,419,954	3,962,829
Total expenses	**$96,581,240**	**$92,826,935**	**$98,078,773**	**$102,771,016**	**$108,268,195**
Increase (Decrease) Before Other Activities	**$544,617**	**$7,764,561**	**$8,616,072**	**$61,548**	**($2,173,081)**
Other activities					
Employee separation expense	$ -	($1,438,000)	($3,190,691)	$ -	($1,816,210)
Other	-	(788,069)	(957,228)	(280,743)	(380,551)
Change in value of split-interest agreements	(21,892)	765,057	(436,000)	(334,617)	419,204
Investment return in excess of (less than) amounts designated for operations	717,244	57,323,785	(30,291,791)	(11,399,100)	21,271,303
Costs associated with the unwinding of the tax credit entities	(63,031)	-	-	-	-
Change in fair value of interest rate swap agreements	(919,793)	209,292	193,912	-	-
Total other activities	**($287,472)**	**$56,072,065**	**($34,681,798)**	**($12,014,460)**	**$19,493,746**
Change in Net Assets Attributable to JCU	257,145	63,836,626	(26,065,726)	(11,952,912)	17,320,665
University Net Assets, Beginning of Year	354,132,176	360,188,180	424,024,806	397,959,080	386,006,168
Reclassification to beginning net assets	5,798,859	-	-	-	-
University Net Assets, End of Year	**$360,188,180**	**$424,024,806**	**$397,959,080**	**$386,006,168**	**$403,326,833**

[1]*The University was completely remote for the Fall 2020 Semester resulting in fiscal year 2020-2021 only having one semester of Residence and Dining Fees compared to the normal two semesters.*

20 Alumni

The University has approximately 45,600 alumni throughout the United States and around the world. The alumni support the University not only with monetary contributions but also with time and energy in the areas of placement, athletics, admissions, and academic programs.

The University operates a successful Alumni Ambassador (student recruitment) and Alumni Chapter program throughout the United States and involves volunteers in various initiatives. The Carroll Connector program enhances student recruitment through staffing college fairs and yield events, alumni emails, written letters, and social media campaigns directed toward prospective students and parents. Volunteers are also involved in the selection of recipients of alumni chapter scholarships in key cities. The University's marketing research studies show that the activities of this program are some of the most effective influences on students enrolling in the University. Typically, approximately 80% of incoming freshmen had been contacted in some way through this program. The University has a robust alumni chapter program with over 10 highly functioning chapters with volunteer structures to assist with regional engagement. Chapter volunteers are part of a pipeline of future Alumni Association Board members and engaged donors.

During the 2023-2024 fiscal year, the University received approximately $5 million in contributions from its alumni. Approximately 9% of the University's alumni contribute annually to the University.

The table below sets forth the total amount of the University's alumni contributions in the past five fiscal years, including corporate matching gifts and amounts contributed as part of fund-raising campaigns. This does not include contributions from alumni-related entities.

Fiscal Year	Amount Contributed	Alumni Participation
2019-2020	$5,219,775	9%
2020-2021	6,439,390	11%
2021-2022	4,054,249	10%
2022-2023	4,810,367	10%
2023-2024	5,007,062	9%

21 Gifts, Grants, and Bequests

The University annually solicits gifts, grants, and bequests for both current operating purposes and other needs. Sources of support include alumni, parents, friends, agencies of the federal government, private foundations, and corporations. The following table sets forth the value of gifts, grants, and bequests collected by the University for the last five fiscal years.

Fiscal Year	Carroll Fund	Endowment	Restricted Operating	Grand Total
2019-2020	$1,816,692	$4,133,759	$5,958,074	$11,908,525
2020-2021	2,719,613	3,428,065	6,196,432	12,344,110
2021-2022	2,084,766	7,215,051	5,224,004	14,523,821
2022-2023	2,119,511	3,039,426	9,957,116	15,116,053
2023-2024	2,491,176	4,403,955	10,033,903	16,929,034

John Carroll is currently in the silent phase of a comprehensive campaign, *Inspired Futures*, which focuses on institutional priorities set by Dr. Alan Miciak, President of John Carroll, and the Board of Directors. Since the launch of the *Inspired Futures* campaign in 2021, the University Advancement team has raised more than $77 million dollars of the $125 million goal. This money will fund scholarships, the student experience, and facilities, with a goal of adding $100 million to the endowment.

The leadership phase of *Inspired Futures*, which targets seven-figure gifts and above, is underway and expected to conclude by the end of 2025. The full campaign is expected to conclude by the end of 2027. To date, the University Advancement team has secured 17 gifts of $1 million of more, including three separate $5 million unrestricted commitments. This includes the naming of the Nader Family Nursing Labs and the Mastrantoni Family Student Success Commons, and the launch of the Jarosz Family Mosaic Fund, which supports scholarships and opportunities for underrepresented students. It also includes funding for the newly launched College of Health and Bachelor of Science in Nursing program, renovations to the Grasselli Library and Breen Learning Commons, the construction of the Athletic, Wellness, and Event Center, and the debut of the Tim Russert Archives.

In Fiscal Year 2025, which ends May 31, 2025, the University Advancement team has secured $16.1 million toward the institution's "Cash in the Door" which reflects payments on existing pledges for the *Inspired Futures* campaign. The stated goal for the year was $14 million.

The following table provides a five-year review of total cash received in gifts and grants from foundation and corporate sources.

Fiscal Year	Total Gifts and Grants from Foundations and Corporations
2019-2020	$2,725,406
2020-2021	3,595,467
2021-2022	2,615,681
2022-2023	2,646,863
2023-2024	3,303,633

22 Endowment Funds

The University's Endowment Funds and other similar funds include:

(1) Endowment Funds, which are restricted by the donor as to the use of principal and income.

(2) Quasi-Endowment Funds, which are unrestricted as to use, but designated as such by the University (a) to fulfill the donor's wishes, implied but not stipulated as a condition of the gift, or (b) to hold for a time, using only the income currently.

(3) Annuity and Life Income Funds, which include annuities and life income funds that are subject to the conditions of gift instruments. Those funds include assets donated to the University through deferred gift agreements (annuity and life income contracts). The assets received under these agreements pass to the University at the time of the death of the annuitant or life-income beneficiary.

(4) Undistributed net profit from transactions in pooled securities.

Investments in the endowment and quasi-endowment funds are pooled into one professionally managed investment portfolio. Realized gains from transactions in that pooled portfolio are not distributed to the individual funds but remain in the fund called "Undistributed Net Profit from Transactions in Pooled Securities." Assets resulting from these gains remain in the pooled portfolio and contribute to the amount of income earned. Income available for use in the individual funds is limited to the University's Board-approved spending rate, which in the fiscal year 2023-2024 was 5.0% of the most recent three years' average market value. In addition, the Board may authorize additional appropriations to fund certain strategic initiatives. For 2024, the John Carroll Board of Directors approved a supplemental draw from the board-designated endowment in the amount of $2.5 million to support the University's strategic growth initiatives, namely for the start-up and build-out of the new College of Health. The available income is distributed to the particularly restricted endowment and unrestricted quasi-endowment funds based on units, which are assigned to the individual funds when the principal is received. Income not used as designated is added back to the market value.

The investment policy statement outlines the following target investment allocations, with the allocation at December 31, 2024 noted.

	Current	Policy	Policy Range	Difference*
Large Cap Equity	31.1%	30.0%	20.0% - 40.0%	1.1%
Small/Mid Cap Equity	7.0%	5.0%	0.0% - 10.0%	2.0%
International Equity	15.8%	22.5%	12.5% - 32.5%	-6.7%
Long/ Short Equity	5.2%	7.5%	2.5% - 12.5%	-2.3%
Multi-Strategy	5.2%	7.5%	2.5% - 12.5%	-2.3%
Private Equity	11.9%	5.0%	0.0% - 10.0%	6.9%
Real Assets	6.7%	5.0%	0.0% - 10.0%	1.7%
Fixed Income	17.1%	17.5%	7.5% - 27.5%	-0.4%
Total	**100.0%**	**100.0%**		

The endowment funds of the University are managed by various professional investment management firms selected by the Investment Committee of the Board. The table below sets forth the market value of the University's endowment fund assets as of the close of the last five fiscal years and the income generated from investment thereof and distributed in support of the University's operations. Income not used in operations or made available for subsequent years is added back to the market value. As of December 31, 2024, the value of endowment was $293,488,367.

Fiscal Year	Market Value	Income Distributed
2019-2020	$228,660,000	$10,907,000
2020-2021	289,409,000	10,995,000
2021-2022	271,248,000	11,238,000
2022-2023	262,596,000	12,439,000
2023-2024	286,479,000	15,667,000

23 Outstanding Indebtedness

The following schedule sets forth the total outstanding indebtedness of the University as of May 31, 2024, and May 31, 2023:

Fiscal Year Ending May 31st:	**2024**	**2023**
2016 State of Ohio Higher Education Facility Refunding Revenue Bonds, original issue $22,320,000, interest rate at fixed rates ranging from 3.88% to 4.07%, depending on term bonds, principal due in annual installments on April 1 from $1,265,000 in 2029 to $2,670,000 in 2041. Unamortized debt issuance costs were $181,889 and $196,603 at May 31, 2024 and 2023, respectively	$22,320,000	$22,320,000
2020 State of Ohio Higher Education Facility Refunding Revenue Bonds, original issue $33,570,000, interest rate at fixed rates ranging from 4.00% to 5.00%, principal due in annual installments on October 1 from $665,000 in 2025 to $9,730,000 in 2050. The remaining principal amount of $2,105,000 is payable at maturity on October 1, 2050. Unamortized debt issuance costs were $396,272 and $410,949 at May 31, 2024 and 2023, respectively	33,570,000	33,570,000
2022 State of Ohio Higher Education Facility Refunding Revenue Bonds, original issue $105,555,000, interest rate at fixed rates ranging from 4.00% to 5.00%, depending on term of bonds, principal due in annual installments on October 1 from $2,700,000 in 2027 to $39,255,000 in 2052. Unamortized debt issuance costs were $647,486 and $670,610 at May 31, 2024 and 2023, respectively	105,555,000	105,555,000
	161,445,000	161,445,000
Plus unamortized premium	16,161,375	17,441,914
Less unamortized debt issuance costs	(1,225,647)	(1,278,162)
	$176,380,728	$177,608,752

Subsequent to May 31, 2024, the University received advances in the aggregate amount of $10,395,626 under the First American Lease Line where the University is the lessee of a master lease for the purpose of financing upgrades to certain off-campus student housing and the Inn Between space in the DJ Lombardo Student Center. The lease term of the First American Lease Line is 108 months, with 12 monthly payments of $63,835.38 each, followed by 96 monthly payments of $127,670.76 each. The University has the option to purchase the leased property at the expiration of the lease term for a purchase price of $1,509,068.57, plus applicable taxes. The First American Lease Line will not be secured by the Pledged Revenues Trust Agreement to be entered into to secure the 2016 State of Ohio Higher Education Facility Refunding Revenue Bonds, the 2020 State of Ohio Higher Education Facility Refunding Revenue Bonds, the 2022 State of Ohio Higher Education Facility Refunding Revenue Bonds and the 2025 State of Ohio Higher Education Facility Refunding Revenue Bonds.

24 Insurance

The University purchases insurance on a replacement cost basis on real and personal assets. For the current policy year, campus properties are insured for a blanket, agreed-upon amount of over $550 million. The University also maintains business interruption insurance, privacy protection (cyber) insurance, employee dishonesty insurance, bodily injury and property damage liability insurance, umbrella liability insurance, and liability insurance for officers and directors. Each policy is maintained with a financially responsible carrier and at levels that the University believes to be reasonable and adequate to protect the University.

25 Cybersecurity Risks and Mitigation Efforts

The University's technology infrastructure, like any modern university, consists of systems located on campus, hosted with internet-based service providers, and hosted as a service by various software vendors. This complex technology ecosystem provides many and various attack vectors for threat actors seeking access to valuable sensitive data. A zero-trust security posture is required to remain vigilant and focused on this ever-increasing threat to normal university operations. In essence, all access attempts must be blocked until a trust relationship can be established. This is achieved through a number of mechanisms including strong passwords, multi-factor authentication, and machine learning zero-day threat protection software on all university computers among others.

The University's cybersecurity program is built upon a foundation of training, both in person and online and includes friendly phishing to keep employees mindful of the never-ending attacks via email. An artificial intelligence-based email security system that reviews each message for unusual email behavior, as well as known threats, significantly reduces the risk presented by normal communication operations. Next generation firewalls and networking technologies further protect the University from external threats. University data is backed up daily to a secure internet-based storage provider and is immutable for 30 days to ensure quick access to the most recent data should restoration be required for any reason. All campus technology access and events are monitored by a Security Incident and Event Management system which is monitored at all times by a security operations center. The University's cybersecurity program and security efforts are audited by an external auditor each year and the University is protected by cybersecurity insurance to mitigate some financial risk. Despite the security efforts in place, no assurances can be provided that the University's security measures can prevent all cyber-attacks on its technology infrastructure. Material disruption to the operations or financial condition of the University are possible should the University suffer a successful cyber-attack.

26 Contingent Liabilities and Litigation

The University has no known material contingent liabilities, pending litigation, or unrecorded commitments, and specifically no known litigation that would materially affect the University's current financial status.

27 Management Discussion and Analysis of Certain Financial Matters

The University continues to have a strong balance sheet. During the five-year period ending May 31, 2024, net assets increased by $45.4 million or 18.5%. This was led by donor gifts to the endowment and strong investment performance. Investments grew by $42.8 million or 18.8% for this same five-year period.

Total cash and investments have remained stable over the last four fiscal years, and the trend over the last five years was upward. Cash and Investments topped $290 million at the end of the 2023-2024 fiscal year which represents 2.7 times operating expenses. Liquidity has been and continues to be strong with monthly day's cash on hand of 359 days. The total balance of the endowment at 2023-2024 fiscal year end was $286,479,073. The board-designated portion is $76,416,944. Additionally, there is $21,359,631 in financial assets to meet cash needs for general expenditures within one year that could be made available. While historically never utilized, the university has a committed line of credit in the amount of $10,000,000, which it could draw on to manage unanticipated liquidity needs.

The operating budget for Fiscal Year 2024-2025 was approved at the September 2024 Board meeting. Approval was delayed from the May 2024 meeting until September 2024 due to the uncertainty within higher education driven from the numerous FAFSA delays and inaccuracies. The University was projecting a Fall of 2024 incoming class of 600, which was included in the approved budget and the actual count landing at 597 on census day, which was an increase from the prior year count of 556, the first increase since Fall of 2018.

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Operating Budget ($000's)

	2023-2024 Actual	2024-2025 Budget
Revenues		
Net student fees		
Undergraduate net tuition	$47,401	$49,470
Graduate net tuition	7,430	7,800
Total net tuition	54,831	57,270
Residence and dining fees	12,460	15,480
Total net student fees	67,291	72,750
Gift & Other revenue	4,036	6,185
Return on Quasi-endowment	3,901	3,915
Net assets released for capital	1,023	300
Board approved additional endowment draw	2,500	-
Total Revenue	**$78,751**	**$83,150**
Expenses		
Compensation		
Salaries	$34,141	$35,200
Benefits	14,277	15,100
Total compensation	48,418	50,300
Operating expenses		
Departmental operating expense	25,614	26,100
Debt service - interest	2,999	4,500
Depreciation expense	10,483	12,150
Total operating expense	39,096	42,750
Total Expense	**$87,514**	**$93,050**
Operating Deficit	**($8,763)**	**($9,900)**

While declines in student enrollment have led to deficits in recent years, the University's cost cutting initiatives and reductions in faculty and staff headcount helped to mitigate the impact. Net tuition revenue per student increased by $2,500, or 15.5% since 2020, and the University's discount rate declined from 58.5% to 56.9%. The Fall 2024 incoming class grew by 8% year-over-year, which was the first increase since the COVID pandemic. Selectivity has improved from 87.8% to 80.9% since 2020.

The University has experienced continued asset growth and robust liquidity relative to peer institutions. The strategic plan is focused on building endowment strength and positioning JCU for long-term financial sustainability. JCU's large, active donor base provides continued and generous support for the University and its students. JCU continues to evolve its program offerings to emphasize the University's strengths in business and opportunities in health sciences.

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APPENDIX B

AUDITED FINANCIAL STATEMENTS
JOHN CARROLL UNIVERSITY

FISCAL YEARS ENDED MAY 31, 2024 AND MAY 31, 2023

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John Carroll University

Independent Auditor's Report and Consolidated Financial Statements

May 31, 2024 and 2023

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Forvis Mazars, LLP
111 E. Wayne Street, Suite 600
Fort Wayne, IN 46802
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Independent Auditor's Report

Board of Directors
John Carroll University
University Heights, Ohio

Opinion

We have audited the consolidated financial statements of John Carroll University (University) and subsidiaries, which comprise the consolidated statements of financial position as of May 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of John Carroll University and subsidiaries, as of May 31, 2024 and 2023, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Forvis Mazars, LLP

Fort Wayne, Indiana
September 4, 2024

John Carroll University
Consolidated Statements of Financial Position
May 31, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 12,044,040	$ 11,283,620
Cash and cash equivalents, restricted for investment in plant	4,307,610	3,310,388
Short-term investments, restricted for investment in plant	49,714,431	77,078,082
Student accounts receivable, net of allowance of $950,000 in 2024; $838,000 in 2023	1,195,269	1,457,309
Grants receivable	-	113,989
Prepaid expenses and other assets	2,320,631	1,567,904
Investments	278,441,054	257,730,620
Student notes receivable, net of allowance of $99,900 in 2024; $134,000 in 2023	898,805	1,206,413
Property and equipment, net	249,556,044	226,779,851
Beneficial interests in perpetual trusts	4,208,816	3,798,980
Total assets	$ 602,686,700	$ 584,327,156
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	$ 11,105,822	$ 9,312,632
Accrued salaries and wages	5,804,992	5,646,711
Deposits and advance payments	1,213,930	1,048,614
Deferred revenue	836,145	812,223
Asset retirement obligations	3,606,148	3,567,646
Debt	176,380,728	177,608,752
U.S. Government refundable advances	412,102	324,410
Total liabilities	199,359,867	198,320,988
Net Assets		
Without donor restrictions	166,070,386	174,157,773
With donor restrictions	237,256,447	211,848,395
Total net assets	403,326,833	386,006,168
Total liabilities and net assets	$ 602,686,700	$ 584,327,156

John Carroll University
Consolidated Statement of Activities
Year Ended May 31, 2024

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, and Other Support			
Net tuition and fees	$ 49,085,643	$ -	$ 49,085,643
Residence and dining fees	16,987,856	-	16,987,856
Net student fees	66,073,499	-	66,073,499
Contributions and private grants	2,491,176	14,437,858	16,929,034
Governmental grants and contracts	-	1,958,706	1,958,706
Investment return designated for operations	6,401,358	9,265,802	15,667,160
Interest income	431,012	-	431,012
Rental income	3,634,710	-	3,634,710
Other	1,400,993	-	1,400,993
Net assets released from restrictions	19,072,096	(19,072,096)	-
Total revenue, gains, and other support	99,504,844	6,590,270	106,095,114
Expenses			
Instruction	40,771,719	-	40,771,719
Sponsored programs	1,942,879	-	1,942,879
Academic support	10,164,618	-	10,164,618
Student services	18,766,309	-	18,766,309
Institutional support	16,672,949	-	16,672,949
Auxiliary enterprises	15,986,892	-	15,986,892
Rental properties expense	3,962,829	-	3,962,829
Total expenses	108,268,195	-	108,268,195
Increase (Decrease) Before Other Activities	(8,763,351)	6,590,270	(2,173,081)
Other Activities			
Loss on decommissioned building	(1,816,210)	-	(1,816,210)
Change in value of split-interest agreements	-	419,204	419,204
Investment return less than amounts designated for operations	4,280,235	16,991,068	21,271,303
Other expense	(380,551)	-	(380,551)
Change in donor-imposed restrictions	(1,407,510)	1,407,510	-
Total other activities	675,964	18,817,782	19,493,746
Change in Net Assets	(8,087,387)	25,408,052	17,320,665
Net Assets, Beginning of Year	174,157,773	211,848,395	386,006,168
Net Assets, End of Year	$ 166,070,386	$ 237,256,447	$ 403,326,833

John Carroll University
Consolidated Statement of Activities
Year Ended May 31, 2023

	2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Revenue, Gains, and Other Support			
Net tuition and fees	$ 48,583,003	$ -	$ 48,583,003
Residence and dining fees	15,842,746	-	15,842,746
Net student fees	64,425,749	-	64,425,749
Contributions and private grants	2,184,286	12,931,767	15,116,053
Governmental grants and contracts	-	1,817,711	1,817,711
Investment return designated for operations	3,850,803	8,587,718	12,438,521
Interest income	331,545	-	331,545
Rental income	4,103,187	-	4,103,187
Other	4,599,798	-	4,599,798
Net assets released from restrictions	18,193,319	(18,193,319)	-
Total revenue, gains, and other support	97,688,687	5,143,877	102,832,564
Expenses			
Instruction	39,563,498	-	39,563,498
Sponsored programs	1,827,774	-	1,827,774
Academic support	10,292,122	-	10,292,122
Student services	18,189,820	-	18,189,820
Institutional support	14,913,111	-	14,913,111
Auxiliary enterprises	14,564,737	-	14,564,737
Rental properties expense	3,419,954	-	3,419,954
Total expenses	102,771,016	-	102,771,016
Increase (Decrease) Before Other Activities	(5,082,329)	5,143,877	61,548
Other Activities			
Change in value of split-interest agreements	-	(334,617)	(334,617)
Investment return in excess of amounts designated for operations	(3,498,510)	(7,900,590)	(11,399,100)
Other Expense	(280,743)	-	(280,743)
Total other activities	(3,779,253)	(8,235,207)	(12,014,460)
Change in Net Assets	(8,861,582)	(3,091,330)	(11,952,912)
Net Assets, Beginning of Year	183,019,355	214,939,725	397,959,080
Net Assets, End of Year	$ 174,157,773	$ 211,848,395	$ 386,006,168

John Carroll University
Consolidated Statement of Functional Expenses
Year Ended May 31, 2024

	Program Activities						2024	Support Activities		2024
	Instruction	Sponsored Programs	Academic Support	Student Services	Auxiliary Enterprises	Rental Activities	Total Program	Management and General	Fundraising	Total Expenses
Salaries and wages	$ 19,774,131	$ 789,848	$ 3,803,472	$ 6,701,475	$ 2,590,714	$ -	$ 33,659,640	$ 4,520,575	$ 1,589,693	$ 39,769,908
Fringe benefits	7,771,208	218,461	1,527,415	2,758,267	1,008,525	-	13,283,876	1,603,551	707,189	15,594,616
Total compensation and benefits	27,545,339	1,008,309	5,330,887	9,459,742	3,599,239		46,943,516	6,124,126	2,296,882	55,364,524
Depreciation and amortization	3,417,491	210,904	1,685,544	1,488,548	2,941,033	762,434	10,505,954	739,344	-	11,245,298
Contract services	1,071,270	80,566	331,588	500,478	5,250,926	-	7,234,828	502,412	141,976	7,879,216
Travel and professional development	2,275,877	229,992	346,778	2,945,815	83,392	-	5,881,854	324,255	545,754	6,751,863
Rental expense	965,130	31,193	158,365	724,829	74,413	-	1,953,930	310,803	99,698	2,364,431
Professional fees	1,806,871	38,509	94,586	1,153,452	7,909	-	3,101,327	3,848,588	15,904	6,965,819
Maintenance and repairs	1,092,516	60,430	208,866	520,751	645,752	797,186	3,325,501	265,314	6,507	3,597,322
Interest	800,065	11,907	97,370	82,435	1,967,955	-	2,959,732	39,420	-	2,999,152
Property taxes and insurance	596,097	37,020	111,566	331,567	15,698	887,260	1,979,208	162,566	-	2,141,774
Supplies	498,695	53,244	82,968	983,352	221,333	-	1,839,592	79,469	26,200	1,945,261
Utilities	622,000	53,331	254,623	509,913	722,331	327,521	2,489,719	366,090	-	2,855,809
Library media	-	-	764,600	-	-	-	764,600	-	-	764,600
Other	80,368	127,474	696,877	65,427	456,911	1,188,428	2,615,485	572,898	204,743	3,393,126
Totals	$ 40,771,719	$ 1,942,879	$ 10,164,618	$ 18,766,309	$ 15,986,892	$ 3,962,829	$ 91,595,246	$ 13,335,285	$ 3,337,664	$ 108,268,195

John Carroll University
Consolidated Statement of Functional Expenses
Year Ended May 31, 2023

	Program Activities						2023	Support Activities		2023
	Instruction	Sponsored Programs	Academic Support	Student Services	Auxiliary Enterprises	Rental Activities	Total Program	Management and General	Fundraising	Total Expenses
Salaries and wages	$ 18,391,221	$ 765,326	$ 3,881,886	$ 7,106,927	$ 2,437,139	$ -	$ 32,582,499	$ 3,622,109	$ 1,380,922	$ 37,585,530
Fringe benefits	7,505,147	207,043	1,634,760	2,783,507	1,033,358	-	13,163,815	1,605,926	661,879	15,431,620
Total compensation and benefits	25,896,368	972,369	5,516,646	9,890,434	3,470,497	-	45,746,314	5,228,035	2,042,801	53,017,150
Depreciation and amortization	3,436,570	212,824	1,784,531	1,449,619	2,597,188	719,356	10,200,088	764,489	-	10,964,577
Contract services	1,039,994	117,543	315,364	550,295	4,809,360	-	6,832,556	485,468	45,855	7,363,879
Travel and professional development	2,069,069	129,208	520,426	1,877,833	59,507	-	4,656,043	535,359	476,086	5,667,488
Rental expense	833,517	30,511	172,510	581,042	72,383	-	1,689,963	300,889	92,730	2,083,582
Professional fees	1,639,579	139,839	184,115	1,127,678	16,668	-	3,107,879	3,033,366	55,897	6,197,142
Maintenance and repairs	1,526,923	59,047	307,280	820,678	367,546	892,256	3,973,730	458,223	30,545	4,462,498
Interest	651,150	2,410	20,631	16,096	1,864,054	-	2,554,341	8,279	-	2,562,620
Property taxes and insurance	530,563	32,991	111,935	311,735	11,888	833,356	1,832,468	143,972	39	1,976,479
Supplies	779,526	31,202	79,861	858,918	265,938	-	2,015,445	81,056	52,467	2,148,968
Utilities	1,064,928	65,031	330,706	657,043	523,292	394,038	3,035,038	428,472	814	3,464,324
Library media	-	-	722,619	-	-	-	722,619	-	-	722,619
Other	95,311	34,799	225,498	48,449	506,416	580,948	1,491,421	488,445	159,824	2,139,690
Totals	$ 39,563,498	$ 1,827,774	$ 10,292,122	$ 18,189,820	$ 14,564,737	$ 3,419,954	$ 87,857,905	$ 11,956,053	$ 2,957,058	$ 102,771,016

John Carroll University
Consolidated Statements of Cash Flows
Years Ended May 31, 2024 and 2023

	2024	2023
Operating Activities		
Change in net assets	$ 17,320,665	$ (11,952,912)
Items not requiring (providing) operating activities cash flows		
Depreciation and amortization	10,087,809	9,763,811
Change in allowance for doubtful accounts	77,900	(99,000)
Net realized and unrealized (gains) losses on investments	(34,926,724)	439,573
(Gain) Loss on beneficial interest in perpetual trusts	(409,836)	328,078
Loss on sale of property and equipment	1,816,208	-
Contributions received and payments received on contributions receivable restricted to endowed funds and acquisition of capital assets	(6,130,714)	(3,074,651)
Changes in		
Student accounts receivable	150,040	1,029,642
Other receivables	455,697	267,468
Prepaid expenses and other assets	(823,263)	42,806
Accounts payable and accrued expenses (net of reorganization accruals)	(484,689)	(2,323,027)
Deferred revenue and deposits	189,238	(218,263)
Other liabilities	126,194	27,065
Net cash used in operating activities	(12,551,475)	(5,769,410)
Investing Activities		
Purchases of property and equipment	(33,401,538)	(39,308,384)
Purchases of investments	(45,887,063)	(13,025,212)
Proceeds from sale of investments	87,467,004	56,134,617
Net cash provided by investing activities	8,178,403	3,801,021
Financing Activities		
Proceeds from contributions received and payments on contributions receivable restricted to endowed funds and acquisition of capital assets	6,130,714	3,074,651
Net cash provided by financing activities	6,130,714	3,074,651
Increase in Cash and Cash Equivalents	1,757,642	1,106,262
Cash and Cash Equivalents, Beginning of Year	14,594,008	13,487,746
Cash and Cash Equivalents, End of Year	$ 16,351,650	$ 14,594,008
Cash and Cash Equivalents		
Cash and cash equivalents	$ 12,044,040	$ 11,283,620
Cash and cash equivalents, restricted for investment in plant	4,307,610	3,310,388
Cash and Cash Equivalents, End of Year	$ 16,351,650	$ 14,594,008
Supplemental Cash Flows Information		
Interest paid, net of capitalized interest	$ 3,187,326	$ 3,262,874
Fixed assets in accounts payable	$ 4,258,060	$ 1,821,903

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

John Carroll University (University) is a privately controlled, coeducational, Catholic and Jesuit university located in University Heights, Ohio, a suburb of Cleveland. Founded in 1886, it provides programs in the liberal arts, sciences, and business at the undergraduate level and in selected areas at the master's level. The University's primary sources of revenue and support are tuition and fees, residence and dining fees, contributions, and investment income.

Principles of Consolidation

The consolidated financial statements are comprised of the University's operations and six wholly-owned subsidiaries. These include: 1886 Company, Ltd., Ignatius, LLC, Loyola, LLC, Manresa, LLC, Inigo, LLC, and Cura Personalis, LLC; which were each formed to hold title to and lease certain real property.

All significant interorganizational accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The University considers all liquid investments with original maturities of three months or less to be cash equivalents. At May 31, 2024 and 2023, cash equivalents consisted primarily of money market funds. Uninvested cash and cash equivalents included in investment accounts, including endowment accounts are not considered to be cash and cash equivalents.

At May 31, 2024, the University's cash accounts, including cash and cash equivalents restricted for investment in plant, exceeded federally insured limits by approximately $19,827,000.

Restricted Cash, Cash Equivalents, and Short-Term Investments

Restricted cash, cash equivalents, and short-term investments consist of funds from the 2022 and 2020 bond issuances set aside by the University for future capital projects.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at fair value. Investment return includes dividend, interest, and other investment income; and realized and unrealized gains and losses on investments carried at fair value.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the consolidated statements of activities as net assets with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

The University maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated quarterly to the individual endowment accounts based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts.

Student Accounts and Notes Receivable

Student accounts receivable are stated at the amount of consideration from students, of which the University has an unconditional right to receive. The University provides an allowance for credit losses, which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions adjusted for current conditions and reasonable and supportable forecasts. Tuition is generally due at the beginning of the term unless the student has a payment plan. Charges that are past due without payments for three consecutive months, and have had no response to the collection process, are considered delinquent. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the student.

Notes receivable consist primarily of amounts due under the Federal Perkins Loan Program and are stated at their outstanding principal amounts, net of allowance for credit losses. The federal government guarantees all or a significant portion of loans issued under the Program. Loans are made based on demonstrated financial need and satisfaction of federal eligibility requirements. Principal and interest payments on loans generally do not commence until after the borrower graduates or otherwise ceases enrollment. The University provides an allowance for doubtful notes which is based on a review of outstanding loans, historical collection information, and existing economic conditions. Loans that are delinquent continue to accrue interest. Loans that are past due for at least one payment are considered delinquent. Delinquent loans are written off based on individual credit evaluations and specific circumstances of the borrower. Loans with a delinquent balance and still accruing interest amounted to approximately $159,000 and $223,000 at May 31, 2024 and 2023, respectively.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is charged to expense using the straight-line method over the estimated useful lives of the assets. The cost of repairs and maintenance is generally charged to expense in the year incurred.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings	30-70 years
Land improvements	12 years
Equipment, furniture, fixtures, and vehicles	3-12 years
Library books	20 years

The University capitalizes interest costs as a component of construction in progress, based on the interest rates paid for long-term borrowing. Total interest incurred at May 31 was:

	2024	2023
Interest costs capitalized	$ 2,505,095	$ 2,973,902
Interest costs charged to expense	2,999,152	2,562,620
Total interest incurred	$ 5,504,247	$ 5,536,522

Long-Lived Assets

The University evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may have been impaired. No asset impairment was recognized during the years ended May 31, 2024 and 2023.

Bond Origination Costs and Debt Premium

Costs incurred in obtaining long-term financing are deferred and amortized over the term of the related borrowing. Premiums related to the University's issuance of long-term debt are accreted over the term of the related debt.

Asset Retirement Obligations

Asset Retirement Obligations (ARO) are legal obligations associated with the retirement of long-lived assets. These liabilities are initially recorded at fair value, and the related asset retirement costs are capitalized by increasing the carrying amount of the related assets by the same amount as the liability. Asset retirement costs are depreciated over the useful lives of the related assets. Subsequent to initial recognition, the University records year-to-year changes in the ARO liability resulting from the passage of time. Expense of $56,103 and $53,534 was recorded in the fiscal years 2024 and 2023, respectively. There were no additional changes in the ARO liability in fiscal 2024 or 2023.

Deferred Revenue

Deferred revenue consists primarily of student tuition, housing, and other fees received prior to the beginning of an academic term.

Tuition and Auxiliary Services Revenue

Tuition revenue is recognized over the term of the semester as the University provides services to students. Revenue is reported at the amount of consideration which the University expects to be entitled in exchange for providing tuition and auxiliary services. The University determines the transaction price based on standard charges for goods and services provided, reduced by discounts provided for scholarships and other price concessions provided to students.

Government Grants

Support funded by grants is recognized as the University meets the conditions prescribed by the grant agreement, performs the contracted services, or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Net Assets

The University's consolidated financial statements have been prepared with a focus on the organization as a whole and to present balances and transactions classified in accordance with the existence or absence of donor-imposed restrictions. Net assets and revenues, gains, and losses are classified based on the existence or absence of donor restrictions:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for board-designated endowment which totaled $76,416,944 and $75,311,245 at May 31, 2024 and 2023, respectively.

Net Assets With Donor Restrictions – Net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Contributions

Contributions are provided to the University either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
Conditional gifts, with or without restriction	
Gifts that depend on the University overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e., the donor-imposed barrier is met
Unconditional gifts, with or without restriction	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present value discount is amortized using the level-yield method.

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment, and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

Conditional contributions having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

Income Taxes

The University is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, the University is subject to federal income tax on any unrelated business taxable income. 1886 Company, Ltd., Ignatius, LLC, Loyola, LLC, Manresa, LLC, Inigo, LLC, and Cura Personalis, LLC are wholly-owned limited liability companies that have elected to be treated as disregarded entities for U.S. tax purposes. The University files tax returns in the U.S. federal jurisdiction. With a few exceptions, the University is no longer subject to U.S. federal examinations by tax authorities for years before 2022.

Self-Insurance

The University has elected to self-insure certain costs related to employee health and accident benefit programs. Costs resulting from noninsured losses are charged to income when incurred. The University has purchased insurance that limits its exposure for individual claims to $250,000.

Functional Allocation of Expenses

The costs of supporting various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the programs, management, and general and fundraising categories based on estimates of time spent by University personnel.

Note 2. Investments and Investment Return

Investments at May 31 consisted of the following:

	2024	2023
Cash and cash equivalents	$ 25,780,919	$ 39,107,839
Mutual funds and pooled investment funds		
Fixed income	15,868,522	676,157
Large capitalization blend and growth*	93,216,812	81,729,196
International and emerging markets*	20,555	8,055,472
Small and mid-capitalization funds*	19,164,556	24,051,457
Fixed income securities		
Corporate bonds	4,060,323	5,260,821
U.S. Treasury and agency bonds	2,129,612	2,994,725
Mortgage-backed securities	3,044,476	1,503,807
Asset-backed securities	3,581,319	2,526,178
Alternative investments		
Multi-strategy hedge funds	40,819,650	44,506,925
Hedged equity funds	55,439,992	34,388,926
Private equity funds	15,314,318	12,929,117
	$ 278,441,054	$ 257,730,620

Short-term investments at May 31 consisted of the following:

	2024	2023
U.S. Treasury and agency bonds	$ 42,259,811	$ 32,894,850
Corporate bonds	7,454,620	44,183,232
	$ 49,714,431	$ 77,078,082

* These categories include investments in private fund trusts or partnerships that invest primarily in publicly traded U.S. Common stocks and bonds and international common stocks. The University does not have any unfunded commitments to fund these trusts and partnerships and the investments can either be redeemed at any time, monthly or quarterly per the respective investment agreements.

Total investment return is comprised of the following:

	2024	2023
Interest and dividend income, net of fees	$ 2,011,739	$ 1,478,994
Net realized and unrealized losses	34,926,724	(439,573)
Total return on investments	36,938,463	1,039,421
Investment return designated for current operations	(15,667,160)	(12,438,521)
Net investment return in excess of (less than) amounts designated for current operations	$ 21,271,303	$ (11,399,100)

Alternative Investments

The fair value of alternative investments that have been estimated using the net asset value per share (or its equivalent) as a practical expedient consists of the following at May 31:

	May 31, 2024			
	Fair Value	Unfunded	Redemption	Redemption
Multi-strategy hedge funds (A)	$ 40,819,650	$ 375,000	quarterly/annually	30 - 90 days
Hedged equity funds (B)	55,439,992	-	quarterly/annually	30 - 90 days
Private equity funds (C)	15,314,318	6,602,243	N/A	N/A

	May 31, 2023			
	Fair Value	**Unfunded**	**Redemption**	**Redemption**
Multi-strategy hedge funds (A)	$ 44,506,925	$ 375,000	quarterly/annually	30 - 90 days
Hedged equity funds (B)	34,388,926	-	quarterly/annually	30 - 90 days
Private equity funds (C)	12,929,117	5,562,049	N/A	N/A

(A) This category includes investments in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The funds' composite portfolio includes investments in various U.S. common stock, international common stock, debt securities, and private investment funds that employ various long/short, macro-driven, absolute return, arbitrage, and event-driven strategies. These investments can be redeemed on the normal terms of the investment agreements.

(B) This category includes investments in hedge funds that invest primarily in U.S. and international common stocks and private securities. Management of these funds can employ a variety of strategies; however, the funds generally are designed to track certain broad market indices with reduced volatility. There are certain withdrawal or redemption restrictions in place for five of the funds into the amount and timing of redemptions.

(C) This category includes several private equity funds that invest in early stage, high-growth private companies, growth equity financing, leverage buyouts, securities, and other obligations of distressed businesses and financially troubled companies. These investments are not eligible for elective redemptions. Instead, the nature of the investments in this category is that distributions are received through liquidation of the underlying assets of the fund. It is estimated the underlying assets of the funds will be liquidated over the next 1 – 6 years.

Note 3. Property and Equipment

Property and equipment is comprised of the following at May 31:

	2024	2023
Land and land improvements	$ 27,304,333	$ 26,912,790
Buildings	300,364,756	283,806,379
Furniture, fixtures, equipment, and vehicles	77,835,570	73,542,931
Library books	22,020,528	21,936,499
Construction in progress	31,269,876	22,792,778
	458,795,063	428,991,377
Less accumulated depreciation	(209,239,019)	(202,211,526)
	$ 249,556,044	$ 226,779,851

The University has entered into contracts for the construction and renovation of certain facilities. Remaining contract payments total approximately $52,000,000 at May 31, 2024.

Note 4. Beneficial Interests in Perpetual Trusts

The University is the beneficiary under various perpetual trusts administered by outside parties. Under the terms of the trusts, the University has the irrevocable right to receive income earned on the trust assets in perpetuity, but never receives the assets held in trust. The estimated value of the expected future cash flows is $4,208,816 and $3,798,980, which represents the fair value of the trust assets at May 31, 2024 and 2023, respectively. The income from these trusts was $196,712 and $219,945 for May 31, 2024 and 2023, respectively.

Note 5. Line of Credit

The University had a $7,500,000 unsecured revolving bank line of credit that expired in January 2023. During the fiscal year 2023, there were no borrowings against this line. Interest on advances was payable monthly and varied with the one-month LIBOR rate plus 1%.

On January 30, 2023, the University entered into a bank agreement for an uncommitted and payable on demand line of credit note for $10,000,000. During the fiscal years 2024 and 2023, there were no borrowings against this line. Interest on advances is payable monthly and varies with the one-month SOFR rate plus 1.10%. The one-month SOFR rate was 5.34% and 5.08% on May 31, 2024 and 2023, respectively.

Note 6. Debt

Debt consisted of the following at May 31:

	2024	2023
2016 State of Ohio Higher Education Facility Refunding Revenue Bonds original issue $22,320,000, interest at fixed rates ranging from 3.88% to 4.07%, depending on term of bonds, principal due in annual installments on April 1 from $1,265,000 in 2029 to $2,670,000 in 2041. Unamortized debt issuance costs were $181,889 and $196,603 at May 31, 2024 and 2023, respectively.	$ 22,320,000	$ 22,320,000
2020 State of Ohio Higher Education Facility Refunding Revenue Bonds original issue $33,570,000, interest at a fixed rates ranging from 4.0% to 5.0%, principal due in annual installments beginning on October 1, from $665,000 in 2025 to $9,730,000 in 2050. The remaining principal amount of $2,105,000 is payable at maturity on October 1, 2050. Unamortized debt issuance costs were $396,272 and and $410,949 at May 31, 2024 and 2023, respectively.	33,570,000	33,570,000
2022 State of Ohio Higher Education Facility Refunding Revenue Bonds original issue $105,555,000, interest at fixed rates ranging from 4.00% to 5.00% depending on term of bonds, principal due in annual installments on October 1 from $2,700,000 in 2027 to principal due of $39,225,000 in 2052. Unamortized debt issuance costs were $647,486 and $670,610 at May 31, 2024 and 2023, respectively.	105,555,000	105,555,000
	161,445,000	161,445,000
Plus unamortized premium	16,161,375	17,441,914
Less unamortized debt issuance costs	(1,225,647)	(1,278,162)
	$ 176,380,728	$ 177,608,752

In connection with the issuance of the 2016 bonds, the trustee, as lessor, and the University, as lessee, have entered into a lease for various facilities. Under the terms of the lease, the University is required to make rental payments in amounts sufficient to pay the principal, interest, and any premium on the bonds whether at maturity, upon accelerations, or upon redemption. In order to secure the University's commitment to pay the trustee the lease payments, the trustee has a security interest in the various facilities.

Aggregate annual principal payments required on debt as of May 31, 2024 are as follows by fiscal year:

2025	$ -
2026	665,000
2027	700,000
2028	3,435,000
2029	3,580,000
Thereafter	153,065,000
	$ 161,445,000

Note 7. Net Assets With Donor Restriction

Net assets with donor restrictions at May 31, 2024 and 2023 are restricted for the following purposes or periods:

	2024	2023
Subject to expenditure for specified purpose		
Scholarships	$ 4,995,488	$ 4,137,126
Instruction	2,790,359	2,145,839
Academic support, research, and other	14,764,062	14,067,961
	22,549,909	20,350,926
Endowments		
Subject to appropriation and expenditure when a specified event occurs		
Restricted by donors for		
Scholarships, instruction, and academic support	66,189,528	49,198,460
Subject to endowment spending policy or appropriation		
Restricted by donors for		
Scholarships	78,871,600	74,730,341
Instruction and academic support	47,803,614	47,450,345
Other	17,197,387	15,905,226
Total endowments	210,062,129	187,284,372
Not subject to endowment spending policy or appropriation		
Beneficial interest in perpetual trusts	4,208,816	3,798,980
Other	435,593	414,117
	4,644,409	4,213,097
Total net assets with donor restrictions	$ 237,256,447	$ 211,848,395

Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	2024	2023
Purpose restrictions accomplished		
Scholarship and instruction	$ 8,490,442	$ 6,677,235
Academic support, research and other	9,558,806	8,372,862
Property and equipment acquired and placed in service	1,022,848	3,143,222
Total net assets released from restriction	$ 19,072,096	$ 18,193,319

Note 8. Endowed Funds

The University's endowed funds consist of approximately 375 individual funds established for a variety of purposes. The endowed funds include both donor-restricted endowed funds and funds designated by the governing body to function as endowed funds (board-designated endowed funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowed funds, including board-designated endowed funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The University's governing body has interpreted the State of Ohio Uniform Prudent Management of Institutional Funds Act (Ohio UPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowed funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the governing body appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before being reclassified as net assets without donor restrictions. In accordance with Ohio UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowed funds:

- Duration and preservation of the fund
- Purposes of the University and the fund
- General economic conditions
- Possible effect of inflation and deflation
- Expected total return from investment income and appreciation or depreciation of investments
- Other resources of the University
- Investment policies of the University

The composition of net assets by type of endowed fund at May 31, 2024 and 2023 was:

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Donor-restricted	$ -	$ 210,062,129	$ 210,062,129
Board-designated	76,416,944	-	76,416,944
Total	$ 76,416,944	$ 210,062,129	$ 286,479,073

	2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Donor-restricted	$ -	$ 187,284,372	$ 187,284,372
Board-designated	75,311,245	-	75,311,245
Total	$ 75,311,245	$ 187,284,372	$ 262,595,617

Changes in endowed net assets for the years ended May 31, 2024 and 2023 were:

	2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Endowment net assets, beginning of year	$ 75,311,245	$ 187,284,372	$ 262,595,617
Investment return			
Investment income	2,070,784	-	2,070,784
Net realized and unrealized appreciation	6,840,483	26,256,870	33,097,353
Total investment return	8,911,267	26,256,870	35,168,137
Contributions	3,300	4,379,179	4,382,479
Appropriation of endowment assets for expenditure	(6,401,358)	(9,265,802)	(15,667,160)
Change in donor-imposed restrictions	(1,407,510)	1,407,510	-
Endowment net assets, end of year	$ 76,416,944	$ 210,062,129	$ 286,479,073

	2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Endowment net assets, beginning of year	$ 79,016,454	$ 192,231,224	$ 271,247,678
Investment return			
Investment income	1,478,994	-	1,478,994
Net realized and unrealized appreciation (depreciation)	(1,398,175)	687,128	(711,047)
Total investment return	80,819	687,128	767,947
Contributions	64,775	2,953,738	3,018,513
Appropriation of endowment assets for expenditure	(3,850,803)	(8,587,718)	(12,438,521)
Endowment net assets, end of year	$ 75,311,245	$ 187,284,372	$ 262,595,617

Underwater Endowments

The governing body of the University has interpreted Ohio UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the University considers a fund to be underwater if the fair value of the fund is less than the sum of:

a) the original value of initial and subsequent gift amounts donated to the fund and

b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The University has interpreted Ohio UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

At May 31, 2024, funds with original gift values of $936,068; fair values of $923,365; and deficiencies of $12,703, were reported in net assets with donor restrictions. At May 31, 2023, funds with original gift values of $6,589,577; fair values of $6,130,441; and deficiencies of $459,136, were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after investment of new restricted contributions and continued appropriation for certain purposes that was deemed prudent by the governing body.

The University has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor stipulations or laws and regulations. The amount appropriated for expenditure from underwater endowments for both 2024 and 2023 was insignificant.

The University has adopted investment and spending policies for endowed assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowed funds. Endowed assets include those assets of donor-restricted endowed funds the University must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowed funds. Under the University's policies, endowed assets are invested in a manner that is intended to produce results that exceeds inflation by 5.0% annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, the University relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital (depreciation) appreciation (both realized and unrealized). The University targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The University has a policy (the spending policy) of appropriating for expenditure 5.0% for 2024 and 2023 of its endowed fund's average fair value over the prior three years. In establishing this policy, the University considered the long-term expected return on its endowed funds. Accordingly, over the long-term, the University expects the current spending policy to allow its endowed funds to grow at an average of 0.75% above inflation annually. This is consistent with the University's objective to maintain the purchasing power of endowed assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

For 2024, the John Carroll University Board of Directors approved a supplemental draw from the board-designated endowment in the amount of $2,500,000 to support the University's strategic growth initiatives. The funds were used for the start-up and build-out of the new College of Health.

Note 9. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of May 31, 2024 and 2023, comprise the following:

	2024	2023
Cash and cash equivalents	$ 12,086,678	$ 10,817,580
Accounts receivable	1,195,269	1,571,298
Investments	7,877,684	13,355,911
Appropriations from the endowment in accordance with the spending policy	13,697,454	13,810,578
Distributions from beneficial interests in perpetual trusts	200,000	220,000
Financial assets available to meet cash needs for general expenditures within one year	$ 35,057,085	$ 39,775,367

The University's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowment of $76,416,944 and $75,311,245 as of May 31, 2024 and 2023, respectively, is subject to an annual spending rate of approximately 5% as described in Note 8. Although the University does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the board's annual budget approval and appropriation), these amounts could be made available if necessary. To help manage unanticipated liquidity needs, the University has a committed line of credit in the amount of $10,000,000, which it could draw upon.

The University manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The University has a policy to target a year-end balance of reserves of unrestricted, undesignated net assets to meet 60 to 90 days of expected expenditures. To achieve these targets, the University forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually.

Note 10. Revenue From Contracts With Students

Tuition, Residential Services, and Meal Plan Services Revenue

Revenue from contracts with students for tuition, residential services, and meal plan services is reported at the amount that reflects the consideration to which the University expects to be entitled in exchange for providing instruction and housing, food, and other services. These amounts are due from students, third-party payers, and others and are net of scholarships and institutional aid of $64,720,422 and $66,858,723 for the years ended May 31, 2024 and 2023, respectively.

Revenue is recognized as performance obligations are satisfied, which is primarily ratably over the academic term with the exception of certain meal plans that are recognized at a point in time. Generally, the University bills students prior to the beginning of the semester, and student accounts receivable are due in full before classes begin.

If a student withdraws within the first week of the beginning of the academic term, the student is entitled to a full refund. If a student withdraws during the second week of the academic term, the student is entitled to a 67% refund. If a student withdraws during the third week of the academic term, the student is entitled to a 33% refund. No refunds are awarded after the end of the third week of the academic term. The University determines the refund liability at year-end based on actual experience subsequent to year-end. The amounts of refunds given are approximately 0.3% of gross tuition and fees, annually.

Tuition, residential services, and meal plan services revenue are considered to be separate performance obligations. The University allocates the fees charged to students to tuition and housing, food, and other services based on standalone charges to students for tuition and those other services.

Transaction Price and Recognition

The University determines the transaction price based on standard charges for goods and services provided, reduced by certain institutional scholarships and aid in accordance with the University's policies for granting certain merit based aid. The University determines its estimates of explicit price concessions based on its discount policies and merit awards.

From time to time the University will incur student credit balances and student deposits which represent the excess of tuition and fees and other student payments received as compared to amounts recognized as revenue. These amounts are excluded from revenues and are recorded as liabilities until they are refunded. As of May 31, 2024 and 2023, the University has a liability for refunds or deposits from students recorded of approximately $1,027,902 and $931,399, respectively.

The University has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors:

- Payers (for example, students' governmental programs and others) that have different reimbursement and payment methodologies
- Demographic and enrollment trends
- Institutional aid and federal and state aid programs

Performance Obligations and Transaction Price Allocated to Remaining Performance Obligations

Because all of its performance obligations relate to contracts with a duration of less than one year, the University has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to providing instruction to students. The performance obligations for these contracts are generally completed when the academic term is completed.

The University expects to recognize revenue of $836,145 of tuition revenue in fiscal 2025 when the summer 2024 academic term is completed.

Disaggregation of Revenue

The composition of net student fees revenue by segment for the years ended May 31, 2024 and 2023 is as follows:

	2024	2023
Net tuition and fees	$ 49,085,643	$ 48,583,003
Room	9,589,657	8,853,279
Meal plan	7,398,199	6,989,467
	$ 66,073,499	$ 64,425,749

The composition of revenue based on timing of revenue recognition for the years ended May 31, 2024 and 2023 are as follows:

	2024	2023
Services transferred over time	$ 58,675,300	$ 57,436,282
Sales at point in time	7,398,199	6,989,467
	$ 66,073,499	$ 64,425,749

Contract Balances

The following table provides information about the University's receivables and contract liabilities:

	2024	2023
Accounts receivable, beginning of the year	$ 1,457,309	$ 2,386,936
Accounts receivable, end of the year	1,195,269	1,457,309

	June 1, 2022	Revenue Recognized	Additions	Balance at May 31, 2023
Deferred revenue	$ 761,994	$ (761,994)	$ 812,223	$ 812,223

	June 1, 2023	Revenue Recognized	Additions	Balance at May 31, 2024
Deferred revenue	$ 812,223	$ (812,223)	$ 836,145	$ 836,145

Note 11. Scholarships and Institutional Aid

Institutional financial aid and scholarships granted to students is as follows for the years ended May 31, 2024 and 2023:

	2024	2023
Gross tuition and fees	$ 113,806,065	$ 115,441,726
Funded scholarships	(9,384,982)	(8,350,489)
Unfunded scholarships and grants-in-aid	(55,335,440)	(58,508,234)
Total scholarships and aid	(64,720,422)	(66,858,723)
Net tuition and fees	$ 49,085,643	$ 48,583,003

Note 12. Employee Retirement Benefits

The University has a defined contribution plan. Retirement benefits are provided for employees through Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA-CREF), a national organization used to fund retirement benefits for educational institutions and certain other not-for-profit organizations. The University's contributions are based on eligible compensation. The University's contributions to the plan were $2,307,522 and $2,174,767 for the years ended May 31, 2024 and 2023, respectively. The University also has a nontrusteed private 457(b) deferred compensation plan (457 Plan) for certain employees with any employer contributions to be made on a discretionary basis. The University made no contributions to the 457 Plan for the years ended May 31, 2024 and 2023.

Note 13. Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying consolidated statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at May 31, 2024 and 2023:

	2024				
		Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV (A)
Financial Assets					
Short-term investments	$ 49,714,431	$ -	$ 49,714,431	$ -	$ -
Investments					
Cash equivalents					
Money market funds	17,814,163	17,814,163	-	-	-
Mutual funds and pooled investment funds					
Fixed income	15,868,522	15,868,522	-	-	-
Large capitalization blend and growth	93,216,812	71,544,849	-	-	21,671,963
International and emerging markets	20,555	20,555	-	-	-
Small and mid-capitalization funds	19,164,556	31,183	-	-	19,133,373
Total mutual funds and pooled investment funds	128,270,445	87,465,109	-	-	40,805,336
Fixed income securities					
Corporate bonds	4,060,323	-	4,060,323	-	-
U.S. Treasury & agency bonds	2,129,612	-	2,129,612	-	-
Mortgage-backed securities	3,044,476	-	3,044,476	-	-
Asset-backed securities	3,581,319	-	3,581,319	-	-
Total fixed income securities	12,815,730	-	12,815,730	-	-
Alternative investments					
Multi-strategy hedge funds measured at net asset value	40,819,650	-	-	-	40,819,650
Hedged equity funds measured at net asset value	55,439,992	-	-	-	55,439,992
Private equity funds measured at net asset value	15,314,318	-	-	-	15,314,318
Total alternative investments	111,573,960	-	-	-	111,573,960
Total for investments	320,188,729	105,279,272	62,530,161	-	152,379,296
Beneficial interest in perpetual trusts	4,208,816	-	-	4,208,816	-
Total fair value of recurring measurements	$ 324,397,545	$ 105,279,272	$ 62,530,161	$ 4,208,816	$ 152,379,296

	2023				
	Fair Value Measurements Using				
	Fair Value	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Investments Measured at NAV (A)**
Financial Assets					
Short-term investments	$ 77,078,082	$ -	$ 77,078,082	$ -	$ -
Investments					
Cash equivalents					
Money market funds	25,210,136	25,210,136	-	-	-
Mutual funds and pooled investment funds					
Fixed income	676,157	676,157	-	-	-
Large capitalization blend and growth	81,729,196	53,082,635	-	-	28,646,561
International and emerging markets	8,055,472	18,866	-	-	8,036,606
Small and mid-capitalization funds	24,051,457	25,402	-	-	24,026,055
Total mutual funds and pooled investment funds	114,512,282	53,803,060	-	-	60,709,222
Fixed income securities					
Corporate bonds	5,260,821	-	5,260,821	-	-
U.S. Treasury & agency bonds	2,994,725	-	2,994,725	-	-
Mortgage-backed securities	1,503,807	-	1,503,807	-	-
Asset-backed securities	2,526,178	-	2,526,178	-	-
Total fixed income securities	12,285,531	-	12,285,531	-	-
Alternative investments					
Multi-strategy hedge funds measured at net asset value	44,506,925	-	-	-	44,506,925
Hedged equity funds measured at net asset value	34,388,926	-	-	-	34,388,926
Private equity funds measured at net asset value	12,929,117	-	-	-	12,929,117
Total alternative investments	91,824,968	-	-	-	91,824,968
Total for investments	320,910,999	79,013,196	89,363,613	-	152,534,190
Beneficial interest in perpetual trusts	3,798,980	-	-	3,798,980	-
Total fair value of recurring measurements	$ 324,709,979	$ 79,013,196	$ 89,363,613	$ 3,798,980	$ 152,534,190

(D) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying consolidated statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended May 31, 2024. The University has no assets or liabilities measured at fair value on a nonrecurring basis.

Cash Equivalents and Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Beneficial Interest in Perpetual Trusts

Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy.

Level 3 Reconciliation

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of financial position using significant unobservable inputs (Level 3):

	Beneficial Interest in Perpetual Trusts
Balance, June 1, 2022	$ 4,127,058
Unrealized losses included in change in net assets	(328,078)
Balance, May 31, 2023	3,798,980
Unrealized gains included in change in net assets	409,836
Balance, May 31, 2024	$ 4,208,816

Unobservable (Level 3) Inputs

The following tables present quantitative information about unobservable inputs used in recurring Level 3 fair value measurements:

	Fair Value at May 31, 2024	Valuation Technique	Unobservable Inputs	Range
Beneficial interest in perpetual trusts	$ 4,208,816	Fair value of trust assets	Discount rates Market return rates	N/A

	Fair Value at May 31, 2023	Valuation Technique	Unobservable Inputs	Range
Beneficial interest in perpetual trusts	$ 3,798,980	Fair value of trust assets	Discount rates Market return rates	N/A

Sensitivity of Significant Unobservable Inputs

The following is a discussion of the sensitivity of significant unobservable inputs, the interrelationships between those inputs and other unobservable inputs used in recurring fair value measurement and of how those inputs might magnify or mitigate the effect of changes in the unobservable inputs on the fair value measurement.

Beneficial Interest in Perpetual Trusts

The significant unobservable inputs used in the fair value measurement of the University's beneficial interest in perpetual trusts are discount rates and market return rates. The discount rate of the trust is the interest rate utilized to discount future cash flows in a present value cash flow calculation. The discount rate used often represents the return market participants would demand on similar assets. Therefore, significant increases (decreases) in the discount rate used would result in (lower) higher fair value measurement.

Note 14. Related Party Transactions

Members of the Jesuit Community of John Carroll University (Community) serve on the University's faculty and administration under individual employment agreements. Salaries related to these employment agreements are paid in total to the Community. In the opinion of the University's management, such employment agreements are comparable to those of other employees. Members of the Community do not participate in the University's employee benefits programs. However, the University does pay to the Community an amount approximating the cost of such benefits as if they had been provided for each Community member employed by the University.

Note 15. Significant Estimates, Concentrations, and Contingencies

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations.

Investment Risks and Uncertainties

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

Concentrations

Approximately 18% and 13% of all contributions were received from one donor for the years ended May 31, 2024 and 2023.

Litigation

The University is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets, and cash flows of the University. Events could occur that would change this estimate materially in the near term.

Note 16. Employee Retention Credit

The *Coronavirus Aid, Relief, and Economic Security* (CARES) Act subsequently expanded under the Consolidated Appropriations Act (CAA) contains a business relief provision known as the Employee Retention Credit (ERC), a refundable payroll tax credit for "qualified wages" paid to retained full-time employees. Employers qualified either under a gross receipts decline test or a partial suspension of operations based on a government mandate.

The University determined it qualified for the ERC for a quarter in 2021. In fiscal year 2023, the University completed the analysis and filed the appropriate amended return to claim an ERC of approximately $3,000,000. The University collected $3,355,543 during fiscal year 2023, and recorded the amount in other revenue on the consolidated statement of activities.

Note 17. U.S. Department of Education Financial Responsibility Ratio

The following information is required by the U.S. Department of Education for the year ended May 31, 2024:

	2024
Annuities with donor restrictions	$ 67,893
Property, plant, and equipment, net of accumulated depreciation - pre-implementation	125,751,279
Property, plant, and equipment, including construction in progress, net of accumulated depreciation - post-implementation with outstanding debt for original purchase	29,926,751
Property, plant, and equipment, net of accumulated depreciation - post-implementation without outstanding debt for original purchase	62,608,138
Construction in progress - with outstanding debt	31,269,876
Total property, plant, and equipment, net	249,556,044
Long-term debt obtained for long-term purposes - pre-implementation	22,320,000
Long-term debt obtained for long-term purposes - post-implementation	139,125,000

Note 18. U.S. Department of Education Related Party Information

The following information is required by the U.S. Department of Education for the year ended May 31, 2024:

University Affiliation	Name	2024 Total Giving
Board Member	Winchester, James E. Jr. (Jim)	$ 3,000,000
Board Member	Myers, James M. (Jim)	384,433
Board Member	Mastrantoni, John L.	714,667
Board Member	Jarosz (Jarosz), Bruce D. CPA	599,886
Board Member	Deneweth, Ronald A. (Ron)	209,030
Board Member	Simon (.), Carol J. Ph.D.	274,153
Board Member	Hawk, Harold F. Jr. (Hal)	158,500
Board Member	Benacci (Cunningham), Nancy Cunningham	201,953
Board Member	Donnelly, William P. (Bill)	89,750
Board Member	Mortellaro, Brian J CPA	255,640
Board Member	Nolan, Sean P.	75,000
Board Member	Duganier, Barbara J. CPA	75,000
Board Member	Hanna, Howard III (Hoddy)	53,192
Board Member	Cavanagh, Timothy J. (Tim)	51,000
Board Member	Sansone, Daniel F. (Dan)	50,522
Board Member	Coyne, James A. (Jim)	50,500
Board Member	Skoda, Gregory J. CPA (Greg)	50,000
Board Member	Mazzella, Anthony J. (Tony)	50,000
Board Member	Moses, James J. II (Jim)	45,100
Board Member	Keresman, Michael A. III (Mike)	31,450
Board Member	Lambesis (Broeren), Jane Broeren	30,214
Board Member	Covey, Michael III	30,000
Board Member	Paravano, Jeffrey H. (Jeff)	30,000
Board Member	Kramer (O'Brien), Christine M. (Chris)	28,500
Board Member	Adams, Richard J. Jr. (Rick)	27,500
Board Member	Lyons (Pascale), Annmarie Pascale	51,325
Board Member	Gagliano, Bill Joseph	26,078
Board Member	Alexander, Victor B.	50,000
Board Member	Schmitt, Alex N.	25,000
Board Member	Meathe, James B. (Jim)	25,000
Board Member	Petras, Michael B. Jr.	25,000
Board Member	Tricarichi, Anthony CPA (Tony)	50,000
Board Member	Voinovich, Paul M.	22,500
Board Member	Luecke (Schilling), Bruce A.	40,600
Board Member	Meglin, Linda M.	14,000
Board Member	Sample, George A.	16,500
Board Member	Therrien, Jason J.	11,000
Board Member	Muresan, Gregory G.	12,875
Board Member	Gessner, Christopher A	7,500
Board Member	Perzy, Holly B. M.D.	6,500
Board Member	Miciak, Alan R Ph.D. (Al)	6,229
Board Member	Brown (O'Brien), Barbara O'Brien	6,000
Board Member	Cooper, Edward L. III (Ed)	2,500
Board Member	Bagdasarian, Ara A.	3,000
Board Member	Dempsey, John P.	1,500
Board Member	Zone, Lisa M.	1,000
Board Member	Robinson (None), Dave (Robby)	375
Board Member	Fletcher, London L.	275
Company	Vocon Design, Inc.	25,000
VP for University Advancement	Daly, Richard Ryan (Ryan)	1,155
VP for University Mission and Identity	Peck, Edward J. Ph.D. (Ed)	200
VP for Finance and Administration	Connors, Robert F (Bob)	105
Interim Academic VP	Gunzenhauser, Bonnie Ph.D.	100
VP for Student Experience and Campus Belonging	Sigg, Naomi	75
VP for Enrollment Management	Noll Sorg, Carolyn	50
		$ 6,997,430

Vendor	Related Party	Position	Payments
thunder::tech	Therrien, Jason J.	President and CEO	$ 934,500
The MetroHealth System	Perzy, Holly B. M.D.	Internal Medicine-Pediatrics Department Chair	157,700
Vocon Partners LLC	Voinovich, Paul M.	CEO	75,299
			$ 1,167,499

Note 19. Subsequent Events

Subsequent events have been evaluated through September 4, 2024, which is the date the consolidated financial statements were issued.

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APPENDIX C

PROPOSED FORM OF BOND COUNSEL OPINION

We have served as bond counsel to our client, the Ohio Higher Educational Facility Commission (the "Commission"), in connection with the issuance by the Commission of $60,000,000 State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project), dated the date of this letter (the "Bonds"), of the State of Ohio (the "State").

The Bonds are issued pursuant to Chapter 3377 and Sections 9.98 through 9.983 of the Ohio Revised Code and the Trust Agreement, dated as of June 1, 2025 (the "Trust Agreement"), between the Commission and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"). The Bonds are being issued for the purpose of providing funds to pay "project costs" of "educational facilities," as those terms are defined in Section 3377.01 of the Ohio Revised Code. The educational facilities financed by the Bonds constitute the "Project." The Project has been leased by John Carroll University (the "University"), as lessor, to the Commission, as lessee, under the Base Lease dated as of June 1, 2025 ("Base Lease") and has been leased back to the University under the Lease dated as of June 1, 2025 (the "Lease") between the Commission, as lessor, and the University, as lessee. Pursuant to the Assignment of Rights under Lease dated as of June 1, 2025 (the "Assignment" and together with the Trust Agreement, the Base Lease and the Lease, the "Commission Documents"), the Commission has assigned to the Trustee for the benefit of the holders of the Bonds substantially all of its rights under the Lease, including the Rental Payments to be made by the University. Pursuant to the Assignment, the Commission, effective solely upon an event of default under the Lease, also has assigned to the Trustee for the benefit of the holders of the Bonds, substantially all of the rights in the Base Lease. Capitalized terms not otherwise defined in this letter are used as defined in the Lease.

In our capacity as bond counsel, we have examined the transcript of proceedings relating to the issuance of the Bonds, a copy of the signed and authenticated Bond of the first maturity, the Commission Documents and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that under existing law:

1. The Commission Documents are valid and binding obligations of the Commission, enforceable in accordance with their respective terms. The Bonds are valid and binding obligations of the State enforceable in accordance with their respective terms.

2. The Bonds constitute special obligations of the State, and the principal of and interest and any premium on (collectively, "debt service") the Bonds are payable solely from the revenues and other money assigned by the Trust Agreement and the Assignment to pay debt service. Those revenues and other money include the payments required to be made by the University under the Lease. The payment of debt service on the Bonds is not secured by an obligation or pledge of any money raised by taxation, and the Bonds do not represent or constitute a general obligation or pledge of the faith and credit of the State, any of its political subdivisions, or the Commission.

3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on, and any profit made on the sale, exchange or other disposition of, the Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. We express no opinion as to any other tax consequences regarding the Bonds.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined, (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the Commission and (iii) the correctness of the legal conclusions contained in the legal opinion letter of counsel to the University delivered in connection with this matter.

We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Bonds or the Commission Documents. Furthermore, we express no opinion herein with respect to the status or quality of title to, or any interest in, any of the property and other assets described in, or subject to, the pledge or lien granted in the Commission Documents, or the accuracy or sufficiency of the description contained therein of any of that property, or the priority or perfection of, or the remedies available to enforce, any claim on or interest in any of that property. We express no opinion regarding the perfection or priority of the lien on the Revenues or other funds created by the Trust Agreement.

In rendering those opinions with respect to the treatment of the interest on the Bonds under the federal tax laws, we further assume and rely upon compliance with the covenants in the proceedings and documents we have examined, including those of the Commission, the University and The 1886 Company, LTD (a wholly-owned subsidiary of the University, the "Affiliate"). Failure to comply with certain of those covenants subsequent to issuance of the Bonds may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

In addition, in rendering those opinions with respect to the treatment of the interest on the Bonds under the federal tax laws, we also further assume the correctness of, and rely on the opinion of, McDonald Hopkins LLC, counsel to the University, regarding the current qualification of the University as an organization described in Section 501(c)(3) of the Code and the Affiliate's status as a disregarded entity of the University for federal income tax purposes, which opinion is subject to a number of qualifications and limitations. We also assume the correctness of and rely upon the accuracy of representations of the University and the Affiliate concerning the use of the facilities financed with the Bonds in activities that are not considered "unrelated trade or business" activities of the University, as defined in Section 513(a) of the Code. Failure of the University to maintain its qualification as an organization described in Section 501(c)(3) of the Code or of the University or the Affiliate's failure to maintain the Affiliate's status as a disregarded entity of the University for federal income tax purposes, or to use the facilities financed by the Bonds in a manner that is substantially related to the University's exempt purpose under Section 513(a) of the Code, may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Commission Documents are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities.

No opinions other than those expressly stated herein are implied or shall be inferred as a result of anything contained in or omitted from this letter. The opinions expressed in this letter are stated only as of the time of its delivery, and we disclaim any obligation to revise or supplement this letter thereafter. Our engagement as bond counsel in connection with the original issuance of the Bonds is concluded upon delivery of this letter.

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APPENDIX D

DOCUMENT DESCRIPTIONS

The following descriptions of certain provisions of the documents are only brief outlines of some of those provisions, and do not purport to summarize or describe all of the provisions thereof. The descriptions are subject to the provisions of, and are qualified in their entirety by reference to, the Lease, the Trust Agreement and the Guaranty relating to the Bonds.

Definitions

"Act" means Chapter 3377 and Sections 9.98 to 9.983 of the Revised Code.

"Additional Payments" means the amounts required to be paid by the University pursuant to the provisions of the Lease.

"Assignment" means the Assignment of Rights Under Lease, dated as of even date with the Trust Agreement, from the Commission, as assignor, to the Trustee, as assignee, as amended or supplemented from time to time.

"Base Lease" means the Base Lease, dated as of even date with the Trust Agreement, between the University, as lessor, and the Commission, as lessee, as amended or supplemented from time to time.

"Bond Counsel" means any attorney or firm of attorneys of nationally recognized standing on the subject of municipal bonds acceptable to the Commission.

"Bond Documents" means the Base Lease, the Lease, the Assignment, the Trust Agreement, the Guaranty, the Tax Agreement and the Bond Purchase Agreement.

"Bond Fund" means the Bond Fund created under the Trust Agreement and held by the Trustee.

"Bond Legislation" means the resolution adopted by the Commission providing for the issuance of the Bonds and the approval of the Lease, the Base Lease, the Assignment, the Trust Agreement, the Bond Purchase Agreement and related matters, as that resolution may from time to time be amended or supplemented.

"**Bond Purchase Agreement**" means the Bond Purchase Agreement, dated May 13, 2025, entered into by and among the Commission, the University and the Original Purchaser providing for the sale and purchase of the Bonds.

"Bond Service Charges" means, for any period or payable at any time, the principal of (whether on an Interest Payment Date, at stated maturity, by mandatory redemption, if any, by acceleration or otherwise) and premium, if any, and interest on the Bonds for that period or due and payable at that time as the case may be.

"Bonds" or **"Bond"** means the $60,000,000 State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project) issued by the Commission pursuant to the Trust Agreement, including any portion thereof or any beneficial interest therein, as applicable.

"Book entry form" or **"book entry system"** means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in Bonds and

Bond Service Charges may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Holder, with the physical Bond certificates "immobilized" in the custody of the Depository or of the Trustee on behalf of the Depository. The book entry system is maintained by and is the responsibility of the Depository and is not the responsibility of the Commission or the Trustee. The book entry is the record that identifies, and records the transfer of the interests of, the owners of beneficial (book entry) interests in the Bonds.

"Business Day" means any day other than (i) a Saturday or a Sunday, (ii) a day on which the Trustee is required or is authorized to close or is not prohibited from closing, by law (including without limitation, executive orders) and is closed, (iii) any day on which the Federal Reserve System is closed or (iv) a day on which the Depository is closed.

"Code" means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

"Commission" means the Ohio Higher Educational Facility Commission, a body both corporate and politic, constituting an agency or instrumentality of the State.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement, dated as of even date with the Trust Agreement, between the University and The Bank of New York Mellon Trust Company, N.A., as dissemination agent, as amended or supplemented from time to time.

"Default" means any circumstance that, with the passage of time or the giving of notice or both, would constitute an "Event of Default" under the applicable Bond Document.

"Defeasance Obligations" means

(a) Direct Obligations;

(b) certificates or receipts representing direct ownership of future interest or principal payments on direct obligations of, or obligations fully guaranteed by, the United States of America or any of its agencies or instrumentalities the obligations of which are backed by the full faith and credit of the United States of America, which obligations (i) are held by a custodian in safekeeping on behalf of the holder of such certificates or receipts and (ii) are rated or assessed in the highest category for long-term debt by a Rating Service then maintaining a rating on the Bonds; or

(c) obligations of any state or any political subdivision of any state, other than the Commission, which are rated in the highest category for long-term debt by a Rating Service, the interest on which is excluded from gross income for federal income tax purposes and the full and timely payment of the principal of and any premium and the interest on which is fully and unconditionally payable from obligations of the character described in (a) or (b) above.

"Depository" means The Depository Trust Company (a limited purpose trust company), New York, New York, until any successor Depository shall have become such pursuant to the applicable provisions of the Trust Agreement and, thereafter, "Depository" shall mean the successor Depository. Any Depository must be a securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of beneficial interests in Bonds or Bond Service Charges, and to effect transfer of Bonds, in book entry form.

"Direct Obligations" means direct obligations of the United States of America (whether in certificated or book entry form) and securities the timely payment of the principal of and interest on which is fully and unconditionally guaranteed by the United States of America, provided that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee.

"Eligible Investments" means, to the extent permitted by law:

(a) Direct Obligations;

(b) direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; senior debt obligations of the Federal Home Loan Banks; certificates of beneficial ownership of the Rural Economic Community Development Administration (formerly the Farmers Home Administration ("FmHA")); participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation ("FHLMCs") rated, at the time of purchase, "Aaa" by Moody's or "AAA" by S&P; debentures of the Federal Housing Administration; mortgage-backed securities (except stripped mortgage securities that are valued greater than par on the portion of unpaid principal at the time of purchase) and senior debt obligations of the Federal National Mortgage Association ("FNMAs") rated, at the time of purchase, "Aaa" by Moody's or "AAA" by S&P; participation certificates of the General Services Administration; guaranteed mortgage-backed securities and guaranteed pass-through obligations of the Government National Mortgage Association ("GNMAs"); senior debt obligations of the Student Loan Marketing Association; project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing & Urban Development; guaranteed Title XI financings of the U.S. Maritime Administration; and Resolution Funding Corporation obligations;

(c) direct obligations of any state of the United States of America or any subdivision or agency thereof whose long-term, unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "Aa" or better by Moody's and "AA" or better by S&P, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency thereof whose long-term, unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "Aa" or better by Moody's and "AA" or better by S&P;

(d) commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, "Prime-1" or better by Moody's and "A-1" or better by S&P;

(e) unsecured certificates of deposit (including those placed by a third party pursuant to a separate agreement between the University and the Trustee), overnight bank deposits, interest bearing money market accounts, interest deposits, other deposit products, demand deposits, trust deposits, trust accounts, time deposits or bankers acceptances (in each case having maturities of not more than 360 days) of any domestic bank (including the Trustee and any bank affiliated with the Trustee) including a branch office of a foreign bank, which branch office is located in the United States, provided that legal opinions are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which, at the time of purchase, has a short-term "Bank Deposit" rating of "Prime-1" or "A-3" or better by Moody's and a "Short-Term CD" rating of "A-1" or better by S&P;

(f) deposits, including unsecured certificates of deposit (including those placed by a third party pursuant to a separate agreement between the University and the Trustee), overnight bank deposits, interest bearing money market accounts, interest deposits, other deposit products, demand deposits, trust deposits, trust accounts, time deposits or bankers acceptances, of any bank or savings and loan association (including the Trustee and any bank affiliated with the Trustee) that has combined capital, surplus and undivided profits of not less than $30,000,000, provided that such deposits are continuously and fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation ("FDIC");

(g) investments in money-market funds (including those for which the Trustee or any of its affiliates provide services for a fee, whether as an investment advisor, custodian, transfer agent, registrar, sponsor, distributor, manager or otherwise) registered under the Federal Investment Company Act of 1940, as amended, whose shares are registered under the Federal Securities Act of 1933, as amended, rated, at the time of purchase, "AAAm," "AAAm-G" or "AAm" or the equivalent by Moody's or S&P, and whose only investments are Direct Obligations and Repurchase Agreements fully secured by Direct Obligations, provided that if such money-market funds of the Trustee are not rated, such funds must be invested only in Direct Obligations;

(h) repurchase agreements collateralized by Direct Obligations, GNMAs, FNMAs, FHLMCs or obligations described in paragraph (c) above (the "Collateral Securities") with any registered broker/dealer subject to the jurisdiction of the Securities Investors' Protection Corporation or any commercial bank whose deposits are insured by the FDIC (including the Trustee or any broker/dealer affiliated with the Trustee), if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation, at the time of purchase, rated "Prime-1" or "A3" or better by Moody's, and "A-1" or "A" or better by S&P, provided that:

(i) a master repurchase agreement or other specific written repurchase agreement governs the transaction; and

(ii) the Collateral Securities are held free and clear of any lien by the Trustee (as may be evidenced by an opinion of counsel acceptable to the University) or an independent third party acting solely as agent ("Agent") for the Trustee, and such third party is (1) a Federal Reserve Bank or (2) a bank that is a member of the FDIC and that has combined capital, surplus and undivided profits of not less than $30,000,000, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee; and

(iii) the Trustee receives an opinion of counsel acceptable to the University that a perfected first security interest under the Uniform Commercial Code is created in, or book entry procedures prescribed at 31

C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are followed with respect to, the Collateral Securities for the benefit of the Trustee; and

(iv) the repurchase agreement has a term of 30 days or less, and the Trustee or the Agent will value the Collateral Securities no less frequently than weekly and will liquidate the Collateral Securities if any deficiency in the required collateral percentage is not restored within two Business Days of such valuation; and

(v) the fair market value of the Collateral Securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 104% provided that it must be 105% if the Collateral Securities are FNMAs, FHLMCs or obligations described in paragraph (c) above;

(i) investment agreements with a bank, insurance company or other provider (including the Trustee or any affiliate of the Trustee) that has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated "A3" or better by Moody's , "A-" or better by S&P or A- or better by Fitch at the time of purchase, provided however, that if an investment agreement is guaranteed by a third party, that is a bank, insurance company, or other provider, then the rating requirement shall apply to the guarantor only provided that:

(i) interest is paid at least semiannually at a fixed rate during the entire term of the agreement, consistent with bond payment dates,

(ii) money invested thereunder may be withdrawn, for purposes spelled out in the Trust Agreement or Lease, without any penalty, premium or charge upon notice acceptable to the provider, University and Trustee (provided such notice may be amended or canceled at any time prior to the withdrawal date),

(iii) the agreement is not subordinated to any other obligations of such bank, insurance company or other provider,

(iv) if applicable, the same guaranteed interest rate will be paid on any future deposits made to restore the reserve to its required amount, and

(v) the Trustee receives an opinion of counsel, or an officer's certificate stating that such agreement is an enforceable obligation of such bank, insurance company or other provider;

(j) corporate notes or bonds rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P;

(k) such other investments as may be permitted under State and federal law, provided that such investments must be made only for the purpose of preventing any Bonds from becoming "arbitrage bonds" under Section 148 of the Code, and provided further that prior to such investment, the Trustee or University Representative, as the case may be, shall have obtained the written opinion of Bond Counsel that such investment will not affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Investments or deposits in certificates of deposit or in investment contracts must not be made without complying with Treasury Regulations § 1.148-5(d) (6) (ii) and (iii), respectively, or with any successor provisions thereto or other similar applicable provisions. In determining whether the rating assigned by a Rating Service to an investment complies with the rating categories provided in this definition of Eligible Investments, the rating category will be determined at the time of investment without regard to any numerical or plus or minus modifier, unless otherwise expressly provided above.

"Event of Default" means an Event of Default as defined in the applicable Bond Document.

"Executive" means the Chair, Vice Chair or Secretary of the Commission.

"Gateway Project" consists of the University's project on Warrensville Center Road to be financed in part with proceeds of the Bonds, including student housing facilities, student parking facilities and student gathering spaces as part thereof. See, also, **THE PROJECT** herein.

"Guaranty" means the Guaranty Agreement, dated as of even date with the Trust Agreement, between the University and the Trustee, as amended or supplemented from time to time.

"Holder" or **"Holder of a Bond"** or **"Bondholder"** means the Person in whose name a Bond is registered on the Register.

"Improvement Fund" means the Improvement Fund created under the Trust Agreement.

"Independent Counsel" means any attorney or firm of attorneys who is (i) duly admitted to practice law before the highest court of the State, and (ii) not a full-time employee of the Commission, the University or the Trustee.

"Interest Payment Date" or **"Interest Payment Dates"** means April 1 and October 1 of each year, commencing October 1, 2025, or any other date on which any Bond Service Charges shall be due and payable, whether at maturity, upon acceleration, call for redemption, or otherwise.

"Issuance Expenses Fund" means the Issuance Expenses Fund created under the Trust Agreement.

"Lease" means the Lease, dated as of even date with the Trust Agreement, between the Commission, as lessor, and the University, as lessee, as amended or supplemented from time to time.

"Lease Term" means the period commencing on delivery of the Lease and, subject to extension or renewal thereof if provided therein, ending on the Termination Date.

"Letter of Representations" means the Blanket Letter of Representations between the Commission and the Depository, or another such Letter of Representations if determined necessary by an Executive, each as amended or supplemented from time to time.

"Offering Circular" means the Offering Circular with respect to the Bonds, dated May 13, 2025.

"Original Purchaser" means KeyBanc Capital Markets Inc.

"Outstanding Bonds," "Bonds outstanding" or **"outstanding"** as applied to the Bonds means, as of the applicable date, all Bonds that have been authenticated and delivered, or are being delivered, by the Trustee under the Trust Agreement, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment or redemption on or prior to that date;

(b) Bonds, or the portion thereof, for the payment, redemption or purchase for cancellation of which sufficient money must have been deposited and credited with the Trustee or any Paying Agents on or prior to that date for that purpose (whether upon or prior to the maturity or redemption date of those Bonds); provided that, if any of those Bonds are to be redeemed prior to their maturity, notice of that redemption shall have been given or arrangements satisfactory to the Trustee shall have been made for giving notice of that redemption, or waiver by the affected Holders of that notice satisfactory in form to the Trustee shall have been filed with the Trustee;

(c) Bonds, or the portion thereof, that are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of the Trust Agreement; and

(d) Bonds in lieu of which others have been authenticated under the Trust Agreement.

"Paying Agent" means the Trustee and any bank or trust company designated as a Paying Agent for the Bonds by or in accordance with the Trust Agreement.

"Permitted Encumbrances" means, as of any particular time:

(a) the Base Lease and the Lease of the Project and any sublease authorized under such Base Lease and Lease;

(b) any existing base lease or lease between the University and Commission entered into as permitted by and in furtherance of purposes of the Act;

(c) liens for ad valorem taxes, governmental charges and special assessments not then delinquent, or if then delinquent, being contested in accordance with the Lease;

(d) utility, access and other easements and rights-of-way, mineral rights, restrictions and exceptions that an architect certifies will not interfere with or impair the operations being or to be conducted on the Project (or if no operations are being conducted thereon, the operations for which the Project was designed or last modified);

(e) security interests, mortgages, easements, restrictions and other encumbrances existing as of the date of delivery of the Base Lease;

(f) purchase money mortgages, purchase money security interests and other similar interests to the extent permitted by the Lease;

(g) minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title of a nature that exist normally with respect to properties of a character similar to that of the Project and that, in the opinion of an architect or Independent Counsel, in the aggregate do not materially and adversely affect the value or marketable title of the Project or impair materially the property affected thereby for the purpose for which it was acquired or is held;

(h) liens resulting from governmental regulations on the use of the Project;

(i) any lien on revenues, income, receipts, accounts or money of the University or real or personal property of the University now or hereinafter granted by the University (including the lien on the Pledged Revenues pursuant to the Pledged Revenues Agreement) if such lien equally and ratably secures the Bonds;

(j) any other lease between the Commission and the University entered into in connection with bonds issued by the Commission to provide for additional improvements to the Project or for the refunding of all or a portion of the Bonds or in connection with subsequent issues of bonds by the Commission for such purposes;

(k) any lien, mortgage, security interest or other encumbrance identified in an exhibit to the Lease or otherwise permitted by the Lease and the Trust Agreement; and

(l) the Lease Agreement providing for the lease of a portion of the Project from The 1886 Company, Ltd. (the **"Affiliate"**), as lessor, to the University, as lessee, pursuant to which the University will acquire a leasehold interest in a portion of the Gateway Project owned by the Affiliate (the **"Gateway Affiliate Lease"**).

"Person" or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), limited liability companies, joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

"Project" means the Project Facilities and the Project Site, including the property financed with the Bonds, and further including, as applicable, the interests of the Commission in and to the Project, and constituting a "project" as defined by the Act. The Project does not include portions of the University's Gateway Project described in its application to the Commission that will not be occupied by the University. The University's interest in a portion of the Project has been, in the first instance, acquired by the University pursuant to the Gateway Affiliate Lease.

"Project Facilities" means the educational facilities generally identified in Exhibit A of the Lease, including any additions, improvements, modifications, substitutions and renewals thereof, and further includes other facilities and uses as are permitted by the Act and the Lease.

"Project Site" means the real estate described in Exhibit B of the Lease, together with any additions thereto and less any removals therefrom, in the manner and to the extent provided in the Lease and the Trust Agreement.

"Rating Service" means Moody's Ratings ("**Moody's**"), S&P Global Ratings ("**S&P**") or Fitch Ratings ("**Fitch**"), each of New York, New York, or their successors, or if any one of which shall be dissolved or no longer assigning credit ratings to long-term debt, then any other nationally recognized entity assigning credit ratings to long-term debt designated by an Executive.

"Rebate Fund" means the Rebate Fund created under the Trust Agreement.

"Record Date" means, with respect to any Bond, the fifteenth day of the calendar month next preceding an Interest Payment Date applicable to that Bond.

"Register" means the books kept and maintained by the Registrar for the registration and transfer of Bonds pursuant to the Trust Agreement.

"Rental Payment Date" means the Business Day next preceding an Interest Payment Date.

"Rental Payments" means the amounts required to be paid by the University to the Trustee pursuant to the Lease and the Assignment.

"Responsible Officer" means any officer within the corporate trust department of the Trustee, including any vice president, assistant secretary, assistant treasurer, senior associate, associate or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have responsibility for, or familiarity with, the administration of the Trust Agreement.

"Revenues" means (a) Rental Payments, (b) amounts held in, or for the credit of, the Special Funds, (c) all other rentals, revenue, income, charges and money received or to be received by the Commission, or the Trustee for the account of the Commission, from the lease, sale or other disposition of the Project (except Additional Payments) and (d) all income and profit from the investment of the Rental Payments and the Special Funds and such other money. The term "Revenues" does not include any money or investments in the Rebate Fund or the Issuance Expenses Fund.

"Revised Code" means the Revised Code of the State of Ohio.

"Special Funds" means, collectively, the Improvement Fund, the Bond Fund and any other funds or accounts permitted by, established under or identified in the Trust Agreement or the Bond Legislation, except the Rebate Fund and the Issuance Expenses Fund.

"Special Record Date" means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to the Trust Agreement.

"State" means the State of Ohio.

"Tax Agreement" means the Tax Certificate and Agreement, dated the date the Bonds are issued and delivered, by and between the Commission, the University and the Trustee, as amended or supplemented from time to time.

"Termination Date" means the earlier of (a) the effective date of cancellation or termination of the Lease by the University pursuant to the provisions of the Lease or (b) the termination of the Lease by the Commission, subject to reinstatement, both pursuant to the provisions of the Lease.

"Trust Agreement" means the Trust Agreement, dated as of June 1, 2025, securing the Bonds, between the Commission and the Trustee, as amended or supplemented from time to time.

"Trustee" means the Trustee under the Trust Agreement, originally The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and validly existing under the laws of the United States of America, and any successor Trustee, as determined or designated under the Trust Agreement.

"Unassigned Rights" means the rights of the Commission under the Base Lease and the Lease that are not assigned to the Trustee, consisting of the rights of the Commission (a) to receive Additional Payments, (b) to be held harmless and to be indemnified, (c) to be reimbursed for attorney's fees and expenses, to the extent permitted by law, (d) to give or withhold consent to amendments of the Base Lease and the Lease, (e) to enter into subsequent leases of the Project as and to the extent provided for in provisions of the Lease summarized under **The Lease – Maintenance of Ownership; Subsequent Lease**, and (f) to enforce those rights.

"University" means John Carroll University, an Ohio nonprofit corporation and an educational institution, as defined in the Act, and its lawful successors and assigns, including without limitation any surviving, resulting or transferee corporation or entity, as permitted under the Lease.

"University Facilities" means the Gateway Project and the buildings, structures, real estate and any appurtenant facilities, equipment and fixtures, located on (i) the University's core campus, consisting of approximately 65 acres (as further described in Exhibit A of the Pledged Revenues Agreement), used or useful by the University in connection with its functioning as an institution of higher education and (ii) the site described in Exhibit B of the Pledged Revenues Agreement, being the site of the University's Gateway Project. The sites described in each of the Exhibit A and the Exhibit B referenced in the preceding sentence are part of the University Facilities. For the avoidance of doubt, University Facilities do not include property owned by an affiliate of the University (excepting the Gateway Project).

"University Representative" means the individual designated from time to time as the representative of the University for purposes of the Bond Documents. The designation must be made in a written certificate furnished to the Commission and the Trustee containing the specimen signature of such person and signed on behalf of the University by an authorized official of the University or its Board of Trustees. The certificate may designate an alternate or alternates who will have the same authority, duties and powers as the University Representative and may serve in that capacity during the same time as the University Representative. In the event that all individuals so designated become unavailable or unable to act and the University fails to designate a replacement within ten days after that unavailability or inability to act, the Trustee or an Executive (if requested to do so by the Trustee) may appoint an interim University Representative until the University designates a replacement.

The Lease

Term of Lease

The Commission will lease the Project from the University under the Base Lease. The Commission, in turn, will lease the Project back to the University under the Lease. The term of the Lease and Base Lease will begin on the date of the delivery of the Bonds and terminate upon the payment or provision for payment of the Bonds. The Lease may be terminated earlier in connection with the exercise by the Trustee of remedies upon the occurrence of an Event of Default (see **The Lease – Events of Default**).

During the term of the Lease, the University will have sole and exclusive charge of the operation of the Project so long as it complies with the terms of the Lease.

Commencement and Completion of the Project

Pursuant to the Lease, the University agrees to make any site improvements, to construct and improve the buildings and facilities, to purchase and install the related equipment and furnishings comprising the Project, in accordance with the plans and specifications approved by the University. The University has agreed to supply any funds required for completion of the Project that are not available from the proceeds of the Bonds. Any such payments by the University will not affect or serve to reduce the Rental Payments to be made by it under the Lease.

Rentals

The University is obligated in the Lease to pay Rental Payments and to pay other expenses and disbursements of the Trustee and the Commission, defined in the Lease as "Additional Payments."

Rental Payments are payable to the Trustee for the account of the Commission on or before each Rental Payment Date during the term of the Lease in an amount equal to the amount that, with the balance then in the Bond Fund and available therefor, will be sufficient to pay the debt service on the Bonds on the next Interest Payment Date.

In any event, the amount of the Rental Payments made under the Lease must be sufficient to pay the total amount of the debt service on the Bonds as and when due, whether on an Interest Payment Date, at stated maturity, by redemption or upon acceleration. The Lease serves the purpose of securing the debt service on the Bonds, while satisfying the requirements of the Act pursuant to which Bonds are issued. If on any date on which that debt service is due the balance in the Bond Fund is insufficient to make required payments of the debt service on such date, the University is required to pay to the Trustee for the account of the Commission, any such deficiency. Any amount, however, held at any time by the Trustee in the Bond Fund will, unless otherwise provided in the Lease, be credited against the Rental Payment next required to be paid by the University, to the extent such amount is in excess of the amount required (1) for payment of Bonds theretofore matured or called for redemption, (2) for payment of past due interest in all cases where such Bonds have not been presented for payment, and (3) to be deposited in the Bond Fund for use for other than payment of the principal of, premium, if any, and interest on the Bonds (whether at maturity or by redemption) on the next succeeding Interest Payment Date.

Absolute Obligation to Pay Rental Payments

The obligations of the University to make Rental Payments and Additional Payments pursuant to the Lease are absolute and unconditional general contractual obligations of the University and will survive any termination of the Lease until such time as all of the Bonds and interest and any premium thereon and any Additional Payments have been paid in full or provision therefor is made. The University agrees to pay such obligations from its general funds or any other money legally available to it in the manner and at the time provided in the Lease. The University will make Rental Payments and Additional Payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever, including any defense, set-off, recoupment or counterclaims that the University may have or assert against the State, the Commission, the Trustee or any other person, or any change in the tax or other laws or administrative rulings of or administrative actions by or under authority of the United States of America or of the State, or any damage to, destruction of or exercise of eminent domain with regard to the Project.

Maintenance of Ownership; Subsequent Lease

Except as permitted by the Lease, the University covenants and agrees that it will not sell or otherwise dispose of all or any part of the Project, or the University's or the Commission's leasehold interests therein or directly or indirectly create or suffer to be created or to remain any mortgage, lien, encumbrance or charge upon, pledge of, security interest in or conditional sale or other title retention agreement with respect to University Facilities and the Project, or the interests of the Commission or of the Trustee in the Trust Agreement, the Special Funds or the Revenues, Rental Payments, Additional Payments, or any part thereof, other than Permitted Encumbrances. The Commission and the University may enter into one or more leases of University Facilities and the Project or portions thereof in connection with the issuance of bonds by the Commission to provide additional improvements to University Facilities and the Project or in order to refund all or a portion of the Bonds or subsequent issues of bonds issued for those purposes. The Base Lease and the Lease will be permitted encumbrances under those subsequent leases and those subsequent leases will be Permitted Encumbrances under the Lease.

Maintenance of Tuition, Fees and Charges

So long as any Bonds are outstanding, the University covenants and agrees to operate all its educational facilities, including the Project, on a revenue-producing basis. The University also covenants during such period to fix, revise as often as necessary (but not necessarily more often than annually), charge and collect such reasonable tuition fees, other student fees, rates, other fees, rentals and charges for the use and occupancy of its educational facilities, including the Project or any part thereof, in amounts so that the University will receive gross cash receipts in each fiscal year that, together with other money legally available to it, are sufficient (as determined in accordance with generally accepted accounting principles then in effect and applicable to nonprofit educational institutions) to pay the following costs (without priority of any one clause over another): (i) currently all of the University's expenses, payable during that fiscal year, for its operation, including those expenses incurred in carrying out its educational purposes, and for the operation, maintenance and repair of all its educational facilities, including the Project, and any other facilities operated by the University; (ii) all Rental Payments and Additional Payments under the Lease due in that fiscal year; (iii) all other obligations imposed by the Bond Documents upon the University payable during such fiscal year; and (iv) all indebtedness and other obligations of the University due in that fiscal year as the same become due and payable.

Maintenance and Insurance

The University agrees that during the term of the Lease it will occupy, use, keep and maintain the Project, including all appurtenances thereto and any personal property necessary to the operation thereof, in good repair and good operating condition at its own cost. The University will obtain and maintain within the Project all movable furnishings, equipment and other personal property (in addition to that purchased with the proceeds of the Bonds) as are essential for the faithful and efficient administration, operation, and maintenance of the Project. The University has no obligation, however, to repair, renew or replace any inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary portions of the Project Facilities unless provision is made therefor in the Lease. The University may from time to time make additions, modifications, and improvements to the Project, replace or substitute any part of the Project Facilities and remove any part of the Project without substitution thereof, so long as it is not in default under the Lease and such modifications will not be in violation of the Act or do not impair the character or significance of the Project as furthering the purposes of the Act.

The University will pay, as they become due, all lawful taxes and assessments (whether general or special) and governmental charges of any kind that may be levied or assessed against the Project or any personal property or fixtures installed or brought by the University therein or thereon. The University will not create or permit to remain with respect to the Project any lien or encumbrance, except for Permitted Encumbrances.

So long as any Bonds are outstanding, the University will obtain and at all times maintain in force (or cause to be kept and maintained) at its expense insurance coverage with respect to the educational facilities, including the Project, and other properties of the University and the operation and maintenance thereof of such type and in such amounts as is normally carried on educational facilities and other properties of similar type and size, and against such risks as are customarily insured against in connection with educational facilities and other properties of similar type and size. The University will carry and maintain (or will cause to be carried and maintained), and will pay timely (or will cause the timely payments of) the premiums for, at least the following types of insurance coverage:

(a) Property insurance in an amount equal to the then replacement value of the Project Facilities excluding such values as are not insured by a standard fire insurance policy, such as excavations, underground foundations, piping, underground utilities, footings below ground level and architects' fees related to repair or restoration resulting from damage covered by such insurance, but in no event may the amount of such insurance be less than that required to avoid coinsurance, insuring the Project Facilities against loss or damage by fire, lightning, such perils as are at any time covered by the uniform standard extended coverage insurance endorsements, vandalism, malicious mischief and the "all risks" form approved for issuance in the State and such other risks as are ordinarily insured against by educational institutions carrying on operations similar to that of the University (including builder's risk insurance during the period of construction of the Project Facilities) and containing loss deductible provisions as are customarily maintained by educational institutions conducting operations similar to the University;

(b) Comprehensive general liability insurance, including landlord's liability, with reference to the Project, and motor vehicle insurance, in such amounts and with such deductible provisions as are customarily maintained by educational institutions conducting operations similar to the University;

(c) Workers' compensation (or the election to self-insure as permitted by the State) and employer's liability coverage as required by the laws of the State; and

(d) Fidelity bonds on all officers and employees of the University who have access to or custody of revenues, receipts or income from any funds of the University in amounts customarily carried by like organizations.

The Lease provides that, under certain circumstances, the insurance requirements may be funded by self-insurance programs of the University, or by umbrella policies if such policies in the aggregate provide the same coverage as the insurance coverage enumerated above.

Annual Statement

The University agrees in the Lease to have an annual audit of its financial statements made by an independent auditor and to provide that audit report to the Commission, the Trustee and the Underwriter within 180 days after the end of each fiscal year. See also **CONTINUING DISCLOSURE AGREEMENT** and **APPENDIX F** hereto.

Merger, Consolidation or Transfer of Assets

During the term of the Lease, the University is to maintain its existence as an educational institution not for profit and will not dissolve, sell, transfer or otherwise dispose of all or a substantial part of its assets or consolidate with or merge into another corporation or entity or permit one or more other corporations to consolidate with or merge into it, unless the corporation or entity surviving such merger (i) holds a certificate of authorization from the Ohio Department of Higher Education pursuant to Section 1713.02 of the Ohio Revised Code, (ii) is an organization described in Section 501(c)(3) of the Code and is exempt from federal income taxation under Section 501(a) of the Code or is a governmental unit, (iii) has an aggregate unrestricted net asset balance equal to at least 90% of that balance of the University, (iv) expressly assumes all covenants, agreements and obligations of the University under the Bond Documents and (v) meets certain other conditions described in the Lease.

The University will be deemed to have disposed of a substantial part of its assets if during any fiscal year it disposes of 25% or more of its assets, whether or not shown as assets on the balance sheets of the University. The sale or exchange of securities or real estate held for investment purposes in order to obtain other securities or real estate to be held for investment purposes will not, however, be deemed to be a disposal of assets.

Indemnification of the Commission

The University will hold the Commission harmless against any loss or costs arising from any loss of or damage to property, or any injury to or death of any person, that may be occasioned by any cause whatsoever pertaining to the Project or its use. In addition, the University will indemnify and hold harmless the Commission against all costs, liabilities, penalties, fines, damages, expenses, losses or claims arising from any breach or default by the University under the Bond Documents, the acquisition, construction, reconstruction, improvement or equipping of the Project, and any act or a failure to act by the University, its agents, contractors, servants, employees or licensees.

The University also agrees to indemnify and save harmless the Commission against any and all costs, liabilities, expenses, losses or claims to which the Commission may become subject in connection with the Commission's authorization, issuance and sale of the Bonds and any information or certification in connection therewith.

University's Options to Terminate Lease

The University has the option to terminate the Lease and Base Lease at any time when the Trust Agreement has been released pursuant to its provisions and all payments thereunder have been made or provided for.

The University also has the option to terminate the Lease and Base Lease if any of the following occurs:

(a) All or a substantial part of the Project is damaged or destroyed to such extent that (i) it cannot be reasonably restored within a period of six months to the condition thereof immediately preceding such damage or destruction, or (ii) the University is thereby prevented from carrying on its normal operation of the Project for a period of six months;

(b) Title to, or the temporary use of, all or a substantial part of the Project is taken under the exercise of the power of eminent domain by any governmental authority, or person, firm or corporation acting under governmental authority, to such extent that (i) the Project cannot be reasonably restored within a period of six months to a condition comparable to its condition prior to such taking or (ii) the University is thereby prevented from carrying on its normal operation of the Project for a period of six months;

(c) As a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether State or federal) or by final decree, judgment or order of any court or administrative body (whether State or federal) entered after the contest thereof by the Commission or the University in good faith, the Lease becomes void or unenforceable or impossible of performance, or if unreasonable burdens or excessive liabilities are imposed upon the Commission or the University with respect to the Project or operation thereof as described in the Lease; or

(d) The University loses its status as a federally tax-exempt organization but only if such loss results in the interest on the Bonds becoming included in gross income for federal income tax purposes.

For purposes of this paragraph, the term “substantial part” when used with reference to the Project means any part of the Project, the total cost of which (as determined by the University) equals or exceeds the lesser of (i) 25% of the aggregate principal amount of the Bonds originally issued or (ii) the aggregate principal amount of the Bonds then outstanding.

Upon the exercise of such option, the University is required to make arrangements satisfactory to the Trustee for the redemption of all outstanding Bonds and will pay as the redemption price for the Bonds the following:

(a) To the Trustee, an amount of money that, together with the money and investments held to the credit of the Special Funds, will be sufficient pursuant to the provisions of the Trust Agreement to pay the principal amount of the outstanding Bonds plus premium, if any, and interest accrued on the Bonds to the redemption date, and to discharge all then outstanding Bonds; and

(b) To the Trustee or to the persons to whom Additional Payments are or will be due, an amount of money (or provision therefor satisfactory to the Trustee and the Commission) equal to the Additional Payments accrued and to accrue.

Pursuant to the Lease, upon the expiration of the term of the Lease, the University will purchase all interests of the Commission in the Project for a nominal amount.

Assignment and Subleasing

The Lease may be assigned in whole or in part, and the Project may be subleased in whole or in part, or there may be granted to others the right to occupy and use the Project in whole or in part, by the University without the necessity of obtaining the consent of the Commission or the Trustee, provided that certain conditions are met, including (i) no such assignment (other than assignments pursuant to the consolidation, merger, sale or other transfer as described in **The Lease – Merger, Consolidation or Transfer of Assets**), sublease or grant will relieve the University from primary liability for any of its covenants, agreements or obligations under the Lease and the University will continue to remain primarily liable for the payment of Rental Payments and Additional Payments and the performance of its covenants, agreements, and obligations provided in the Lease, (ii) any such assignment (other than assignments pursuant to the consolidation, merger, sale, sublease or other transfer as described in **The Lease – Merger, Consolidation or Transfer of Assets**), sublease or grant will retain for the University such rights as will permit it to perform its obligations under the Lease, (iii) the assignee or sublessee from the University assumes the obligations of the University to the extent of the interest assigned or subleased, (iv) the University furnishes a copy of such assignment, sublease or grant of use to the Commission and the Trustee, and (v) any assignment, sublease or grant will be subject to the terms of the Lease and must not materially impair fulfillment of the purposes of the Act to be accomplished by operation of the Project or adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or cause the interest on the Bonds to become an item of tax preference for purposes of the alternative minimum tax under the Code (whether by noncompliance with the covenants of the University in the Tax Agreement or otherwise).

Events of Default

The following are defined as Events of Default under the Lease.

(a) The University fails to pay any Rental Payment on or prior to the date on which such Rental Payment is due and payable.

(b) The University fails to administer, maintain or operate the Project as educational facilities in accordance with the Act.

(c) The University fails to observe or perform any other covenant, agreement or obligation contained in the Lease, if such failure continues for a period of 60 days after written notice of the failure is given by registered or certified mail to the University by the Commission or the Trustee, or for such longer period as the Commission and the Trustee may agree to in writing; provided that if the University proceeds to take curative action that, if begun and prosecuted with due diligence, cannot be completed reasonably within the 60 day period, that period will be increased without a written extension to any extent necessary to enable the University to complete the curative action diligently.

(d) Certain events of dissolution, liquidation, insolvency, bankruptcy, reorganization or other similar events with respect to the University occur.

(e) The University fails to make any payment due under a lease or lease agreement entered into between the University and the Commission in connection with any issue of State of Ohio Higher Educational Facility Bonds issued to fund or refinance a project at the University, provided that such failure constitutes an event of default under such lease or lease agreement.

(f) An Event of Default under the Pledged Revenues Trust Agreement or under any other agreement or instrument evidencing or securing Parity Obligations (as defined in **APPENDIX G**).

No event described in (c) above constitutes an Event of Default under the Lease, if the event is the result of an event not reasonably within the control of the University. However, the University must promptly give notice to the Trustee and the Commission of any such event of and must use its best efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances is entirely within the University's discretion.

The declaration of an Event of Default under the Lease and the exercise of rights, remedies, and powers upon any such declaration are subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings and to the limitations of other applicable laws.

Remedies on Default

If any Event of Default described above happens and is continuing, any one or more of the following actions may be taken:

(a) The Trustee, if acceleration is declared pursuant to the Trust Agreement, will, and otherwise the Trustee may, declare all Rental Payments, Additional Payments and other amounts payable under the Lease to be immediately due and payable, whereupon the same will become immediately due and payable.

(b) The Trustee may enter and take possession of the Project without terminating the Lease, complete the Project Facilities if not then completed, sublease the Project or any part thereof for the account of the University, holding the University liable for completion costs, if any, not reimbursed to the Commission from the proceeds of the Bonds or otherwise, collect rentals and enforce all other remedies of the University under any leases of, or assignments or grants of rights to use or occupy, the Project, terminate the Lease and enter into new leases, assignments and grants on any terms that the Commission or the Trustee may deem to be suitable for the Project, remove the University, all other persons and all property from the Project, operate and manage the Project, receive all earnings, income, rents, issues, profits, proceeds or other sums accruing with respect thereto, and obtain an environmental assessment of all or any part of the real property constituting the Project. Rentals and other amounts received by the Trustee in accordance with the preceding sentence may be applied by the Trustee to any costs of administration, operation, repair or maintenance of the Project, as the Trustee may deem reasonably useful, and the remaining balance will be applied to the Rental Payments, Additional Payments and other amounts payable, or to become payable, under the Lease, in the order of priority to be determined by the Trustee.

(c) Upon notice, the Trustee may have reasonable access to and inspect, examine and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the University.

(d) The Trustee may exercise any and all and any combination of rights, remedies and powers available to it under the Trust Agreement and Lease, at law, in equity or by statute or otherwise, including to the extent permitted by law the right to appointment of a receiver for the Project.

Any amounts collected as, or applicable to, Rental Payments pursuant to any such action taken is required to be paid into the Bond Fund and applied in accordance with the provisions of the Trust Agreement if the Bonds have not been paid and discharged in accordance with the Trust Agreement.

In the event that the Project or any portion thereof is leased pursuant to any future lease between the Commission and the University in connection with an issue of revenue bonds or notes of the Commission ("Commission Obligations") for the benefit of the University ("Future Overlapping Portion"), the Trustee prior to exercising remedies upon an Event of Default described in paragraph (b) above is required to cooperate with the holders of any such Commission Obligations (or the trustee representing their interests) so that the interest of those holders and the holders of the Bonds will be protected equally and ratably with respect to the Future Overlapping Portions of the Project and any disposition thereof. In this regard, any future lease relating to Commission Obligations is required to contain provisions to the effect that, prior to exercising any remedies upon a default under such lease relating to such Commission Obligations that are analogous to those described in paragraph (b) above, the future holders of those Commission Obligations (or the trustee representing their interests) must cooperate with the Trustee so that the interests of the holders of the Bonds and the holders of those future Commission Obligations will be protected equally and ratably with respect to any Future Overlapping Portion of the Project and any disposition thereof. In the event that the Project or any portion thereof also is leased pursuant to any existing lease entered into between the Commission and the University in connection with a prior issue of Commission Obligations for the benefit of the University ("Existing Overlapping Portion"), the Trustee prior to exercising remedies in the Lease is required to cooperate with the holders of any such existing Commission Obligations (or the trustee representing their interests) so that the interest of those existing holders and the holders of the Bonds will be protected equally and ratably with respect to the Existing Overlapping Portions of the Project and any disposition thereof. In the event the Trustee receives or expects to receive funds from insurance proceeds or proceeds of eminent domain and such funds relate to any Future Overlapping Portion or Existing Overlapping Portion the Trustee is required to pursue an application of such funds so as to facilitate the equal and ratable treatment of other holders and trustees in the same fashion as contemplated in this paragraph. Determinations of "equal and ratable" hereunder will be made on a pro rata basis according to the then outstanding principal amount of the applicable Commission Obligations.

In the event of any Event of Default, the University is required to certify to the Trustee the amount of Commission Obligations, including the amount of Commission Obligations relating to each of the Existing Overlapping Portion and the Future Overlapping Portion, outstanding and to the best of its knowledge the identity of the Holders of such Commission Obligations. The Trustee may rely conclusively on such certificate. In exercising remedies under (b) or (e) above, the Holders of a majority in aggregate principal amount of all Commission Obligations that are subject to related Existing Overlapping Portions and Future Overlapping Portions will have the right by an instrument in writing executed and delivered to the Trustee to direct the method and place of conducting all remedial proceedings to be taken by the Trustee with respect thereto and provided such direction shall otherwise be subject to and in accordance with applicable law or the provisions of the Lease and the Trust Agreement, including those relating to the rights and immunities of the Trustee, including its right to be indemnified to its satisfaction. In the event that the Trustee receives conflicting directions from two or more groups of Holders of Commission Obligations and Holders of the Bonds, the directions given by the group of Holders which holds the largest percentage of Bonds, or, as applicable, Commission Obligations, will be controlling and the Trustee will follow such directions.

Subject to the Trust Agreement, notwithstanding any termination of the Lease or the exercise of any other remedy, and prior to the entry of a judgment in a court of law or equity for enforcement of the Lease after an opportunity for the University to be heard, the University may

(a) at any time pay, or provide for, (i) all accrued and unpaid Rental Payments, including all interest required to be paid in accordance with the Trust Agreement on overdue principal of any Bonds and on the principal of any Bonds required to be redeemed in accordance with the Trust Agreement, but not redeemed by reason of any Event of Default under the Lease by the University in the payment of Rental Payments, Additional Payments and other amounts payable under the Lease (except Rental Payments, Additional Payments and other amounts accelerated), (ii) all costs and expenses of the Commission and the Trustee occasioned by the Event of Default under the Lease, and (b) cure to the satisfaction of the Trustee all other Events of Default then capable of being cured.

Upon that payment, deposit and cure, (a) the Lease will be reinstated fully, (b) the University will be restored to the possession of the Project and (c) that payment, deposit and cure will constitute *ipso facto* a waiver of the Event of Default and its consequences and an automatic rescission of any declaration of acceleration. No waiver will extend to any subsequent Event of Default. If, by reason of any Event of Default under the Lease in the payment of Rental Payments, the payment of any principal of or interest on any Bond is not made when due (whether at maturity or by mandatory redemption), the Lease will not be reinstated if the Trustee, within ten days of such payment, deposit and cure, notifies the University in writing of its objection, based on a reasonable determination that the University will be subject to a subsequent Event of Default under the Lease, to such reinstatement.

Amendments of the Lease

The Trust Agreement provides that the Commission and the Trustee may consent to any amendment of the Lease without the consent of or notice to the Holders only as may be required (i) by the provisions of the Bond Documents, (ii) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Lease, (iii) in connection with an amendment or to effect any purpose for which there could be an amendment of the Trust Agreement without the consent of the Holders, (iv) to implement an amendment pursuant to the Lease to effect the release of and removal from the Bond Documents of any part of or interest in the Project, or (v) in connection with any other change therein that does not materially, adversely affect the Trustee or the Holders. Any amendment to the Lease that would change the amount of Rental Payments, or time as of which they are required to be paid, may only be made with the written consent of all Holders. Any other amendments to the Lease may only be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The Trust Agreement

Security

In order to secure the payment of the debt service on the Bonds and the performance of the obligations contained in the Trust Agreement and the Bonds, the Commission will assign to the Trustee for the benefit of the Holders any and all of its right, title and interest in and to (i) the Revenues, (ii) the Lease, except the Unassigned Rights, (iii) the Base Lease, except for the Unassigned Rights and effective only upon the occurrence of an Event of Default under the Lease and for so long as such an Event of Default continues to exist, and (iv) the proceeds of the Bonds and the Guaranty to the extent included in the Revenues and any other property or agreements that may be given to the Trustee or to the Commission as security for the Bonds.

Use of Bond Proceeds

The proceeds of the sale of the Bonds will be deposited by the Trustee as follows: to the Bond Fund, proceeds representing accrued interest, if any; to the Issuance Expense Fund, the amount necessary to pay certain issuance costs (see **ESTIMATED SOURCES AND USES OF FUNDS**); and to the Improvement Fund, the balance of the proceeds.

Bond Fund

The Trust Agreement establishes the Bond Fund that is to be maintained by the Trustee. There will be deposited in a separate account in the Bond Fund any accrued interest received upon the original sale of the Bonds. All Rental Payments related to the payment of debt service on the Bonds received from the University or the Commission will be deposited in the Bond Fund.

The Bond Fund (and accounts therein for which provision is made in the Trust Agreement or the Lease) and the money and Eligible Investments therein will be used to pay the debt service on the Bonds; provided that no part thereof may be used to redeem any Bonds prior to maturity, except as may be provided otherwise in the Lease or the Trust Agreement.

Improvement Fund and Issuance Expenses Fund

Bond proceeds will be deposited into the Improvement Fund and the Issuance Expenses Fund maintained by the Trustee as provided in the Trust Agreement. The money in the Improvement Fund will be disbursed by the Trustee upon requisition from the University in accordance with the Lease to reimburse or pay the University, or any person designated by the University, for any of the following:

(a) Costs incurred directly or indirectly for or in connection with the acquisition and leasing of the Project, survey fees, recording fees and costs related to any of the work deemed desirable in order to perfect or protect the interests of the Commission, the Trustee and the University in the Project;

(b) Costs incurred directly or indirectly for or in connection with the acquisition, construction, remodeling, improvement, equipping or furnishing of the Project, including but not limited to those costs incurred for preliminary planning and studies, architectural, accounting, consulting, financial, legal, engineering, supervisory and other services, site preparation, utilities, labor, materials and acquisition and installation of personal property;

(c) Premiums attributable to any bond insurance or to any surety bonds and insurance to be taken out and maintained during construction of the Project;

(d) Taxes, assessments and other charges in respect of the Project that may become payable during construction of the Project;

(e) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any actual or claimed default under any contract relating to the Project Facilities;

(f) Any other incidental and necessary costs, expenses, fees and charges relating to the acquisition, construction, installation, leasing, improvement or equipping of the Project;

(g) Capitalized interest on the Bonds;

(h) Any other costs incurred in connection with the Project or the Bonds or as otherwise permitted to be paid from the proceeds of the Bonds under the Act or the Code; and

(i) Payments made to the Rebate Fund;

provided that none of the proceeds of the Bonds in the Improvement Fund may be used to pay issuance costs of the Bonds within the meaning of Section 147(g) of the Code.

The money and Eligible Investments held in and to the credit of the Improvement Fund will, pending application thereof as above set forth, be subject to a lien and charge in favor of the Trustee under the Trust Agreement.

The money and Eligible Investments held in and to the credit of the Issuance Expenses Fund will not constitute part of the Revenues assigned to the Trustee as security for the payment of Bond Service Charges. Money will be disbursed from the Issuance Expenses Fund only upon proper requisition by the University or the Commission, to pay, or to reimburse the University for payment of, the fees, charges and expenses incurred in connection with the issuance of the Bonds.

On the earlier of (i) six months following the issuance of the Bonds or (ii) the date when all fees, charges and expenses relating to the issuance of the Bonds have been paid or provision for their payment have been made, the Trustee will transfer any balance remaining in the Issuance Expenses Fund, as directed by the University, to the Bond Fund or to the Improvement Fund.

Rebate Fund

The Trust Agreement establishes the Rebate Fund that is to be maintained by the Trustee. The provisions relating to rebate under the Code are set forth in the Tax Agreement. The amounts on deposit in the Rebate Fund will not be part of the Revenues assigned under the Trust Agreement to the Trustee.

Investment of Funds

Any money held in the Improvement Fund, the Issuance Expenses Fund, the Rebate Fund or the Bond Fund will, at the direction of the University, be invested or reinvested by the Trustee in Eligible Investments in accordance with the Trust Agreement.

An investment made from money credited to the Bond Fund, the Rebate Fund, the Issuance Expenses Fund or the Improvement Fund will constitute part of that respective Fund and such respective Fund will be credited with all proceeds of sale and income from such investment.

Defeasance

When all debt service on the Bonds has been paid or provision has been made for such payment of all amounts and provision has been made for payment of all amounts due under the Lease and the Trust Agreement, then and in that event the Trust Agreement (except for certain provisions thereof that need to remain operative such as those relating to the holding of funds for the benefit of particular Holders or for the University) will cease, determine and become null and void, and the covenants, agreements and other obligations of the Commission thereunder will be released, discharged and satisfied. Thereupon the Trustee will release the Trust Agreement, and sign and deliver to the Commission such instruments or documents in writing as will be requisite to evidence such release and discharge or as may be reasonably requested by the Commission.

All or any part of the outstanding Bonds will be deemed to have been paid and discharged within the meaning of the Trust Agreement if:

(a) the Trustee and any other paying agent has received, in trust for and irrevocably committed thereto, sufficient money, or

(b) the Trustee has received, in trust for and irrevocably committed thereto, Defeasance Obligations that are verified or certified by an independent firm experienced in the preparation of verification reports and acceptable to the University to be of such maturities or redemption dates and interest payment dates and to bear such interest as will be sufficient together with any money to which reference is made in subparagraph (a) above without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed, except as provided in the Trust Agreement),

for the payment of all Bond Service Charges on those Bonds at their maturity or redemption dates, as the case may be, or if default in such payment has occurred on such date, then for the payment of all Bond Service Charges to the date of the tender of such payment; provided that if any of those Bonds are to be redeemed prior to their maturity thereof, notice of such redemption must have been duly given or irrevocable provision satisfactory to the Trustee must have been duly made for the giving of such notice.

Events of Default

The following are "Events of Default" under the Trust Agreement:

(a) The Commission fails to pay the interest on any Bond when and as the same becomes due and payable;

(b) The Commission fails to pay the principal of or premium on any Bond when the same becomes due and payable whether at stated maturity or by acceleration or redemption pursuant to mandatory redemption requirements;

(c) The Commission or the University fails to perform or observe any covenant or agreement or obligation under the Trust Agreement, the Lease or the Tax Agreement that results in the interest on the Bonds no longer being excluded from gross income for federal income tax purposes;

(d) The Commission fails to perform or observe any other covenant, agreement or obligation on the part of the Commission contained in the Trust Agreement or in the Bonds, which failure has continued for a period of 60 days after written notice by the Trustee to the Commission and the University, specifying the failure and requiring the same to be remedied, which notice may be given by the Trustee and which notice must be given by the Trustee at the written request of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding;

(e) The occurrence of an Event of Default as defined in the Lease, including an Event of Default under the Pledged Revenues Trust Agreement, subject to applicable waivers and cure periods as provided therein (see **The Lease – Events of Default**); or

(f) The University fails to perform or observe any covenant, agreement or obligation on the part of the University contained in the Guaranty, giving effect to any notices and grace periods therein.

If an Event of Default occurs of which the Trustee has notice pursuant to the Trust Agreement, the Trustee is required to give written notice thereof, within 30 days after the Trustee's receipt of notice, to the Holders of all Bonds then outstanding as shown by the Register at the close of business 15 days prior to the mailing of that notice; provided that, except in the case of an Event of Default in the payment of the principal of or any premium or interest on any Bonds, the Trustee may withhold such notice if and so long as the Trustee in good faith determines that the withholding of notice to the Holders is not materially prejudicial to the interest of the Holders.

Acceleration

Upon the occurrence of an Event of Default described under paragraphs (a), (b), or (c) of "Events of Default" above, the Trustee may, and, upon the written request of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding, the Trustee is required to, declare the principal of and any premium on all Bonds then outstanding (if not then due and payable), together with interest accrued thereon to the date determined by the Trustee for the tender of payment to the Holders, to be immediately due and payable.

The provisions of acceleration are subject, however, to the condition that if at any time after declaration of acceleration and prior to the entry of a judgment in a court for enforcement under the Trust Agreement or the appointment or confirmation of a receiver (after an opportunity for hearing by the Commission and the University), all amounts payable under the Trust Agreement (except the principal of and interest on Bonds that have not reached their stated maturity dates but that are due and payable solely by reason of that declaration of acceleration), have been duly paid or provision has been duly made therefor by deposit with the Trustee or any paying agents, and all existing Defaults have been made good, then and in every case, the Event of Default and its consequences are waived and rescinded and the declaration of acceleration is annulled. No waiver or rescission and annulment will extend to or affect any subsequent Event of Default or impair any rights consequent thereon.

Other Remedies

Upon the happening and continuance of an Event of Default under the Trust Agreement and subject to the Lease, the Commission, upon the demand of the Trustee, is required to surrender the possession of the Project, subject to the University's rights under the Lease, to the Trustee to hold, operate and manage the same.

Upon the occurrence and continuance of an Event of Default under the Trust Agreement, the Trustee may pursue any available remedies to enforce the payment of the debt service on the Bonds and the Trustee may pursue any available remedy to enforce the payment of Bond Service Charges or the observance and performance of any other covenant, agreement or obligation under the Trust Agreement, the Lease, the Guaranty or any other instrument providing security, directly or indirectly, for the Bonds. If requested to do so by the Holders of at least 25% in aggregate principal amount of Bonds outstanding and if indemnified as provided in the Trust Agreement, the Trustee is required to exercise such of the rights and powers conferred upon it as the Trustee under the Trust Agreement as the Trustee.

All money collected pursuant to any remedy, right or power exercised under the Trust Agreement by the Trustee prior to the payments in full of all outstanding Bonds and the interest accrued thereon will be held by the Trustee.

The Trustee will not be required to take any foreclosure action if the approval of a government regulator shall be a condition precedent to taking such action, and such approval cannot be obtained. Anything in the Trust Agreement or the Lease to the contrary notwithstanding, the Trustee will not be required to enter, take possession of, or take any other action whatsoever with respect to the failure to initiate foreclosure proceedings with respect to the Project unless the Trustee is reasonably satisfied that the Trustee will not be subject to any liability under any local, state, or federal environmental laws or regulations of any kind whatsoever or from any circumstances present at the Project relating to the presence, use, management, disposal or contamination by any environmentally hazardous materials or substances of any kind whatsoever.

Right of Bondholders to Direct Proceedings

The Holders of a majority in aggregate principal amount of Bonds then outstanding will have the right at any time to direct, by an instrument or document or instruments or documents in writing signed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Trust Agreement, or any other proceedings under the Trust Agreement; provided that such direction is in accordance with the provisions of law and the Trust Agreement, that the Trustee is indemnified to its satisfaction and that the Trustee may take any other action that it deems to be proper and that is not inconsistent with the direction.

Rights and Remedies of Holders

The Holder of any Bond will not have any right to institute any suit, action or proceeding for the enforcement of the Trust Agreement, for the execution of any trust under the Trust Agreement or for the exercise of any other remedy under the Trust Agreement, unless (i) an Event of Default under the Trust Agreement has occurred and is continuing, of which the Trustee has been notified or is deemed to have notice, (ii) the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding have made a written request to the Trustee and have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers provided in the Trust Agreement or to institute such action, suit or proceeding in its own name and have offered to the Trustee indemnity as provided in the Trust Agreement and (iii) the Trustee thereafter has failed or refused to exercise its remedies, rights and powers under the Trust Agreement or to institute such action, suit or proceeding in its own name.

Nothing in the Trust Agreement will be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder 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 Holder in any such proceeding without the approval of the Holders so affected.

Waivers of Events of Default

Except as hereinafter provided or as described above, at any time, in its discretion, the Trustee may waive any Event of Default under the Trust Agreement and its consequences and may rescind and annul any declaration of maturity of principal of the Bonds. The Trustee will do so upon the written request of the Holders of (a) at least a majority in aggregate principal amount of all Bonds then outstanding in respect of which an Event of Default in the payment of the debt service on the Bonds exists or (b) at least 25% in aggregate principal amount of all Bonds then outstanding, in the case of any other Event of Default under the Trust Agreement. Such written request will take priority over other actions requested or authorized by the Bondholders.

There will not be so waived, however, any Event of Default described in (a) or (b) under **The Trust Agreement – Events of Default** or any declaration of acceleration in connection therewith rescinded or annulled, unless at the time of that waiver or rescission and annulment payments of the amounts provided in the Trust Agreement for waiver and rescission and annulment in connection with acceleration of maturity have been made or provision has been made therefor. In the case of the waiver or rescission and annulment, or in case any suit, action or proceedings taken by the Trustee on account of any event of default under the Trust Agreement has been discontinued, abandoned or determined adversely to it, the Commission, the Trustee and the

Holders of Bonds will be restored to their former positions and rights under the Trust Agreement. No waiver or rescission will extend to any subsequent or other Event of Default or impair any right consequent thereon.

Application of Money

All money received by the Trustee pursuant to any remedial action will be applied first to the payment of the fees, costs, expenses, liabilities and advances of the proceedings resulting in the collection of the money and any amount required to be deposited in the Rebate Fund, the balance of such money will be deposited in the Bond Fund and applied to the payment of principal of, premium, if any, and interest on the Bonds, in the order of priority set forth in the Trust Agreement.

Supplemental Trust Agreements

The Commission and the Trustee may enter into supplemental trust agreements not inconsistent with the Trust Agreement, without the consent of or notice to any of the Holders, for any one or more of the following purposes:

(a) to cure any ambiguity, inconsistency or formal defect or omission in the Trust Agreement;

(b) to grant to or confer upon the Trustee for the benefit of the Holders additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Holders or the Trustee;

(c) to assign additional revenues under the Trust Agreement;

(d) to accept additional security and instruments and documents of further assurance with respect to the Project;

(e) to add to the covenants, agreements and obligations of the Commission contained in the Trust Agreement, other covenants, agreements and obligations thereafter to be observed for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Commission in the Trust Agreement;

(f) to evidence any succession to the Commission and the assumption by such successor of the covenants, obligations and agreements of the Commission contained in the Trust Agreement, the Base Lease, the Lease and the Bonds;

(g) to permit the Trustee or the Commission to comply with any obligations imposed upon it by law, including the Code, so long as such change would not be to the material prejudice of the Trustee or the Holders;

(h) to specify further the duties and responsibilities of, and to define further the relationship among, the Trustee, Registrar, authenticating agents and paying agents;

(i) to achieve compliance of the Trust Agreement with any applicable federal securities or tax law if in the opinion of Independent Counsel (Bond Counsel if related to federal tax law) such supplemental trust agreement does not adversely affect the validity or security for the Bonds;

(j) to obtain or maintain a rating on the Bonds from a Rating Service or to obtain or maintain insurance on the Bonds;

(k) to adopt procedures for the disclosure of information to Bond Holders and others with respect to the Bonds, the University and the Commission in accordance with applicable federal securities laws or with any guidelines for such purpose promulgated by any appropriate national organization;

(l) to facilitate (i) the transfer of Bonds from one Depository to another, and the succession of Depositories, or (ii) the withdrawal of Bonds issued to a Depository for use in a Book Entry System and the issuance of replacement Bonds in fully registered form to others than a Depository; and

(m) to permit any other amendment that is not to the material prejudice of the Trustee or the Holders.

Exclusive of supplemental trust agreements for the purposes stated above, the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding will be required to approve any trust agreement supplementing the Trust Agreement, provided that no supplemental trust agreement may permit: (i) an extension of the maturity of the principal of or the interest on any Bond, or a reduction in the principal amount of any Bond, or the rate of interest or premium on any Bond, or a reduction in the amount or extension of the time of any payment of mandatory sinking fund requirements, without the consent of the Holder of each Bond so affected, or (ii) the creation of a privilege or priority of any Bond over any other Bond, or a reduction in the aggregate principal amount of Bonds required for consent to such supplemental trust agreement or an amendment to the Lease, without the consent of the Holders of all of the Bonds then outstanding. In addition, the University must consent to any supplemental trust agreements.

The Trustee

The Trustee, The Bank of New York Mellon Trust Company, N.A., is a national banking association organized and existing under the laws of the United States of America and duly authorized to exercise corporate trust powers in the State of Ohio.

The Trustee, prior to the occurrence of an Event of Default under the Trust Agreement of which the a Responsible Officer of the Trustee has been notified or of which the Trustee under the provisions of the Trust Agreement is deemed to have notice, and after the curing or waiving of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Trust Agreement. In case an Event of Default under the Trust Agreement has occurred and is continuing (of which the Trustee has been notified or is deemed to have notice pursuant to the provisions of the Trust Agreement), the Trustee will exercise the rights and powers vested in it by the Trust Agreement as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs and may request indemnity be furnished to it by the Holders requesting it to take action in accordance with the Trust Agreement (with the exception of any notice of default required to be given by the Trustee as described under **The Trust Agreement – Events of Default** and any action required to be taken by the Trustee as described in **The Trust Agreement – Acceleration** herein) for the reimbursement of all fees and expenses that it may incur and to protect it against all liability by reason of any action so taken. The Trust Agreement provides that the Trustee is entitled to act upon opinions of counsel and will not be responsible for any loss or damage resulting from reliance thereon in good faith. In addition, the Trust Agreement provides that the Trustee is entitled to rely on certain other instruments, and it will not be liable for any action reasonably taken or omitted to be taken by it in good faith or be responsible other than for its own negligence or willful misconduct. Under the Trust Agreement, the Commission, or the Commission at the direction of the University (so long as there is no Event of Default under the Trust Agreement or the Lease and no condition exists that with the giving of notice or passage of time, or both, would constitute such an Event of Default), may remove the Trustee at any time for any reason upon 30 days' notice.

Extent of Commission's Covenants - No Personal Liability

All covenants, stipulations, obligations and agreements of the Commission to be contained in the Trust Agreement will be deemed to be covenants, stipulations, obligations and agreements of the Commission to the full extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement will be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Commission in other than that person's official capacity. Neither the members of the Commission nor any official of the Commission signing the Bonds, the Trust Agreement, the Lease, any supplement or amendment to those documents, or any related documents will be liable personally on the Bonds, the Trust Agreement, the Lease, any supplement or amendment to those documents, or any related documents or be subject to any personal liability or accountability by reason of the issuance or signing thereof.

The Guaranty Agreement

In the Guaranty entered into by the University and the Trustee, the University absolutely and unconditionally guarantees to the Trustee for the benefit of the Holders of the Bonds (a) the full and prompt payment of the principal of and premium, if any, on the Bonds when and as the same becomes due, whether at the stated maturity thereof, by acceleration, by call for redemption or otherwise, (b) the full and prompt payment of any interest on all Bonds when and as the same becomes due, and (c) the full and prompt payment of all fees and expenses paid or incurred by the Trustee in enforcing the Guaranty.

The Trustee will proceed against the University under the Guaranty if requested by the Holders of at least 25% in aggregate principal amount of the Bonds outstanding and provided with satisfactory indemnity as provided in the Guaranty.

No setoff, counterclaim, reduction or diminution of any covenant, agreement, or obligation, or any defense of any kind (except payment on the Bonds in fact) that the University has or may have against the State, the Commission, the Trustee or any Holder will be available to the University against the Trustee under the Guaranty. The University has entered into a similar guaranty agreement in connection with each of its prior obligations to the Commission (see **APPENDIX A – Outstanding Indebtedness**).

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APPENDIX E

BOOK-ENTRY SYSTEM; DTC

Book-Entry System

The information set forth in the following numbered paragraphs is based on information provided by The Depository Trust Company in its "Sample Offering Document Language Describing Book-Entry-Only Issuance". As such, the University believes it to be reliable, but the University and the Commission take no responsibility for the accuracy or completeness of that information. It has been adapted to the Bond issue by substituting "Bonds" for "Securities," "Commission" for "Issuer" and "Registrar" for "registrar" and by the addition of the italicized language set forth in the text. See also the additional information following those numbered paragraphs.

1. The Depository Trust Company ("DTC") will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each (*maturity*) of the Bonds (*and interest rate within a maturity*), each in the principal amount of such (*maturity*), and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *(This internet site is included for reference only, and the information in this internet site is not incorporated by reference in this Offering Circular.)*

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

of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

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

8. Redemption proceeds, distributions, and dividends *(debt service payments)* on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Commission or the Registrar, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends (*debt service payments*) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Commission or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. *(Not Applicable to the Bonds.)*

10. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Commission or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed (*or otherwise produced*) and delivered.

11. The Commission *(at the request of the University)* may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed *(or otherwise produced)* and delivered to DTC. (See also **Revision of Book-Entry System; Replacement Bonds**.)

12. The information (*above*) in this section concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University and the Commission take no responsibility for the accuracy thereof.

Direct Participants and Indirect Participants may impose service charges on Beneficial Owners in certain cases. Purchasers of book-entry interests should discuss that possibility with their brokers.

The University, the Commission and the Registrar have no role in the purchases, transfers or sales of book-entry interests. The rights of Beneficial Owners to transfer or pledge their interests, and the manner of transferring or pledging those interests, may be subject to applicable state law. Beneficial Owners may want to discuss with their legal advisors the manner of transferring or pledging their book-entry interests.

The University, the Commission and the Registrar have no responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, beneficial ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The University, the Commission and the Registrar cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute to the Beneficial Owners payments of debt charges on the Bonds made to DTC as the registered owner, or redemption, if any, or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve or act in a manner described in this Offering Circular.

For all purposes under the Bond proceedings (except the Continuing Disclosure Agreement under which others as well as DTC may be considered an owner or holder of the Bonds, see **APPENDIX F – Proposed Form of Continuing Disclosure Agreement**), DTC will be and will be considered by the University, the Commission and the Registrar to be the owner or holder of the Bonds.

Beneficial Owners will not receive or have the right to receive physical delivery of Bonds, and, except to the extent they may have rights as Beneficial Owners or holders under the Continuing Disclosure Agreement, will not be or be considered by the University, the Commission and the Registrar to be, and will not have any rights as, owners or holders of Bonds under the Bond proceedings.

Reference herein to "DTC" includes when applicable any successor securities depository and the nominee of the depository.

<u>Revision of Book-Entry System; Replacement Bonds</u>

In the event that DTC determines not to continue to act as securities depository for the Bonds or the Commission at the request of the University determines to terminate the services of

DTC (in accordance with the Letter of Representations after determining that the continuation of such Book-Entry System service by DTC is not in the best interests of the Commission, the University or the beneficial owners of the Bonds), the Commission at the request of the University may in its discretion attempt to have established a securities depository book-entry relationship with another securities depository. If the Commission does not do so, or is unable to do so, and after the Registrar has made provisions for notification of the owners of book-entry interests in the Bonds by appropriate notice to DTC, the Commission and the Registrar will authenticate and deliver replacement Bonds in authorized denominations to, or at the direction of, and if the event is not the result of University action or inaction, at the expense (including printing costs) of, any persons requesting such issuance.

Debt service on replacement Bonds will be payable when due without deduction for the services of the paying agent. Principal of and any premium on the Bonds will be payable to the registered owner upon presentation and surrender at the designated corporate trust office of the Registrar. Interest on the Bonds will be payable by the Registrar by check, mailed to the owner of record on the Register as of the Regular Record Date.

Replacement Bonds will be exchangeable for replacement Bonds of the same maturity and in authorized denominations, and replacement Bonds will be transferable, at the office of the Registrar without charge (except taxes or excises required to be paid). Exchange or transfer of then redeemable replacement Bonds is not required to be made (i) between the fifteenth day preceding the mailing of notice of replacement Bonds to be redeemed and the date of that mailing, or (ii) of a particular replacement Bond selected for redemption (in whole or in part).

The ownership of a Bond will be transferable only by presentation and surrender of such Bond at the office of the Registrar, together with an assignment duly signed by the Holder of that Bond or by his duly authorized attorney in a form satisfactory to the Registrar. Upon any such transfer, the Registrar will deliver, in exchange for that Bond, a new Bond registered in the name of the transferee, in the aggregate principal amount equal to the unmatured and unredeemed principal amount of the Bond presented.

As a condition to the exchange or transfer of any Bond, the Commission or the Registrar may charge the Holder for any tax or excise required to be paid with respect to the exchange or transfer.

APPENDIX F

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT, dated as of June 1, 2025 (the "Agreement"), is made by and between John Carroll University, a nonprofit corporation duly organized and validly existing under the laws of the State of Ohio and qualified to do business in the State of Ohio (together with its lawful successors and permitted assigns, the "University"), and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and validly existing under the laws of the United States of America, (the "Trustee"), for the benefit of the Holders and Beneficial Owners from time to time of the $60,000,000 State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project) (the "Bonds") authorized by Resolutions adopted by the Ohio Higher Educational Facility Commission (the "Commission") on December 18, 2024 and February 19, 2025 (collectively, the "Bond Resolution"), under the circumstances set forth in the following recitals (with each capitalized term used but not otherwise defined herein having the meaning assigned to it in Section 1).

A. The Commission has determined to issue and sell the Bonds to finance educational facilities to be leased to the University under the Lease.

B. The Bonds will be issued pursuant to and secured by the Trust Agreement under which the Commission will assign to the Trustee any rights it may have under the Lease to receive rental payments from the University for payment of principal of and interest and any premium on the Bonds.

C. The University will agree to make rental payments under the Lease directly to the Trustee to pay principal of and interest and any premium on the Bonds, and the University has represented that it is the only Obligated Person with respect to the Bonds and that there will not be any other such Obligated Person at the time the Bonds are issued.

D. The Underwriter is required as the Participating Underwriter under the Rule not to purchase or sell the Bonds in a primary offering unless the Underwriter has reasonably determined that the University has undertaken in this Agreement to provide certain information in accordance with the provisions of the Rule.

NOW, THEREFORE, in consideration of the recitals and the mutual representations and agreements hereinafter contained, the University and the Trustee agree, in accordance with the provisions of the Rule, for the benefit of the Holders and Beneficial Owners from time to time of the Bonds, as set forth in this Agreement.

Section 1. Definitions and Interpretation. In addition to the words and terms defined elsewhere in this Agreement or in the Master List of Definitions for Documents Relating to the Bonds, which is Exhibit C of the Lease referenced in the Offering Circular, the following capitalized terms shall have the following meanings unless the context or use clearly indicates otherwise.

"Annual Filing" means any Annual Information Filing provided by the University pursuant to, and as described in, Sections 3 and 4.

"Audited Financial Statements" means the audited financial statements of the University, prepared in conformity with generally accepted accounting principles applicable to institutions of higher education such as the University.

"Authorized Disclosure Representative" means the President or the Vice President for Finance and Administration of the University or an alternate or alternates, each of whom shall be designated by the University in a certificate to the Trustee, substantially in the form of Exhibit D, and have the same authority, duties and powers as such Authorized Disclosure Representative.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"EMMA" means the Electronic Municipal Market Access system of the MSRB; information regarding submissions to EMMA is available at http://emma.msrb.org.

"Filing Date" means the last day of the ninth month following the end of each Fiscal Year (or the next succeeding Business Day if that day is not a Business Day), beginning February 28, 2026.

"Fiscal Year" means the fiscal year of the University, presently a 12-month period ending May 31, which may be changed by the University from time to time.

"Holder" means, with respect to the Bonds, the person in whose name a Bond is registered in accordance with the Trust Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"Notice Address" means:

(a)	as to the Trustee:	The Bank of New York Mellon Trust Company, N.A. 500 Ross Street, 12th Floor Pittsburgh, PA 15262
(b)	as to the University:	John Carroll University 1 John Carroll Boulevard University Heights, Ohio 44118 Attention: President with a copy to the Vice President for Finance and Administration (at the same address)

or a different address as to which notice is given pursuant to Section 14.3 of the Lease or Section 13.03 of the Trust Agreement.

"Obligated Person" means any person, including the issuer of municipal securities (such as the Bonds), who is generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the municipal securities being sold in an offering document (such as the Offering Circular); the University is the only Obligated Person for the Bonds.

"Offering Circular" means the Offering Circular for the Bonds dated May 13, 2025.

"Rule" means Rule 15c2-12 prescribed by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Specified Events" means any of the events with respect to the Bonds as set forth in Section 6.

"Underwriter" means KeyBanc Capital Markets Inc., the Original Purchaser of the Bonds and a "Participating Underwriter" with respect to the Bonds under the Rule.

The captions and headings in this Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Agreement and to an Exhibit means an exhibit to this Agreement, unless otherwise indicated.

Section 2. Purpose of this Continuing Disclosure Agreement. Pursuant to the Lease, this Agreement is being signed and delivered by the University and the Trustee, for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule. The University and the Trustee acknowledge that the Commission has undertaken no responsibility with respect to any Annual Filings, reports, notices or disclosures provided or required under this Agreement, and has no liability to any Person, including any Holder or Beneficial Owner of the Bonds, with respect to the Rule.

Section 3. Provision of Annual Information; Audited Financial Statements.

(a) The University shall provide (or cause to be provided) not later than the Filing Date to the MSRB and to the Trustee an Annual Filing that is consistent with the requirements of Section 4. The Annual Filing shall be submitted in an electronic format and contain such identifying information as is prescribed by the MSRB, and may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4; provided that the Audited Financial Statements of the University may be submitted separately from the balance of the Annual Filing and later than the Filing Date if they are not available by that date. If the University's Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 6. The Trustee shall have no duty to review, verify or analyze such Annual Filing. The Trustee shall not be deemed to have notice of any information contained therein, or default or Event of Default which may be disclosed therein in any manner.

(b) If the University is unable to provide to the MSRB and the Trustee an Annual Filing by the Filing Date, the University shall, in a timely manner, send a notice to the MSRB and the Trustee in an electronic format as prescribed by the MSRB.

Section 4. Content of Annual Filing. The University's Annual Filing shall contain or include by reference the following:

(a) Financial information and operating data of the type included in the Offering Circular in APPENDIX A - JOHN CARROLL UNIVERSITY under the captions "Faculty and Employees," "Student Demand," "Enrollment," "Tuition, Fees, Room and Board," "Financial Aid," "Student Housing," "Gifts, Grants and Bequests," "Endowment Funds" and (to the extent not presented in the University's financial statements) "Outstanding Indebtedness."

(b) The Audited Financial Statements of the University prepared in accordance with generally accepted accounting principles applicable to institutions of higher education as described in the Offering Circular, except as may be modified from time to time and described in such financial statements.

The foregoing shall not obligate the University to prepare or update projections of any financial information or operating data.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the University, which have been submitted to the MSRB or the Securities and Exchange Commission. The University shall clearly identify each such other document so included by reference.

Section 5. Role of Trustee.

(a) Upon receipt of the Annual Filing, including Audited Financial Statements, from the University, the Trustee shall be entitled to assume that the University has provided the Annual Filing to the MSRB. The Trustee shall have no responsibility for providing the Annual Filing unless directed in writing to do so by the University.

(b) If the Trustee has not received the Annual Filing for a Fiscal Year by its close of business on the fifteenth Business Day preceding the Filing Date for that Fiscal Year, the Trustee shall provide a notice to the Authorized Disclosure Representative, not later than its close of business on the next Business Day, substantially in the form of Exhibit A, by e-mail (or other means similarly prompt) and by certified or registered mail, postage prepaid, return receipt requested. If the Trustee has not received that Annual Filing by its close of business on the Filing Date, the Trustee shall provide a notice to the Authorized Disclosure Representative, not later than its close of business on the next Business Day, substantially in the form of Exhibit B, by e-mail (or other means similarly prompt). The University shall be entitled to provide written evidence of the submission of the Annual Filing in accordance with Section 3, including a certificate of the Authorized Disclosure Representative as to the relevant facts, and, if applicable, a written statement in an electronic format and containing such identifying information as prescribed by the MSRB regarding any failure to comply with Section 3. The Trustee shall be entitled to rely conclusively upon any written evidence provided by the University regarding the provision of that information to the MSRB. If, in any instance, the required information was not timely filed or the University fails to provide evidence, by 4:00 p.m., Ohio time, on the second Business Day following the Filing Date, of its timely filing with MSRB, the Trustee shall send or cause to be sent promptly, but in any event not later than its close of business on the third Business Day following the Filing Date, a notice substantially in the form of Exhibit C, modified to reflect the pertinent facts, to the MSRB in an electronic format and containing such identifying information as prescribed by the MSRB. The Trustee shall promptly provide a copy of such notice to the University.

Section 6. Reporting of Specified Events.

(a) The University shall provide (or cause to be provided) to the MSRB and to the Trustee in an electronic format and containing such identifying information as is prescribed by the MSRB and in a timely manner but not later than ten business days after the occurrence of the event, notice of any of the following events with respect to the Bonds, as specified by the Rule:

(1) Principal and interest payment delinquencies;

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

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

(4) Unscheduled draws on credit enhancements reflecting financial difficulties; (a)

(5) Substitution of credit or liquidity providers, or their failure to perform; (a)

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

(7) Modifications to rights of security holders, if material;

(8) Bond calls, if material, and tender offers; (b)

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the securities, if material; (c)

(11) Rating changes;

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

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

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

Note:

(a) The University has not obtained or provided, and does not currently expect that it will obtain or provide, any debt service reserves, credit enhancements or credit or liquidity facilities for the Bonds.
(b) Any scheduled redemption of Bonds pursuant to mandatory *sinking fund* redemption requirements does not constitute a specified event within the meaning of the Rule.
(c) Repayment of the Bonds is not secured by a lien on any property capable of release or sale or for which other property may be substituted.

For the Specified Events described in Section 6(a) (2), (6, as applicable), (7), (8, as applicable), (10), (13), (14), and (15) the University, as the Obligated Person with respect to the Bonds, acknowledges that it must make a determination whether such Specified Event is material under applicable federal securities laws in order to determine whether a filing is required. The term "financial obligation" (as used in items (15) and (16) above) means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of either (a) or (b). The term "financial obligation" does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

(b) The Trustee shall promptly notify the Authorized Disclosure Representative upon obtaining actual knowledge of the occurrence which may require the University to report a Specified Event (other than a nonpayment related default, the giving of a notice of optional redemption of any Bonds or defeasance of the Bonds or any provision thereof) provided, however, that the failure of the Trustee so to notify the Authorized Disclosure Representative shall not constitute a breach by the Trustee of any of its duties and responsibilities under this Agreement or the Trust Agreement and the Trustee shall not incur any liability for any such failure. In notifying the Authorized Disclosure Representative of a Specified Event, the Trustee shall not be required to make any determination whether such Specified Event is material or reflects financial difficulties. The Trustee shall have no responsibility to file any notice of such Specified Events unless directed in writing to do so by the University and provided with a copy of such notice.

Section 7. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Agreement or providing any other means of communication, or including any other information in any Annual Filing or providing notice of the occurrence of an event, in addition to that which is required by this Agreement. If the University chooses to include any information in any document or notice of occurrence of an event in addition to that which is specifically required by this Agreement, the University shall have no obligation under this Agreement to update such information or include it in any future Annual Filing or notice of occurrence of a Specified Event.

Section 8. Transmission of Information and Notices. Unless otherwise required by law, all documents provided to the MSRB in compliance with this Agreement shall be provided to the MSRB in an electronic format and shall be accompanied by identifying information, in each case as prescribed by the MSRB. As of the date of this Agreement, the MSRB has established EMMA as its continuing disclosure service for purposes of the Rule, and unless and until otherwise prescribed by the MSRB, all documents provided to the MSRB in compliance with this Agreement shall be submitted through EMMA in the format prescribed by the MSRB.

Section 9. Amendments. The University reserves the right to amend this Agreement (with the consent of the Trustee to the extent that the Trustee's rights, duties, immunities or indemnities are adversely affected hereunder), and noncompliance with any provision of this Agreement may be waived, as may be necessary or appropriate to (a) achieve its compliance with any applicable federal securities law or rule, (b) cure any ambiguity, inconsistency or formal defect or omission and (c) address any change in circumstances arising from a change in legal requirements, change in law or change in the identity, nature or status of the University or type of business conducted by the University. Any such amendment or waiver shall not be effective unless this Agreement (as amended or taking into account such waiver) would have materially complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until the University and the Trustee shall have received either (i) a written opinion of bond counsel or other qualified independent special counsel selected by the University that the amendment or waiver would not materially impair the interests of Holders or Beneficial Owners or (ii) the written consent to the amendment or waiver of the Holders of at least a majority of the principal amount of the Bonds then outstanding. An Annual Filing containing any revised operating data or financial information shall explain, in narrative form, the reasons for any such amendment or waiver and the impact of the change on the type of operating data or financial information being provided. If the amendment relates to the accounting principles to be followed in preparing Audited Financial Statements, (A) the University shall provide notice of such change in the same manner as for a Specified Event under Section 6 and (B) the Annual Filing for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements or information as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Termination. The obligations of the University under this Agreement shall remain in effect only for such period that (a) the Bonds are outstanding in accordance with their terms and (b) the University remains an Obligated Person with respect to the Bonds within the meaning of the Rule, subject to the survival of certain provisions to the extent expressly provided in Section 13. The obligation of the University to provide the Annual Filing and notices of Specified Events set forth in Section 6 shall terminate, if and when the University no longer remains an Obligated Person with respect to the Bonds. If any person, other than the University, becomes an Obligated Person relating to the Bonds, the University shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Section 11. University; Trustee. The University represents that it will be the only Obligated Person with respect to the Bonds at the time the Bonds are delivered by the Commission to the Underwriter. Either the University or the Trustee may, from time to time, appoint or engage an agent to act on its behalf in performing its obligations under this Agreement and may discharge any such agent, with or without appointing a successor; provided that neither the University nor the Trustee shall be relieved in any respect by appointment of an agent from primary liability for the performance of its obligations under this Agreement. An agent may resign by providing 30 days' written notice to the University and the Trustee.

Section 12. Remedy for Breach. This Agreement shall be solely for the benefit of the Holders and Beneficial Owners from time to time of the Bonds. The exclusive remedy for any breach of this Agreement by the University shall be limited, to the extent permitted by law and as hereinafter provided, to a right of Holders and Beneficial Owners, or the Trustee, to institute and maintain, or cause to be instituted and maintained, such proceedings as may be authorized at law or in equity to obtain the specific performance by the University of its obligations under this Agreement in a court in Cuyahoga County, Ohio. Any individual Holder or Beneficial Owner may institute and maintain, or cause to be instituted and maintained, such proceedings to require the University to provide or cause to be provided a pertinent filing if such a filing is due and has not been made. Any such proceedings to require the University to perform any other obligation under this Agreement (including any proceedings that contest the sufficiency of any pertinent filing) may be instituted and maintained only by the Trustee, which may institute and maintain any such proceedings in its discretion and shall do so, subject to the same conditions, protections, limitations and procedures that would apply under the Trust Agreement if the breach were an Event of Default under the Trust Agreement, at the direction of Holders of at least 25% in aggregate principal amount of the Bonds then outstanding and upon being indemnified to its satisfaction. Any failure of the University to comply with the provisions of this Agreement shall not be a default or failure, or an Event of Default, under the Lease, the Guaranty or the Trust Agreement. No Person or entity shall be entitled to recover monetary damages under this Agreement. The sole remedy for the University's or the Trustee's failure to comply with the provisions hereof shall be an action in mandamus by the holders of the Bonds for specific performance or similar remedy to compel performance.

Section 13. Performance by the Trustee; Compensation.

(a) Solely for the purpose of (i) defining the standards of care and performance applicable to the Trustee in the performance of its obligations under this Agreement, (ii) the manner of execution by the Trustee of those obligations, (iii) defining the manner in which, and the conditions under which, the Trustee may be required to take any action at the direction of Holders, including the condition that indemnification be provided, and (iv) matters of removal, resignation and succession of the Trustee under this Agreement, Article VI of the Trust Agreement is hereby made applicable to this Agreement as if this Agreement were contained in the Trust Agreement; provided that the Trustee shall have only such duties under this Agreement as are specifically set forth in this Agreement, the Trustee shall not be liable except for its negligence or willful misconduct hereunder, and the University agrees to indemnify and hold harmless the Trustee, its officers, directors, employees and agents, from and against any loss, cost, expense or liability that it may incur arising out of or in the exercise or performance of its obligations under this Agreement, including any costs and expenses (including the reasonable compensation and the expenses and disbursements of its counsel and of all agents and other persons regularly in its employ) of defending any claim of liability, but excluding liabilities due to the negligence or willful misconduct of the Trustee. For purposes of this Agreement, the Trustee shall not be deemed to have actual knowledge of any event or occurrence unless an officer or other authorized person in the Trustee's corporate trust group having primary responsibility for the administration of the Trust Agreement shall have actual knowledge of that event or occurrence.

(b) The University agrees to pay to the Trustee from time to time reasonable compensation for services provided by the Trustee under this Agreement and to pay or reimburse the Trustee upon request for all reasonable expenses, disbursements and advances incurred or made in accordance with this Agreement or as a result of the University's failure to perform its obligations hereunder (including the reasonable compensation and the expenses and disbursements of its counsel and of all agents and other persons regularly in its employ), except to the extent that any such expense, disbursement or advance is due to the negligence or willful misconduct of the Trustee.

(c) The obligations of the University under this Section shall survive resignation or removal of the Trustee and termination of other provisions of this Agreement pursuant to Section 10.

(d) The Trustee is a party to this Agreement for and on behalf of the Holders and Beneficial Owners of the Bonds and shall not be considered to be the agent of the University when performing any actions required to be taken by the Trustee under this Agreement.

(e) The Trustee shall not have any obligation under this Agreement to investigate or determine whether any filing or notice made under this Agreement complies with federal securities laws or rules.

Section 14. Notices. Except as otherwise expressly provided in this Agreement, it shall be sufficient service or giving of any notice to the parties hereto, if that notice is either mailed by first class mail, postage prepaid, addressed to the relevant party at its Notice Address, or transmitted by electronic means. The University and the Trustee may designate from time to time, by notice given hereunder, any further or different addresses (including email addresses) to which any subsequent notice shall be sent.

Section 15. Recordkeeping. The University shall maintain records of all Annual Filings and notices of Specified Events and other events including the content of such disclosure, the names of the entities with whom such disclosures were filed and the date of filing such disclosure.

Section 16. Assignment. The University may assign its obligations under this Agreement only in connection with the assignment of its obligations under and in accordance with the provisions of any contractual commitment or other arrangement to support payment of all or any part of the Bonds, including without limitation the Lease; provided that the University shall not assign its obligations under this Agreement so long as it remains an Obligated Person with respect to the Bonds and except to the assignee of its obligations under any such contractual commitment or other arrangement to support payment of the Bonds. The University may assign its obligations under any such contractual commitment or other arrangement, without remaining primarily liable for the performance of those obligations, only if the assignee of the University assumes its obligations under this Agreement. Any assignment by the University of its obligations under this Agreement shall not be effective unless and until the assignee of the University shall have expressly assumed in writing, for the benefit of the Holders and Beneficial Owners from time to time of the Bonds, by an instrument in form and substance satisfactory to the Trustee, the obligations of the University under this Agreement or enters into a new agreement for purposes of the Rule that is substantially similar to the undertaking of the University under this Agreement.

Section 17. Beneficiaries. This Agreement shall inure solely to the benefit of the Commission, the University, the Trustee and the Holders and Beneficial Owners from time to time of the Bonds, and any official, employee or agent thereof acting for and on its behalf, and shall not create any rights in any other person or entity.

Section 18. Severability. In case any section or provision of this Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 19. Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 20. Governing Law. This Agreement shall be deemed to be an agreement made under the laws of the State of Ohio and for all purposes shall be governed by and construed in accordance with the laws of the State of Ohio.

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IN WITNESS WHEREOF, the University and the Trustee have caused this Agreement to be duly signed in their respective names, all as of the date set forth above.

JOHN CARROLL UNIVERSITY

By:____
President

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By:____
____
Vice President

EXHIBIT A

STATE OF OHIO
HIGHER EDUCATIONAL FACILITY REVENUE BONDS
(JOHN CARROLL UNIVERSITY 2025 PROJECT)

NOTICE TO UNIVERSITY OF FAILURE
TO FILE ANNUAL INFORMATION

TO: Vice President for Finance and Administration
John Carroll University

The undersigned, as the trustee under the Trust Agreement, dated as of June 1, 2025, securing the captioned bonds (the "Bonds"), and as a party to the Continuing Disclosure Agreement, dated as of June 1, 2025 (the "Agreement"), between the undersigned and John Carroll University, an Ohio nonprofit corporation (the "University"), hereby notifies you (with each capitalized term used but not defined herein having the meaning assigned to it in the Agreement) that the University, as of the date of this notice, has not provided or caused to be provided to the undersigned the Annual Filing that is required under the Agreement to be so provided not later than ____________________. The Annual Filing is required under the Agreement to be provided or caused to be provided both to the undersigned and to the MSRB not later than that date.

Dated:________________________________ By:___________________________________
Title:_________________________________

EXHIBIT B

State of Ohio
Higher Educational Facility Revenue Bonds
(John Carroll University 2025 Project)

SECOND NOTICE TO UNIVERSITY OF FAILURE
TO FILE ANNUAL INFORMATION

TO: Vice President for Finance and Administration
John Carroll University

The undersigned, as the trustee under the Trust Agreement, dated as of June 1, 2025, securing the captioned bonds (the "Bonds"), and as a party to the Continuing Disclosure Agreement dated as of June 1, 2025 (the "Agreement"), between the undersigned and John Carroll University, an Ohio nonprofit corporation (the "University"), hereby notifies you (with each capitalized term used but not defined herein having the meaning assigned to it in the Agreement) that the University, as of the date of this notice, has not provided or caused to be provided to the undersigned the Annual Information that is required under the Agreement to be so provided not later than ____________________.

Please provide the required Annual Filing to the undersigned, together with written evidence as to whether that information has been provided to the MSRB and, if so, when it was provided. If, in any instance, the Annual Filing will not be timely provided to the MSRB in accordance with Section 3 of the Agreement, you may submit a written statement in an electronic format and containing such identifying information as prescribed by the MSRB regarding the University's failure to comply that would be provided to the MSRB with the notice that the undersigned must give of that failure to comply under Section 4 of the Agreement. Any such written evidence or statement must be received by the undersigned not later than 4:00 p.m., Cleveland, Ohio time, on _______________, 20___. If the undersigned has not received written evidence by that time that a timely filing was made, a notice will be filed promptly thereafter with the MSRB, substantially in the form attached as Exhibit C to the Agreement.

Dated:________________________________ By:____________________________________
Title:__________________________________

EXHIBIT C

State of Ohio
Higher Educational Facility Revenue Bonds
(John Carroll University 2025 Project)

NOTICE TO MSRB OF FAILURE
TO TIMELY FILE ANNUAL INFORMATION

TO: MSRB

The undersigned, as the trustee under the Trust Agreement, dated as of June 1, 2025, securing the captioned bonds (the "Bonds"), and as a party to the Continuing Disclosure Agreement, dated as of June 1, 2025 (the "Agreement"), between the undersigned and John Carroll University, an Ohio nonprofit corporation (the "University"), hereby notifies you (with each capitalized term used but not defined herein having the meaning assigned to it in the Agreement) that:

[1. The University, as of the date of this notice, has not provided or caused to be provided to the Trustee the Annual Filing for its Fiscal Year that ended May 31, 20__ and has not provided any written evidence to the Trustee concerning the timeliness of its Annual Filing with the MSRB. That Annual Filing was required under the Agreement to be provided to the Trustee and the MSRB not later than _______________**]**

[2. The University provided or caused to be provided the Annual Filing that was required to be provided to the MSRB not later than _______________, 20__, to the MSRB on ______________, 20__.**]**

[3. The University has provided the attached statement concerning its failure to provide or cause to be provided the Annual Filing in accordance with the Agreement. The Trustee does not assume any responsibility for the accuracy or completeness of that statement and has not undertaken, and will not undertake, any investigation to determine its accuracy or completeness.**]**

Dated:________________________________ By:____________________________________
Title:__________________________________

cc:

State of Ohio
Higher Educational Facility Revenue Bonds
(John Carroll University 2025 Project)

DESIGNATION OF AUTHORIZED DISCLOSURE REPRESENTATIVE

To: The Bank of New York Mellon Trust Company, N.A., as Trustee

The undersigned hereby designates, pursuant to the Continuing Disclosure Agreement between John Carroll University and The Bank of New York Mellon Trust Company, N.A., dated as of June 1, 2025, the individuals listed below as Authorized Disclosure Representative and Alternate**[**s**]**, respectively, and certifies that the signatures opposite the name of each individual is the true signature of that individual.

Authorized Disclosure Representative	Signature
______________________________	______________________________
Name and Title	
Alternate	
______________________________	______________________________
Name and Title	
Alternate	
______________________________	______________________________
Name and Title	

Dated:______________________________ By:______________________________

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APPENDIX G

PROPOSED FORM OF PLEDGED REVENUES TRUST AGREEMENT

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PLEDGED REVENUES TRUST AGREEMENT

between

JOHN CARROLL UNIVERSITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

as Pledge Trustee

Dated

as of

June 1, 2025

PLEDGED REVENUES TRUST AGREEMENT

THIS PLEDGED REVENUES TRUST AGREEMENT, dated as of June 1, 2025 (as amended or supplemented from time to time, the "Pledge Agreement"), is made and entered into by and between JOHN CARROLL UNIVERSITY, an Ohio nonprofit corporation, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A, as Pledge Trustee, a national banking association organized and existing under the laws of the United States of America, having its designated corporate trust office in Pittsburgh, Pennsylvania, and duly authorized to exercise corporate trust powers in the United States of America and the State of Ohio.

R E C I T A L S :

WHEREAS, all acts and things necessary to constitute this Pledge Agreement a valid agreement according to its terms have been done and performed, and the University has duly authorized its signing and delivery of this Pledge Agreement; and

WHEREAS, the Pledge Trustee agrees to accept and administer the trusts created hereby.

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Pledge Trustee of the trusts hereby created, and for the purpose of fixing and declaring the terms and conditions upon which Parity Obligations are to be secured, the University covenants and agrees with the Pledge Trustee, for the equal and proportionate benefit of the respective Holders from time to time of Parity Obligations in accordance herewith, as follows:

ARTICLE I.

DEFINITIONS

SECTION 1.01. Definitions. For the purposes hereof unless the context clearly indicates another meaning or intent, the following words and phrases shall have the following meanings:

"2016 Bonds" means the State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2016 Project).

"2016 Trust Agreement" means the Trust Agreement, dated as of February 1, 2016, between the Commission and the Trustee.

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"2020 Bonds" means the State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2020 Project).

"2020 Trust Agreement" means the Trust Agreement, dated as of October 1, 2020, between the Commission and the Trustee.

"2022 Bonds" means the State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2022 Project).

"2022 Trust Agreement" means the Trust Agreement, dated as of February 1, 2022, between the Commission and the Trustee.

"2025 Bonds" means the State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project).

"2025 Trust Agreement" means the Trust Agreement, dated as of June 1, 2025, between the Commission and the Trustee.

"Act" means Chapter 3377 and Sections 9.98 through 9.983 of the Revised Code.

"Authorized Officer" means: (i) in the case of the University, the Chairman of the Board of Directors, the President, the Vice President for Finance and Administration or any other officer of the University duly authorized by the Board; and (ii) in the case of the Pledge Trustee, any Vice President, any Assistant Vice President, any Trust Officer and any other person authorized by or pursuant to the by-laws of the Pledge Trustee or a resolution of the Board of Directors of the Pledge Trustee.

"Balloon Long-Term Indebtedness" shall mean Long-Term Indebtedness 25% or more of the principal of which matures in a single year and which portion of the principal is not required by the documents governing such Balloon Long-Term Indebtedness to be amortized by redemption prior to such date.

"Bond Counsel" means any attorney or firm of attorneys of nationally recognized standing on the subject of municipal bonds acceptable to the Commission.

"Cash and Investments to Long-Term Indebtedness Ratio" means (a) the sum of (as shown on the University's most recent audited financial statements) cash, cash equivalents and short and long term investments (whether restricted or unrestricted) divided by (b) the sum of Pro Forma Debt plus other Long-Term Indebtedness.

“Commission” means the Ohio Higher Educational Facility Commission, a body both corporate and politic, constituting an agency or instrumentality of the State.

“Credit Facility” means a municipal bond insurance policy, line of credit, letter of credit or similar credit enhancement established in connection with the issuance or incurrence of indebtedness to provide credit support for such indebtedness through a promise to pay principal of or interest on such indebtedness.

“Debt Service Requirements” shall mean, with reference to each fiscal year of the University, the principal and interest requirements on existing Long-Term Indebtedness plus the amount projected to be the principal and interest requirements in any given University fiscal year on any Long-Term Indebtedness proposed to be incurred by the University, if any. For purposes of considering Balloon Long-Term Indebtedness in the calculation of Debt Service Requirements, the principal and interest requirements of such Balloon Long-Term Indebtedness shall be calculated as if the remaining principal balance of such Balloon Long-Term Indebtedness was to be amortized over a thirty year period beginning on the date of incurrence of such Balloon Long-Term Indebtedness, assuming level annual debt service and a rate of interest equal to either (a)(i), in the case of fixed rate Balloon Long-Term Indebtedness previously issued, the actual rate on the Balloon Long-Term Indebtedness, or (ii) in the case of proposed fixed rate Balloon Long-Term Indebtedness, the then prevailing MMD Index of similar quality and duration and which calculation may be made by the University at any time, but in no event more than 45 days prior to the issuance of the proposed Balloon Long-Term Indebtedness, or (b) in the case of Balloon Long-Term Indebtedness that is also Variable Rate Indebtedness, whether previously issued or proposed to be issued, an interest rate equal to the trailing 12 month average of the SIFMA Index. For purposes of considering Variable Rate Indebtedness that is also Long-Term Indebtedness (but not Balloon Long-Term Indebtedness) in the calculation of Debt Service Requirements, the principal balance of such Variable Rate Indebtedness shall be based upon the regularly scheduled principal payments on such Variable Rate Indebtedness and the rate of interest shall be equal to a trailing 12-month average of the SIFMA Index.

“Default” means any circumstance that, with the passage of time or the giving of notice or both, would constitute an **“Event of Default”** under this Pledge Agreement.

“Derivative Agreement” means and includes, (i) any contract known as or referred to or that performs the function of an interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract; (ii) any contract providing for payments based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices; (iii) any contract to exchange cash flows or payments or series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors or caps, options, puts or calls, to hedge or minimize any type of financial risk, including payment, currency, rate or other financial risk; and (v) any other type of contract or arrangement that the University entering into such contract or arrangement determines is to be used, or is intended to be used, to manage or reduce the cost of indebtedness, to convert any element of indebtedness from one form to another, to maximize or increase investment return, to minimize investment return risk or to protect against any type of financial risk or uncertainty.

“Derivative Indebtedness” means indebtedness for which the University shall have entered into a Derivative Agreement in respect of all or a portion of such indebtedness and is secured as a Parity Obligation hereunder.

“Executive” means the Chair, Vice Chair or Secretary of the Commission.

“Extraordinary Services” and **“Extraordinary Expenses”** mean all services rendered and all reasonable expenses (including reasonable counsel fees and expenses) properly incurred under the Pledge Agreement by the Pledge Trustee, other than Ordinary Services and Ordinary

Expenses, including, after the occurrence of an Event of Default, nonministerial services and counsel and other advisory fees incurred by the Pledge Trustee.

"GAAP" means accounting principles generally accepted in the United States of America, consistently applied, as applicable to non profit institutions of higher education.

"Holder" means and includes (i) the provider of a Credit Facility or a liquidity facility (such as a standby bond purchase agreement) secured as a Parity Obligation, (ii) the counterparty to a Derivative Agreement secured as a Parity Obligation, (iii) for purposes of bonds issued as Parity Obligations, the Person in whose name the bond is registered on the register for that bond issue (or the trustee representing its interests) and (iv) the issuer or provider of any other indebtedness secured as a Parity Obligation.

"Indebtedness" shall mean the principal amount of all outstanding obligations for borrowed money, installment sale obligations and capitalized lease obligations incurred or assumed by the University including, without limitation, guaranties treated, or which the University determines will be treated, as a debt of the University in its annual audited financial statements, except obligations of the University to an affiliate of the University.

"Long-Term Indebtedness" means all obligations for the payment of money (including all bonds), incurred, assumed or guaranteed by the University, whether due and payable in all events, or upon the performance of work, the possession of property as lessee or the rendering of services by others, except:

(a) Short-Term Indebtedness;

(b) current obligations payable out of current revenues, including current payments for the funding of pension plans;

(c) obligations under contracts for supplies, services, and pensions, allocable to current operating expenses of future years in which the supplies are to be furnished, the services rendered, or the pensions paid;

(d) rentals payable in future years under leases not required to be capitalized under GAAP;

(e) Non-Recourse Indebtedness (as described in Section 2.02 of this Pledge Agreement) or any other obligation secured solely by and paid solely from sources other than Pledged Revenues; and

(f) Student Loan Guarantees complying with the requirements of Section 2.04 of this Pledge Agreement, except to the extent includable as Long-Term Indebtedness under the provisions hereof.

"Maximum Annual Debt Service" means the greatest amount of Debt Service Requirements scheduled to become due in any fiscal year of the University in which Long-Term Indebtedness is outstanding.

"MMD Index" means the AAA Municipal Market Data General Obligation Yield Curve for the period of time that most closely approximates the period from the proposed issuance date of the proposed Balloon Long-Term Indebtedness to the proposed maturity date of such Balloon Long-Term Indebtedness and available through the Thomson Municipal Market Monitor (www.tm3.com) and the Municipal Market Data-Line. If the MMD Index is no longer available, "MMD Index" shall be deemed to refer to any other comparable index of similar quality, as designated in writing by the University.

"Notice Address" means:

(a)	as to the University:	John Carroll University 1 John Carroll Boulevard University Heights, Ohio 44118 Attention: President with a copy to Vice President for Finance and Administration
(b)	as to the Pledge Trustee:	The Bank of New York Mellon Trust Company, N.A. 500 Ross Street, 12th Floor Pittsburgh, Pennsylvania 15262 Attention: Corporate Trust

or a different address as may be provided to the other parties from time to time.

"Ordinary Services" and **"Ordinary Expenses"** mean those services normally rendered, and those expenses (including counsel's fees and expenses) normally incurred, by a trustee, under instruments similar to the Pledge Agreement.

"Outstanding Parity Obligations," "Parity Obligations Outstanding" or **"outstanding"** as applied to the Parity Obligations means, as of the applicable date, all Parity Obligations, except:

(a) bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment or redemption on or prior to that date;

(b) bonds, or the portion thereof, for the payment, redemption or purchase for cancellation of which sufficient money shall have been deposited and credited with the trustee or any paying agents under the Related Bonds Indenture on or prior to that date for that purpose (whether upon or prior to the maturity or redemption date of those bonds); provided that, if any of those bonds are to be redeemed prior to their maturity, notice of that redemption shall have been given or arrangements satisfactory to the trustee therefore shall have been made for giving notice of that redemption, or waiver by the affected holders of that notice satisfactory in form to the trustee shall have been filed with the trustee;

(c) bonds, or the portion thereof, that are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of the Related Bonds Indenture; and

(d) bonds in lieu of which others have been authenticated under the Related Bonds Indenture.

"Parity Obligations" means any bond, note, indebtedness, Credit Facility, liquidity facility and other obligation or Derivative Agreement that is secured by the grant of a security interest in the Pledged Revenues to the Pledge Trustee that has accepted the pledge of the Pledged Revenues for the parity benefit of the Holders of all Parity Obligations established in accordance herewith and listed from time to time on Schedule A; provided, however that any termination payment, or its equivalent, under a Derivative Agreement shall not be a Parity Obligation but shall be Subordinated Indebtedness.

"Permitted Encumbrances" means, as of any particular time:

(a) the base lease and the lease (and any sublease authorized by the lease) relating to Related Bonds issued by the Commission;

(b) liens for ad valorem taxes, governmental charges and special assessments not then delinquent, or if then delinquent, being contested in good faith and, if applicable, in accordance with the terms of the lease relating to Related Bonds issued by the Commission;

(c) utility, access and other easements and rights-of-way, mineral rights, restrictions and exceptions that will not materially interfere with or impair the operations being or to be conducted on University Facilities;

(d) security interests, mortgages, easements, restrictions and other encumbrances existing as of the date of delivery of this Pledge Agreement;

(e) purchase money mortgages, purchase money security interests and other similar interests to the extent permitted by this Pledge Agreement;

(f) minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title of a nature that exist normally with respect to properties of a character similar to that of the University Facilities;

(g) liens resulting from governmental regulations on the use of University Facilities;

(h) any other lease between the Commission and the University entered into in connection with bonds issued by the Commission;

(i) liens arising by reason of good faith deposits by the University in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the University to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges;

(j) liens arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose as required by law or regulation (i) as a condition to the transaction of any business or the exercise of any privilege or license, or (ii) to enable to University to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with worker's compensation, unemployment insurance, or pension or profit sharing plans or other social security plans or programs, or to share in the privileges or benefits required for companies participating in such arrangements;

(k) liens on property received by the University through gifts, grants or bequests, such liens being due to restrictions on such gifts, grants or bequests or property or income thereon;

(l) liens permitted by Section 2.03 of this Pledge Agreement; and

(m) any lien, mortgage, security interest or other encumbrance identified as permitted encumbrances in any lease relating to Related Bonds issued by the Commission.

"Person" or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), limited liability companies, joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

"Pledge Trustee" means the Trustee acting as Pledge Trustee under this Pledged Agreement.

"Pledged Revenues" means all receipts, revenues, income and other money received by or on behalf of the University from the operation, ownership or leasing of all University Facilities (including from tuition and from room and board fees and charges), all gifts, grants, bequests, donations and contributions received by the University, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom (except to the extent a certain use of insurance proceeds or condemnation awards is otherwise provided for in a lease with the Commission in connection with Related Bonds), whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the University in connection with the University Facilities; provided, however, that there shall be excluded from Pledged Revenues: (i) gifts, grants, bequests, donations and contributions heretofore or hereafter made, the application of the proceeds of which is designated or restricted at the time of making thereof by the donor, payor or maker as being for certain specified purposes inconsistent with the application thereof to the payment of Parity Obligations or not subject to pledge, or subsequent to the receipt thereof, so designated or restricted by the University in order to meet the requirements of any challenge grant received by the University, and the income derived therefrom to the extent that it is permanently restricted in or by such designation or restriction or by law, (ii) money collected by the University on behalf of third-party providers of goods or services sold or provided to University students, faculty or staff pursuant to a written contract between the University and such provider, including food service providers, sellers of tickets, retail vendors, computer, data or telecommunication services, but only to the extent that such money is owed to those providers under a contract between the University and the respective provider, (iii) the Special Funds, the Revenues and Additional Payments as defined under a Related Bonds Indenture relating to Commission bonds or notes issued in favor of the University and (iv) other money whose use is restricted by law or its donor from being used to pay debt service, including amounts received by the University as Federal Student Aid or restricted federal or state grants.

"Pro Forma Debt" means the principal amount of the University's currently outstanding Long-Term Indebtedness plus the principal amount of any proposed additional Long-Term Indebtedness, provided that if the proposed additional Long-Term Indebtedness contains a refunding bond issue, the amount of the refunded bonds shall not be included in the computation.

"Related Bonds" means revenue bonds or other obligations issued by the Commission or other governmental issuer, the proceeds of which are loaned or otherwise made available to the University, and that are secured by a pledge of Pledged Revenues under this Pledge Agreement.

"Related Bonds Indenture" means any trust agreement, indenture, bond resolution or other comparable instrument pursuant to which a series of Related Bonds is issued.

"Revised Code" means the Revised Code of the State of Ohio.

"Short-Term Indebtedness" means all obligations of the University for the repayment of borrowed money payable upon demand or having a final maturity of less than one year from the date incurred, excluding the current portion of any Long-Term Indebtedness. Such term shall not include debt having a stated maturity in excess of one-year but which is subject to payment upon demand within one year if the payment of such debt is secured by a letter of credit or standby take-out or credit agreement that provides for repayment by the University to the issuer of such facility not less than one year after such facility is drawn upon.

"SIFMA Index" means on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by the Securities Industry & Financial Markets Association ("SIFMA") or any person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the University and effective from such date. If the SIFMA Index is no longer available, "SIFMA Index" shall be deemed to refer to any other comparable index of similar quality, as designated in writing by the University.

"State" means the State of Ohio.

"Student Loan Guarantees" means any guarantees by the University of the primary obligations of students enrolled at the University to repay loans made to them, or any guarantee by the University of obligations incurred by other parties to finance loans to or for the benefit of such students.

"Subordinated Indebtedness" means indebtedness that shall at all times be wholly subordinate and junior in right of payment to any and all indebtedness of the University under this Pledge Agreement with respect to Parity Obligations ("Superior Indebtedness") and that shall contain provisions (which shall be binding on all holders of such Subordinated Indebtedness) not more favorable to the holders of such Subordinated Indebtedness than all of the following.

(a) In the event of any liquidation, dissolution or winding up of the University, or of any execution, sale, receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization, or other similar proceeding relative to the University or its property, all principal and interest owing on all Superior Indebtedness shall first be paid in full before any payment is made upon the Subordinated Indebtedness, provided, however, that, except for Pledged Revenues, this sentence shall not apply to payments made on such Subordinated Indebtedness from the proceeds of collateral specifically securing such Subordinated Indebtedness; and in any such event any payment or distribution of any kind or character from sources other than the proceeds of collateral specifically securing the Subordinated Indebtedness, except for Pledged Revenues, whether in cash, property or securities (other than in securities, including equity securities, or other evidences of indebtedness, the payment of which is subordinated to the payment of all Superior Indebtedness that may at the time be outstanding) that shall be made upon or in respect of the Subordinated Indebtedness shall be paid over to the holders of such Superior Indebtedness, pro rata, for application in payment thereof unless and until such Superior Indebtedness shall have been paid or satisfied in full.

(b) In the event that the Subordinated Indebtedness is declared or becomes due and payable because of the occurrence of any Event of Default hereunder or otherwise than at the option of the University, under circumstances when paragraph (a) above shall not be applicable, the holders of the Subordinated Indebtedness shall be entitled to payments only after there shall first have been paid in full all Superior Indebtedness outstanding at the time the Subordinated Indebtedness so became due and payable because of any such Event of Default, or payment shall have been provided for in a manner satisfactory to the holders of all such Superior Indebtedness, provided, however, that except for Pledged Revenues, this sentence shall not apply to payments made on such Subordinated Indebtedness from the proceeds of collateral specifically securing such Subordinated Indebtedness.

(c) The University agrees, for the benefit of the holders of the Superior Indebtedness, that in the event that any Subordinated Indebtedness is declared due and payable before its expressed maturity because of the occurrence of a default hereunder, (i) the University will give prompt notice in writing of such happening to the holders of Superior Indebtedness and (ii) all Superior Indebtedness shall forthwith become immediately due and payable upon demand, regardless of the expressed maturity thereof.

(d) If the holder of the Subordinated Indebtedness is a commercial bank, savings bank, savings and loan association or other financial institution that is authorized by law to accept and hold deposits of money or issue certificates of deposit, such holder must agree to waive any common law or statutory right of setoff with respect to any deposits of the University maintained with or held by such holder.

"Total Operating Revenues" means the aggregate of all operating revenues of the University.

"Total Operating Revenues Without Donor Restrictions" means the University's Total Operating Revenues without donor restrictions as set forth in the University's most recent audited annual financial statements.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and validly existing under the laws of the United States of America.

"University" means John Carroll University, an Ohio nonprofit corporation and an educational institution, as defined in the Act, and its lawful successors and assigns, including without limitation any surviving, resulting or transferee corporation or entity.

"University Facilities" means the buildings, structures, real estate and any appurtenant facilities, equipment and fixtures located on (i) the University's core campus, consisting of approximately 65 acres (as further described in Exhibit A hereto), used or useful by the University in connection with its functioning as an institution of higher education and (ii) the site described in Exhibit B hereto, being the site of the University's Gateway Project. The sites described in each of the Exhibit A and the Exhibit B referenced in the preceding sentence are part of the University Facilities. For the avoidance of doubt, University Facilities do not include property owned by an affiliate of the University (excepting the Gateway Project).

"University Representative" means the individual designated from time to time as the representative of the University for purposes of this Pledge Agreement. The designation shall be made in a written certificate furnished to this Pledge Trustee containing the specimen signature of such person and signed on behalf of the University by an authorized official of the University or its Board of Directors. The certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the University Representative and may serve in that capacity during the same time as the University Representative. In the event that all individuals so designated become unavailable or unable to act and the University fails to designate a replacement within ten days after that unavailability or inability to act, the Pledge Trustee may appoint an interim University Representative until the University designates a replacement.

"Unsecured Indebtedness" means Indebtedness that is not secured by any lien and/or security interest granted under this Pledge Agreement (i.e., an unsecured general obligation Indebtedness of the University).

"Variable Rate Indebtedness" means any portion of Indebtedness where the interest rate is not established, at the time in question, at a fixed or constant rate to maturity.

SECTION 1.02. Interpretation. Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Revised Code, or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time. Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof", "hereby", "herein", "hereto", "hereinafter", "hereunder" and similar terms refer to this Pledge Agreement; and the term "hereafter" means after, and the term "heretofore" means before, the date of this Pledge Agreement. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Reference to a Section or an Article means a Section or an Article of this Pledge Agreement and to an Exhibit or Schedule means an Exhibit or Schedule attached to and incorporated into this Pledge Agreement, unless otherwise indicated.

There term "or" is not exclusive. The words "include" and "including" and words of similar import are not limiting and shall be construed to be followed by the words "without limitation," whether or not they are in fact followed by such words.

The captions and headings in this Pledge Agreement are used solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

(End of Article I)

ARTICLE II

PLEDGE

SECTION 2.01. Pledge of Pledged Revenues. To secure the payments by the University in connection with Parity Obligations, the University hereby pledges, assigns and grants to the Pledge Trustee, a lien on and a security interest in its Pledged Revenues. The existence of such pledge and security interest shall not prevent the expenditure, deposit or commingling of the Pledged Revenues by the University so long as payments in respect of any Parity Obligations are made when due.

The University intends that the pledge of the Pledged Revenues hereunder shall also secure the University's obligations listed on Schedule A on the date of execution hereof, which includes existing indebtedness as detailed under "Debt" in Note 6 of the University's audited financial statements for the fiscal year ending May 31, 2024. Accordingly, the 2016 Bonds, the 2020 Bonds, the 2022 Bonds and the 2025 Bonds shall be Parity Obligations hereunder. The Pledge Trustee, as Trustee for the 2016 Bonds, the 2020 Bonds and the 2022 Bonds, acknowledges such pledge as additional security for the 2016 Bonds, the 2020 Bonds and the 2022 Bonds in accordance herewith. Future University Indebtedness may be secured as Parity Obligations as herein provided.

The University represents and warrants that it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Pledged Revenues that ranks on a parity with or prior to the security interest granted hereby. The University represents and warrants that it has not described the Pledged Revenues in a Uniform Commercial Code financing statement that will remain effective upon the effective date of this Pledge Agreement. The University shall not hereafter make or suffer to exist any pledge or assignment of, lien on or security interest in the Pledged Revenues that ranks prior to or, except with respect to Permitted Encumbrances, on a parity with the security interest granted hereby, or file any financing statement describing any such pledge, assignment, lien or interest.

The University shall file any required Uniform Commercial Code ("UCC") financing statements describing the Pledged Revenues and any amendments thereto. The Pledge Trustee shall cause to be filed continuation statements with respect to each UCC financing statement relating to the Pledged Revenues on which it is listed as a secured party, in such manner and in such places as the initial filings (copies of which shall be provided to the Pledge Trustee by the University) were made. The University shall be responsible for the reasonable costs incurred by the Pledge Trustee in the preparation and filing of all such continuation statements hereunder. The Pledge Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required by any amendments to Article 9 of the Uniform Commercial Code, and unless the Pledge Trustee shall have been notified by the University that any such initial filing or description of collateral was or has become defective, the Pledge Trustee shall be fully protected in relying on such initial filing and descriptions in filing any continuation statements or modifications thereto pursuant to this Section 2.01 and in filing any continuation statements in the same filing offices as the initial filings were made. Notwithstanding the filing of the UCC financing statements, the University and the Pledge Trustee hereby acknowledge and agree that at the time of signing of this Pledge Agreement, the Pledge Trustee is not perfecting the security interest in the Pledged Revenues. The Pledge Trustee has no duty or obligation to seek to perfect the security interest in the Pledged Revenues granted hereunder.

SECTION 2.02. Incurrence of Additional Indebtedness. The University covenants that it shall not incur or assume additional Long-Term Indebtedness after the issuance of the 2025 Bonds unless there is no Event of Default hereunder that has occurred and is continuing, and the University delivers to the Pledge Trustee, at least five (5) days prior to such incurrence, a certificate of the University Representative to the effect that, immediately after giving effect to such additional Long-Term Indebtedness: (A) there is no Event of Default or default that, with the continuance of time, will give rise to an Event of Default, existing hereunder or is continuing, and (B) (i) the Cash and Investments to Long-Term Indebtedness Ratio will be at least 0.75; or (ii) the University's Maximum Annual Debt Service divided by its Total Operating Revenues Without Donor Restrictions will be less than 15%. For the avoidance of doubt, only (A) and one of the foregoing two tests in clause (B) need to be satisfied in connection with the University's incurrence or assumption of additional Long-Term Indebtedness.

Notwithstanding the foregoing, the following types of indebtedness may be incurred without meeting the foregoing requirements.

Refunding Long-Term Indebtedness. The University may incur Long-Term Indebtedness for the purpose of refunding then-outstanding Long-Term Indebtedness previously issued as Parity Obligations hereunder without limitation.

Short-Term Indebtedness. The University may, from time to time, incur, assume or have outstanding Short-Term Indebtedness in the ordinary course of business in any amount such that the balance of Short-Term Indebtedness does not exceed 15% of Total Operating Revenues for the preceding University fiscal year.

Student Loan Guarantees. The University may incur indebtedness in the form of Student Loan Guarantees as provided in Section 2.04.

Nonrecourse Indebtedness. The University may, from time to time, have a financial interest in an entity that incurs debt that is (i) incurred to finance additional capital projects and (ii) is nonrecourse debt secured solely by a lien on and security interest in the property financed by such debt and/or revenues arising from that property.

Purchase Money Financings. The University may, from time to time, incur debt that (i) is issued to finance the acquisition of fixtures, machinery, equipment or furnishings and (ii) is unsecured or secured solely by a purchase money security interest in the acquired fixtures, machinery, equipment or furnishings.

Subordinated or Unsecured Indebtedness. The University may, from time to time, incur or assume Subordinated or Unsecured Indebtedness.

SECTION 2.03. Security for Indebtedness. Any Long-Term Indebtedness or Short-Term Indebtedness permitted under Section 2.02, which is hereafter incurred or assumed may be secured only as hereinafter provided:

(a) In the case of indebtedness to be secured on a parity with Outstanding Parity Obligations in accordance herewith, including payment obligations to the provider of a liquidity facility or Credit Facility in connection with such debt, and to the provider of a Derivative Agreement, by a parity lien on and security interest in the Pledged Revenues hereunder, and additionally, at the option of the University, by a mortgage on any real property, fixtures, machinery, equipment and furnishings constituting or made part of the University Facilities and revenues and proceeds arising from that property and mortgage; provided, that any such mortgage and the proceeds therefrom shall secure such indebtedness on a parity with all Outstanding Parity Obligations, and the proceeds therefrom shall constitute Pledged Revenues hereunder.

(b) In the case of nonrecourse indebtedness described in Section 2.02, solely by a lien on and/or security interest in the property financed with such debt and/or the revenues arising from that property.

(c) In the case of purchase money financings described in Section 2.02 solely by a purchase money security interest in real property, fixtures, machinery, equipment or furnishings.

(d) In the case of Student Loan Guarantees incurred pursuant to Section 2.04, solely by a lien or pledge upon Pledged Revenues subordinate and junior to the pledge of Pledged Revenues under Section 2.01.

(e) In the case of other Long-Term Indebtedness, other than as provided in Section 2.03(a) hereof:

(i) by a lien, on and security interest in any property or interest in tangible property, real, personal, or mixed, other than the University Facilities; or

(ii) by a mortgage or purchase money security interest in any real property, fixtures, machinery, equipment and furnishings other than University Facilities and revenues arising from that property; or

(iii) by a lien on and security interest in the Pledged Revenues subordinate to the lien and security interest granted herein; provided, however, that no such permitted indebtedness shall be secured by the money and investments held by or on behalf of any Holders of Parity Obligations in any funds created for their benefit.

(f) In the case of other Short-Term Indebtedness incurred pursuant to Section 2.02 solely:

(i) by a purchase money security interest in personal property acquired with the proceeds thereof; or

(ii) by a lien on or mortgage against any real or personal property not constituting University Facilities; or

(iii) by a lien on and security interest in the Pledged Revenues subordinate to that granted hereunder, provided, however, that no such permitted indebtedness shall be secured by the money and investments held by or on behalf of the any Holder of Parity Obligations in any funds created for their benefit.

The pledge of Pledged Revenues made in connection with additional indebtedness may also secure on a parity basis payment obligations to other parties relating to such indebtedness. Any payment obligation to any such liquidity facility provider, Credit Facility provider or provider of a Derivative Agreement arising in connection with such indebtedness to be secured as provided in Section 2.03(a) and meeting the requirements of Section 2.05(a) may constitute a Parity Obligation hereunder and shall be added to Schedule A at any time at the direction of the University.

SECTION 2.04. Student Loan Guarantees. The University may incur obligations in the form of Student Loan Guarantees that meet the following criteria upon compliance with the following requirements.

(a) The loans to students shall be made pursuant to a program, whether governmental or privately sponsored, for the purpose of providing aid to students for tuition, room and/or board, or other expenses associated with the attendance by the student at the University and which program shall require that the University execute its Student Loan Guarantee.

(b) In the case of a program that is fully funded, no part of the obligations guaranteed by the University shall constitute Long-Term Indebtedness of the University. A program shall be deemed to be "fully-funded" if the assets of the program are at least equal to its liabilities, without regard to the guarantee by the University. In determining the assets of the program, full effect must be given to estimated anticipated losses on student repayments to the extent not insured and due provision shall have been made to cover any shortfall between the principal amount of the obligations and the proceeds thereof (*i.e.*, "nonasset bonds"). The plan may be made fully-funded by deposits, bank letters of credit or other credit support facilities provided by the University or others.

(c) To the extent that a program is not fully funded as provided above, the amount by which the liabilities exceed the assets shall be determined and such amount shall constitute Long-Term Indebtedness of the University for all purposes of this Pledge Agreement. A program that at its commencement is not fully funded may nonetheless be demonstrated to have become fully funded at a later date at which time there shall cease to be any Long-Term Indebtedness attributable to such Student Loan Guarantees so long as it continues to be fully-funded.

(d) The fully funded status of a program or the extent to which a program is not fully funded shall be determined by a certificate of the issuing governmental authority if such certificate be obtainable, or in the alternative, shall be certified to by a consultant with experience in the subject matter, which may be the certified public accountant regularly retained by the University, which certificate in any case shall set forth in full the basis of its determination.

(e) If a consultant's certificate or certificate of the issuing agency is not available, as provided above, the extent to which the principal amount of the Student Loan Guarantees shall be considered Long-Term Indebtedness shall be determined by multiplying the principal amount of such Student Loan Guarantees by the average default ratio, during the three University fiscal years preceding such Student Loan Guarantees, for university students participating in United States Government guaranteed student loans programs.

(f) A Student Loan Guarantee may be secured only by a lien or pledge upon Pledged Revenues subordinate and junior to the pledge of Pledged Revenues under Section 2.01.

SECTION 2.05. <u>Parity Obligations.</u>

(a) Any instrument or document evidencing additional indebtedness incurred after the issuance of the 2025 Bonds to be treated as a Parity Obligation hereunder shall include:

(i) a cross default provision with respect to this Pledge Agreement and with respect to all other Parity Obligations; and

(ii) a provision that all Parity Obligations shall be secured equally and ratably by the Pledge Revenues; and

(iii) a schedule of Parity Obligations as described in Section 2.06; and

(iv) a provision that any Holder of a Parity Obligation shall provide its notice address to the Pledge Trustee.

(b) Prior to the incurrence of any additional Parity Obligations, the University will provide evidence satisfactory to the Pledge Trustee of the due authorization by the Board of Directors for the incurrence by the University of the Parity Obligations and that each of the conditions for the incurrence of the Parity Obligations has been satisfied. The University will deliver to the Pledge Trustee copies of the instruments and documents relating to the Parity Obligations.

The University and the Pledge Trustee will take all actions (including without limitation, amending or supplementing this Pledge Agreement and any other collateral instrument or document) and will sign, deliver, and the University shall, file and record all instruments and documents of security that are required by this Pledge Agreement, that relate to the Parity Obligations, that are required by law or that are determined to be necessary or advisable, to make or grant to the Holders of the Parity Obligations a right for payment from Pledged Revenues on a parity with that of all other Holders of Outstanding Parity Obligations. The Pledge Trustee is only required to take action under this paragraph at the request of the University or at the request of not less than 25% in principal amount of Outstanding Parity Obligations. Further, the Pledge Trustee is not required to take any action under this paragraph without first having received indemnification, or assurance of indemnification, to its satisfaction.

The actions taken pursuant to this Section shall be taken to the end that all of the Outstanding Parity Obligations shall be of equal rank with respect to the Pledged Revenues and shall be entitled to share on a parity in the Pledged Revenues.

Within a reasonable period following the issuance of any Parity Obligations, the University shall deliver to the Pledge Trustee conformed copies of all instruments and documents supporting or evidencing the Parity Obligations.

SECTION 2.06. Schedule of Parity Obligations. At the time of signing of this Pledge Agreement, the schedule of all indebtedness and obligations secured by the pledge granted pursuant to this Pledge Agreement are listed on Schedule A. The University shall revise Schedule A from time to time to evidence the addition of additional Parity Obligations or the release of Parity Obligations. Upon provision of a notice from the University to the Pledge Trustee of the satisfaction in full of its obligations thereunder, the University shall remove a Parity Obligation from Schedule A. Prior to any such removal, the University shall provide the Pledge Trustee with such further evidence of that satisfaction as the Pledge Trustee may reasonably request (the Pledge Trustee having no obligation to so request). All future Parity Obligations shall include a schedule of then Outstanding Parity Obligations.

(End of Article II)

ARTICLE III

PLEDGE TRUSTEE

SECTION 3.01. Pledge Trustee's Acceptance and Responsibilities. The Pledge Trustee accepts the trusts imposed upon it by this Pledge Agreement and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article, to all of which the parties hereto and the Holders agree.

(a) Prior to the occurrence of a Default or an Event of Default of which the Pledge Trustee has been notified, as provided in Section 3.02(e), or of which by that subsection the Pledge Trustee is deemed to have notice, and after the cure or waiver of all Defaults or Events of Default that may have occurred,

(i) the Pledge Trustee undertakes to perform only those duties and obligations that are set forth specifically in this Pledge Agreement, and no duties or obligations shall be implied to the Pledge Trustee; and

(ii) in the absence of bad faith on its part, the Pledge Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Pledge Trustee that conform to the requirements of this Pledge Agreement, but in the case of any such certificates or opinions that by any provision hereof are required specifically to be furnished to the Pledge Trustee, the Pledge Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Pledge Agreement on their face.

(b) In case a Default or an Event of Default has occurred and is continuing hereunder (of which the Pledge Trustee has been notified, or is deemed to have notice pursuant to Section 3.02(e)), the Pledge Trustee shall exercise those rights and powers vested in it by this Pledge Agreement, shall take such actions as it has been instructed to take and against which it has been indemnified by the Holders, as the case may be, and in the absence of instruction shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under similar circumstances in the conduct of that person's own affairs.

(c) No provision of this Pledge Agreement relieves the Pledge Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subsection does not affect the limitation of the Pledge Trustee's duties and obligations provided in subsection (a)(i) of this Section or the Pledge Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subsection (a)(ii) of this Section;

(ii) the Pledge Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, employees, agents or representatives, unless it shall be established that the Pledge Trustee was negligent in ascertaining the pertinent facts;

(iii) the Pledge 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 25% principal amount of the Outstanding Parity Obligations, relating to the time, method and place of conducting any proceeding for any remedy available to the Pledge Trustee, or exercising any trust or power conferred upon the Pledge Trustee, under this Pledge Agreement; and

(iv) no provision of this Pledge Agreement shall require the Pledge 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 any of its rights or powers.

(d) Whether or not therein expressly so provided, every provision of this Pledge Agreement relating to the conduct or affecting the liability of or affording protection to the Pledge Trustee shall be subject to the provisions of this Section 3.01.

SECTION 3.02. Certain Rights and Obligations of the Pledge Trustee. Except as otherwise provided in Section 3.01:

(a) The Pledge Trustee (i) may assign any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees (and shall not be answerable for the misconduct or negligence of such attorneys, agents or receivers), (ii) shall be entitled to the advice of counsel concerning all matters of trusts hereof and duties hereunder, and (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof. The Pledge Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Commission or the University) approved by the Pledge Trustee in the exercise of reasonable care. The Pledge Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice.

(b) The Pledge Trustee shall not be responsible for:

(i) any recital in this Pledge Agreement or in any other related document,

(ii) the validity, priority, recording, re-recording, filing or re-filing of any documents for Parity Obligations, or any amendment thereof or supplement thereto,

(iii) any instrument or document of further assurance or collateral assignment,

(iv) any financing statements or amendments thereto,

(v) insurance of the University Facilities or collection of insurance money,

(vi) the validity of the signing by the University of this Pledge Agreement, or instruments or documents of further assurance,

(vii) the sufficiency of the security for the Parity Obligations intended to be secured hereby,

(viii) the maintenance of the security of this Pledge Agreement,

except that, in the event that the Pledge Trustee takes custody of any Pledged Revenues pursuant to any provision hereof, the Pledge Trustee shall use due diligence in preserving that property.

(c) The Pledge Trustee shall be protected, in the absence of bad faith on its part, in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, email or other document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Pledge Trustee pursuant to this Pledge Agreement upon the request or authority or consent of any Person who is the Holder of any Parity Obligations at the time of making the request or giving the authority or consent shall be conclusive and binding upon all future Holders of the same Parity Obligation and of Parity Obligations issued in exchange therefor or in place thereof.

(d) As to the existence or nonexistence of any fact for which the University may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Pledge Trustee, in the absence of bad faith on its part, shall be entitled to rely upon a certificate signed on behalf of the University by the University Representative as sufficient evidence of the facts recited therein. Prior to the occurrence of a Default or Event of Default hereunder of which the Pledge Trustee has been notified, as provided in subsection (f) of this Section, or of which by that subsection the Pledge Trustee is deemed to have notice, the Pledge Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; provided that the Pledge Trustee in its discretion may require and obtain any further evidence that it deems to be necessary or advisable; and provided further that the Pledge Trustee shall not be bound to secure any further evidence. The Pledge Trustee may accept a certificate of an officer of the University to the effect that a resolution has been adopted by the University, in the form recited in that certificate as conclusive evidence that the resolution has been duly adopted and is in full force and effect.

(e) The Pledge Trustee shall not be required to take notice, and shall not be deemed to have notice, of any Event of Default hereunder unless the Pledge Trustee shall be notified specifically of the Event of Default in a written instrument or document delivered to it at its Notice Address by the Holders of at least 10% of the aggregate principal amount of Parity Obligations then outstanding. In the absence of delivery of a notice satisfying those requirements, the Pledge Trustee may assume conclusively that there is no Event of Default, except as noted above. Notwithstanding the prior two sentences, the Pledge Trustee shall be deemed to have notice of any Event of Default under Section 4.01(a) if the Pledge Trustee is the trustee in connection with any Related Bonds that are the subject of that default.

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

(g) Before taking action or accepting any transfer of Pledged Revenues hereunder, the Pledge Trustee may require that an indemnity bond satisfactory to the Pledge Trustee be furnished to it by the Holders requesting such action for the reimbursement of all expenses that it may incur and to protect it against all liability by reason of any action so taken, except liability that is adjudicated to have resulted from its negligence or willful misconduct. The Pledge Trustee may take action without that indemnity, in which case the University shall reimburse the Pledge Trustee for all of the Pledge Trustee's expenses pursuant to Section 3.03.

(h) Unless otherwise provided herein, all money received by the Pledge Trustee under this Pledge Agreement shall be held in trust for the purposes for which that money was received, until that money is used, applied or invested as provided herein; provided that such money need not be segregated from other money, except to the extent required by this Pledge Agreement or by law. The Pledge Trustee shall not have any liability for interest on any money received hereunder, except to the extent expressly provided herein or agreed with the University. The Pledge Trustee shall have no obligation to invest and reinvest any cash held by it hereunder in the absence of timely and specific written investment direction from (i) the University prior to an Event of Default thereunder or (ii) not less than 25% in aggregate principal amount of Outstanding Parity Obligations after an Event of Default hereunder. In no event shall the Pledge Trustee be liable for the selection of investments or for investment losses incurred thereon. The Pledge Trustee shall have no liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of, as applicable, the University or Holders to provide timely written investment direction. The Pledge Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including investment maintenance fees. Ratings of permitted investments shall be determined at the time of purchase of such permitted investments and without regard to ratings subcategories. The Pledge Trustee may rely on the investment directions of, as applicable, the University or Holders as to both the suitability and legality of the directed investments. The University acknowledges that regulations of the Comptroller of the Currency grant the University the right to receive brokerage confirmations of the security transactions as they occur, at no additional cost. To the extent permitted by law, the University specifically waives compliance with 12 C.F.R. 12 and hereby notifies the Pledge Trustee that no brokerage confirmations need be sent relating to the security transactions as they occur.

(i) Any opinions, certificates and other instruments and documents for which provision is made in this Pledge Agreement, may be accepted by the Pledge Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Pledge Trustee for its actions taken hereunder.

(j) The Pledge Trustee shall not be accountable for the use or application by the University of any of the Related Bonds or the proceeds thereof, except as provided in the proceedings related to each issue of Related Bonds.

(k) The permissive right of the Pledge Trustee to do things enumerated in this Agreement shall not be construed as a duty and the Pledge Trustee shall not be answerable for other than its negligence or willful misconduct.

SECTION 3.03. Fees, Charges and Expenses of Pledge Trustee. The Pledge Trustee shall be entitled to payment or reimbursement by the University for reasonable fees for its Ordinary Services rendered hereunder and for all advances, counsel fees and other Ordinary Expenses reasonably and necessarily paid or incurred by it in connection with the provision of Ordinary Services. For purposes hereof, fees for Ordinary Services provided for by its standard fee schedule shall be considered reasonable. In the event that it should become necessary for it to perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary Extraordinary Expenses by the University.

Without creating a Default or an Event of Default hereunder, however, the University may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the reasonableness of any fee, charge or expense whether for Extraordinary Services or Expenses or for Ordinary Services or Expenses, provided that such contest is diligently pursued to resolution.

The Pledge Trustee shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by its negligence or willful misconduct. Any amounts payable to the Pledge Trustee pursuant to this Section 3.03 shall be payable upon written demand and shall bear interest from the date beginning 30 days after such written demand is made at the rate of 4.0% per year. The fees, charges and expenses of the Pledge Trustee are intended to constitute administrative expenses in any bankruptcy proceeding, and the right is reserved to file a claim therefor.

SECTION 3.04. Intervention by Pledge Trustee. The Pledge Trustee may intervene on behalf of the Holders, and shall intervene if requested to do so in writing by the Holders of at least 25% of the aggregate principal amount of Parity Obligations then outstanding, in any judicial proceeding to which the University is a party and that in the opinion of the Pledge Trustee and its counsel has a substantial bearing on the interests of Holders of the Parity Obligations. The rights and obligations of the Pledge Trustee under this Section are subject to the approval of that intervention by a court of competent jurisdiction. The Pledge Trustee may require that a satisfactory indemnity bond be provided to it in accordance with Sections 3.01 and 3.02 before it takes action hereunder.

SECTION 3.05. Successor Pledge Trustee. Anything herein to the contrary notwithstanding,

(a) any bank, corporation or association (i) into which the Pledge Trustee may be converted or merged, (ii) with which the Pledge Trustee or any successor to it may be consolidated, or (iii) to which it may sell or transfer its corporate trust assets and corporate trust business as a whole or substantially as a whole, or any bank, corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, *ipso facto*, shall be and become successor Pledge Trustee hereunder and shall be vested with all of the title to the whole property or trust estate hereunder; and

(b) that bank, corporation or association shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Pledge Agreement to be exercised by, vested in or conveyed to the Pledge Trustee, without the signing or filing of any instrument or document or any further act on the part of any of the parties hereto.

Any successor Pledge Trustee, however, (i) shall be a trust company or a bank having the powers of a trust company, (ii) shall be in good standing within the United States of America or the State, (iii) shall be duly authorized to exercise trust powers within the State and subject to examination by federal or state authority, and (iv) shall have an unimpaired reported capital and surplus of not less than $75,000,000.

SECTION 3.06. Resignation by the Pledge Trustee. The Pledge Trustee may resign at any time from the trusts created hereby by giving written notice of the resignation to the University and to the Holders of Parity Obligations. The resignation shall take effect immediately upon the appointment of a successor Pledge Trustee and the acceptance by that successor Pledge Trustee. If a successor is not appointed within 30 days, the Pledge Trustee may petition a court of competent jurisdiction for appointment of a successor.

SECTION 3.07. Removal of the Pledge Trustee. Prior to the occurrence of an Event of Default hereunder, the Pledge Trustee may be removed upon thirty (30) days' prior written notice by an instrument or document or concurrent instruments or documents in writing delivered to the Pledge Trustee and signed by the University Representative.

The Pledge Trustee also may be removed at any time for any willful misconduct or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Pledge Agreement with respect to the duties and obligations of the Pledge Trustee by any court of competent jurisdiction upon the application of the Holders of not less than a majority in aggregate principal amount of then Outstanding Parity Obligations. The University may solicit the Holders to make such an application.

The removal of the Pledge Trustee shall take effect immediately upon the appointment of a successor Pledge Trustee.

SECTION 3.08. Appointment of Successor Pledge Trustee. If (i) the Pledge Trustee shall resign, shall be removed, shall be dissolved or shall become otherwise incapable of acting hereunder, (ii) the Pledge Trustee shall be taken under the control of any public officer or officers or (iii) a receiver shall be appointed for the Pledge Trustee by a court, then a successor Pledge Trustee shall be appointed by the University so long as no Event of Default exists hereunder; provided that, if a successor Pledge Trustee is not so appointed within thirty days after (A) a notice of resignation or an instrument or document of removal is received by the University or (B) the Pledge Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, so long as the University shall not have appointed a successor Pledge Trustee, the Holders of a majority in aggregate principal amount of Outstanding Parity Obligations may designate a successor Pledge Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders with the prior written consent of the University. If no appointment of a successor Pledge Trustee shall be made pursuant to the foregoing provisions of this Section, the Holder of any Parity Obligation outstanding hereunder or any retiring Pledge Trustee may apply to any court of competent jurisdiction to appoint a successor Pledge Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Pledge Trustee.

Every successor Pledge Trustee appointed pursuant to this Section (i) shall be a trust company or a bank having the powers of a trust company, (ii) shall be in good standing within the United States of America or the State, (iii) shall be duly authorized to exercise trust powers within the State and subject to examination by federal or state authority, (iv) shall have an unimpaired reported capital and surplus of not less than $75,000,000 and (v) shall be willing to accept the Pledge Trusteeship under the terms and conditions of this Pledge Agreement.

Every successor Pledge Trustee appointed hereunder shall sign and acknowledge, and shall deliver to its predecessor and the University, an instrument or document in writing accepting the appointment. Such instrument(s) or document(s) shall set forth that the predecessor Pledge Trustee has relinquished its rights under this Pledge Agreement and shall be signed by such predecessor Pledge Trustee. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor or the University, the predecessor Pledge Trustee (i) shall sign and deliver an instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the predecessor Pledge Trustee hereunder, and (ii) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and money) held by it as Pledge Trustee.

In the event of a change in the Pledge Trustee, the predecessor Pledge Trustee shall cease to be custodian of any money that it may hold pursuant to this Pledge Agreement. The successor Pledge Trustee shall become custodian.

SECTION 3.09. Representations, Agreements and Covenants of Pledge Trustee. The Pledge Trustee hereby represents that it is a national banking association in good standing and is duly authorized to exercise corporate trust powers in the State and in the United States of America, and that it has an unimpaired reported capital and surplus of not less than $75,000,000. The Pledge Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State and in the United States of America and that it will maintain an unimpaired reported capital and surplus of not less than $75,000,000. The Pledge Trustee accepts and agrees to observe and perform the duties and obligations of the Pledge Trustee to which reference is made herein.

SECTION 3.11. Reports Delivered to Pledge Trustee. The Pledge Trustee shall be under no obligation to review, analyze or make any credit decisions with respect to any financial statements or reports received by it hereunder, but shall hold such financial statements or reports solely for the benefit of, and review by, Holders of the Parity Obligations.

SECTION 3.12. Interpleader. In the event that the Pledge Trustee receives conflicting demands made upon the Pledge Trustee with respect to the Pledge Trustee's duties hereunder, the

Pledge Trustee shall be entitled to file a suit in interpleader in a court of competent jurisdiction seeking to require the parties in dispute to interplead and litigate in such court their several claims and rights among themselves. Upon the filing of such a suit and the deposit of the applicable funds with such court, the Pledge Trustee will, *ipso facto*, be fully released and discharged from all obligations to further perform any and all duties imposed hereunder regarding such matters and/or such funds that are the subject of such interpleader suit. In the event that the Pledge Trustee remains as Pledge Trustee under this Pledge Agreement and receives a court order, directive or other request regarding the interpleader suit, the Pledge Trustee shall be entitled to rely upon such instruction without incurring any obligation or liability.

(End of Article III)

ARTICLE IV

DEFAULT AND REMEDIES

SECTION 4.01. Events of Default. Event of Default, as used herein, shall mean any of the following events:

(a) The University shall fail to make any payment on any Outstanding Parity Obligation secured hereunder, when and as the same shall become due and payable, whether at maturity, by proceedings for redemption, by acceleration or otherwise, in accordance with the terms thereof or of this Pledge Agreement, which failure constitutes an event of default under the documents relating to that Parity Obligation;

(b) The University shall fail duly to perform, observe or comply with any covenant or agreement on its part under this Pledge Agreement for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the University by the Pledge Trustee, or to the University and the Pledge Trustee by the Holders of at least a majority in aggregate principal amount of Parity Obligations then Outstanding; provided, however, that if said failure be such that it cannot be corrected within 60 days after the receipt of such notice, it shall not constitute an Event of Default if corrective action is instituted within such 60-day period and diligently pursued until the Event of Default is corrected;

(c) An event of default shall occur under any document or instrument providing for the issuance of or securing any Parity Obligation and the Pledge Trustee has received notice of such Event of Default;

(d) The entry of a decree or order by a court having jurisdiction in the premises for an order for relief against the University, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the University under the United States Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, custodian, assignee, or sequestrator (or other similar official) of the University or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days;

(e) The institution by the University of proceedings for an order for relief, or the consent by it to an order for relief against it, or the filing by it of a petition or answer or consent seeking reorganization, arrangement, adjustment, composition or relief under the United States Bankruptcy Code or any other similar applicable federal or state law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the University or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

SECTION 4.02. Remedies.

(a) Upon the occurrence and during the continuation of an Event of Default under Section 4.01(a), any Pledged Revenues that are then on hand and not yet commingled with other funds of the University and any Pledged Revenues thereafter received, shall not be commingled or deposited but shall immediately be transferred and paid over to the Pledge Trustee to be held in accordance herewith.

(b) Upon the occurrence of an Event of Default hereunder, the University shall file further UCC Financing Statements and other instruments, to be kept, recorded and filed in such manner and in such places as may be required by law in order to create, preserve and protect the security of the Pledged Revenues. The University covenants that upon an Event of Default, and at the written request of the Pledge Trustee, it will do, sign, acknowledge and deliver or cause to be done, signed, acknowledged and delivered such further acts, instruments and transfers as may be required for the better securing, assuring, continuing, transferring, conveying, pledging, assigning and confirming the security of the Pledged Revenues. The University shall pay or cause to be paid all filing fees incident to such filing and all expenses incident to the preparation, signing and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the signing and delivery of such instruments of further assurance.

SECTION 4.03. Additional Remedies and Enforcement of Remedies. Upon the occurrence and continuance of any Event of Default, the Pledge Trustee may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Parity Obligations, together with indemnification of the Pledge Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce its rights and the rights of the Holders hereunder by such suits, actions or proceedings as the Pledge Trustee, being advised by counsel, shall deem expedient, including:

(a) enforcement of the rights conferred upon the Pledge Trustee hereunder;

(b) civil action to enjoin any acts or things that may be unlawful or in violation of the rights of the Holders;

(c) enforcement of rights as a secured party under the Uniform Commercial Code of the State of Ohio, if applicable; and

(d) enforcement of any other right conferred by law or hereby.

SECTION 4.04. Application of Money after Default. During the continuance of an Event of Default, subject to the expenditure of money to make any payments required to permit the University to comply with any requirement or covenant in any Related Bond Indenture to cause Related Bonds the interest on which, immediately prior to such Event of Default, is excludable from the gross income of the recipients thereof for federal income tax purposes to retain such status, all money received by the Pledge Trustee pursuant to any right given or action taken under the provisions of this Article shall be applied, after the payment of any compensation, expenses, disbursements and advances then owing to the Pledge Trustee pursuant to Section 3.03 as follows: to the payment to the Persons entitled thereto of all payments then due but unpaid with respect to Parity Obligations, and if the amounts available shall not be sufficient to pay in full all Parity Obligations due on any date, then to the payment thereof ratably, according to the amounts of payments due on such date, to the Persons entitled thereto, without any discrimination or preference.

Whenever money is to be applied by the Pledge Trustee pursuant to the provisions of this Section, such money shall be applied, subject to Section 4.07, by it at such times, and from time to time, as the Pledge Trustee shall determine, having due regard for the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. Whenever the Pledge Trustee shall apply such money, it shall fix the date upon which such application is to be made and upon such date interest on the amounts to be paid on such dates shall cease to accrue. The Pledge Trustee shall give such notice as it may deem appropriate of the deposit with it of any such money and of the fixing of any such date, and shall not be required to make payment to the Holder of any unpaid Parity Obligation until the Holder of such Parity Obligation shall provide written certification to the Pledge Trustee of any partial payment or for cancellation if fully paid.

Whenever all Parity Obligations and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Pledge Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the University.

SECTION 4.05. Remedies Not Exclusive. No remedy by the terms hereof conferred upon or reserved to the Pledge Trustee or the Holders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or existing at law or in equity or by statute on or after the date hereof.

SECTION 4.06. Remedies Vested in the Pledge Trustee. All rights of action hereunder may be enforced by the Pledge Trustee without the possession of any document or instrument evidencing the Parity Obligations or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Pledge Trustee may be brought in its name as the Pledge Trustee without the necessity of joining as plaintiffs or defendants any Holders. Subject to the provisions of Section 4.04, any recovery or judgment shall be for the equal benefit of the Holders.

SECTION 4.07. Holders' Control of Proceedings; Conflicting Directions. If an Event of Default shall have occurred and be continuing, notwithstanding anything herein to the contrary, the Holders of not less than a majority in aggregate principal amount of Outstanding Parity Obligations shall have the right, at any time, by an instrument in writing signed and delivered to the Pledge Trustee and accompanied by indemnity satisfactory to the Pledge Trustee, to direct the method and place of conducting any proceeding or action to be taken in connection with the enforcement of the terms and conditions hereof or for the appointment of a receiver or any other proceedings hereunder; provided that such direction is not in conflict with any applicable law or the provisions hereof, and is not unduly prejudicial to the interest of any Holders not joining in such direction; and provided further that the Pledge Trustee shall have the right to decline to follow any such direction if the Pledge Trustee in good faith shall determine, in the sole judgment of the Pledge Trustee, that the proceeding so directed would involve it in personal liability, and that nothing in this Section shall impair the right of the Pledge Trustee in its discretion to take any other action hereunder that it may deem proper and that is not inconsistent that such direction by the Holders.

With respect to actions that may be taken by Holders of less than a majority in aggregate principal amount of Parity Obligations pursuant to any provision of this Pledge Agreement, if the Pledge Trustee receives conflicting directions, than the directions of Holders of the greater percentage of aggregate principal amount of Parity Obligations shall control, subject to the exceptions described in the immediately preceding paragraph.

SECTION 4.08. Termination of Proceedings. In case any proceeding taken by the Pledge Trustee on account of an Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Pledge Trustee or to the Holders, then the University, the Pledge Trustee and the Holders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Pledge Trustee and the Holders shall continue as if no such proceeding had been taken.

SECTION 4.09. Waiver of Event of Default.

(a) No delay or omission of the Pledge Trustee or of any Holder to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Pledge Trustee and the Holders, respectively, may be exercised from time to time and as often as may be deemed expedient by them.

(b) The Pledge Trustee may waive any Event of Default that in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof, or before the completion of the enforcement of any other remedy hereunder.

(c) Notwithstanding anything contained herein to the contrary, the Pledge Trustee may, and upon the written request of the Holders of not less than a majority of the aggregate principal amount of Outstanding Parity Obligations, shall, waive any Event of Default hereunder and its consequences.

(d) In case of any waiver by the Pledge Trustee of an Event of Default hereunder, the University, the Pledge Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

SECTION 4.10. Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they will not render this instrument or the provisions hereof invalid or unenforceable under the provisions of any applicable law.

SECTION 4.12. Notice of Default. The Pledge Trustee shall, within 10 days after it has actual knowledge of the occurrence of an Event of Default, mail, by first class mail, to all Holders as the names and addresses of such Holders appear upon the books of the Pledge Trustee, notice of such Event of Default actually known to the Pledge Trustee, unless such Event of Default shall have been cured before the giving of such notice; provided that, except in the case of default in the payment of the principal of or premium, if any, or interest on any of the Parity Obligations and the Events of Default specified in subsections 4.01(d) and (e), the Pledge 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 any responsible officer of the Pledge Trustee in good faith determines that the withholding of such notice is in the interests of the Holders.

(End of Article IV)

ARTICLE V

HOLDERS AND AMENDMENTS

SECTION 5.01. Aggregate Principal Amount. For purposes of determining the aggregate principal amount outstanding under this Pledge Agreement, that amount shall be equal to the aggregate principal amount of all Parity Obligations Outstanding, provided, however, that for purposes of determining the principal amount of any Derivative Indebtedness, the principal amount shall be the amount of any termination payment, or its equivalent, that would have been due under the related Derivative Agreement on the first day of the calendar quarter in which the determination is made. Notwithstanding the prior sentence, in the event that a Credit Facility is in full force and effect as to any series of Related Bonds, the Credit Facility provider is not insolvent and no default of the Credit Facility exists on the part of the Credit Facility provider, then the said Credit Facility provider, in place of the holder of the Parity Obligation to which such Related Bonds relate shall have the power and authority to give any written consents and exercise any and all other rights that the holder of that Parity Obligation would otherwise have the power and authority to make, give or exercise, including, but not limited to, the exercise of remedies provided in Article IV, and such consent shall be deemed to also constitute the consent of the holders of all of those Related Bonds that are secured by such Credit Facility.

The Authorized Officer of the University and the Pledge Trustee may sign and deliver any contracts or agreements with Credit Facility providers to carry out the provisions hereof or to clarify the rights of such Credit Facility provider with respect to the obligations to which such Related Bonds relate.

SECTION 5.02. Amendments to this Pledge Agreement. The Pledge Trustee shall and hereby is authorized to sign and deliver, or consent to, any amendment, change or modification of this Pledge Agreement without the consent of or notice to any Holders (i) for the purpose of curing any ambiguity, formal defect or omission therein, (ii) in order to correct or supplement any provision therein that may be inconsistent with any other provision in this Pledge Agreement, (iii) to reflect the addition or removal of Parity Obligations in accordance herewith or (iv) any amendment determined, as evidenced by an opinion of counsel delivered to the Pledge Trustee, not to be to the material prejudice of Holders of any Parity Obligations. Except as permitted by the preceding sentence, the Pledge Trustee shall not enter into or consent to any amendment, change or modification of this Pledge Agreement without the consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Parity Obligations that are secured by this Pledge Agreement. In executing any amendment hereto, the Pledge Trustee shall be entitled to an opinion of counsel acceptable to the Pledge Trustee (which may be that of Bond Counsel or University counsel) to the effect that such amendment is authorized or permitted hereunder, and complies with the terms herewith.

(End of Article V)

ARTICLE VI

MISCELLANEOUS PROVISIONS

SECTION 6.01. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Pledge Agreement or the Parity Obligations secured hereunder is intended or shall be construed to give to any Person other than the University, the Pledge Trustee and the Holders of Parity Obligations any legal or equitable right, remedy or claim under or in respect to this Pledge Agreement or any covenants, conditions and provisions herein contained; this Pledge Agreement and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties mentioned in this Section. By entering into this Pledge Agreement, the University desires, among other things, to confer upon the Holders of Parity Obligations issued prior to the date hereof additional security for such Parity Obligations. Any other provisions of this Pledge Agreement shall not be effective to the extent any such provision is to the material prejudice of the Holders of such Parity Obligations issued prior to the date hereof, as may be determined by an opinion of counsel delivered to the Pledge Trustee. The University represents that the terms of this Pledge Agreement are not to the material prejudice of Holders of Parity Obligations issued prior to the date hereof.

SECTION 6.02. Severability. If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions hereof, or the Parity Obligations secured pursuant hereto, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

SECTION 6.03. Governing Law. This Pledge Agreement and any Parity Obligations secured hereunder are contracts made under the laws of the State of Ohio and shall be governed by and construed in accordance with such laws.

SECTION 6.04. Counterparts. This Pledge Agreement may be signed in several counterparts, each of which shall be an original and all of which shall constitute one instrument. Signatures transmitted by facsimile or electronic means are deemed to be original signatures.

SECTION 6.05. Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the University, the Pledge Trustee and their respective successors and assigns subject to the limitations contained herein.

(End of Article VI)

IN WITNESS WHEREOF, this Pledge Agreement has been duly signed and delivered for and in the name and on behalf of the University and the Pledge Trustee by their duly authorized officer or representative, as of the date first above written.

JOHN CARROLL UNIVERSITY

By: ______________________________
Alan R. Miciak, President

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Pledge Trustee

By: ______________________________
Its:

SCHEDULE A

MASTER SCHEDULE OF PARITY OBLIGATIONS

State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2016 Project), and including the Guaranty Agreement between the University and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of February 1, 2016.

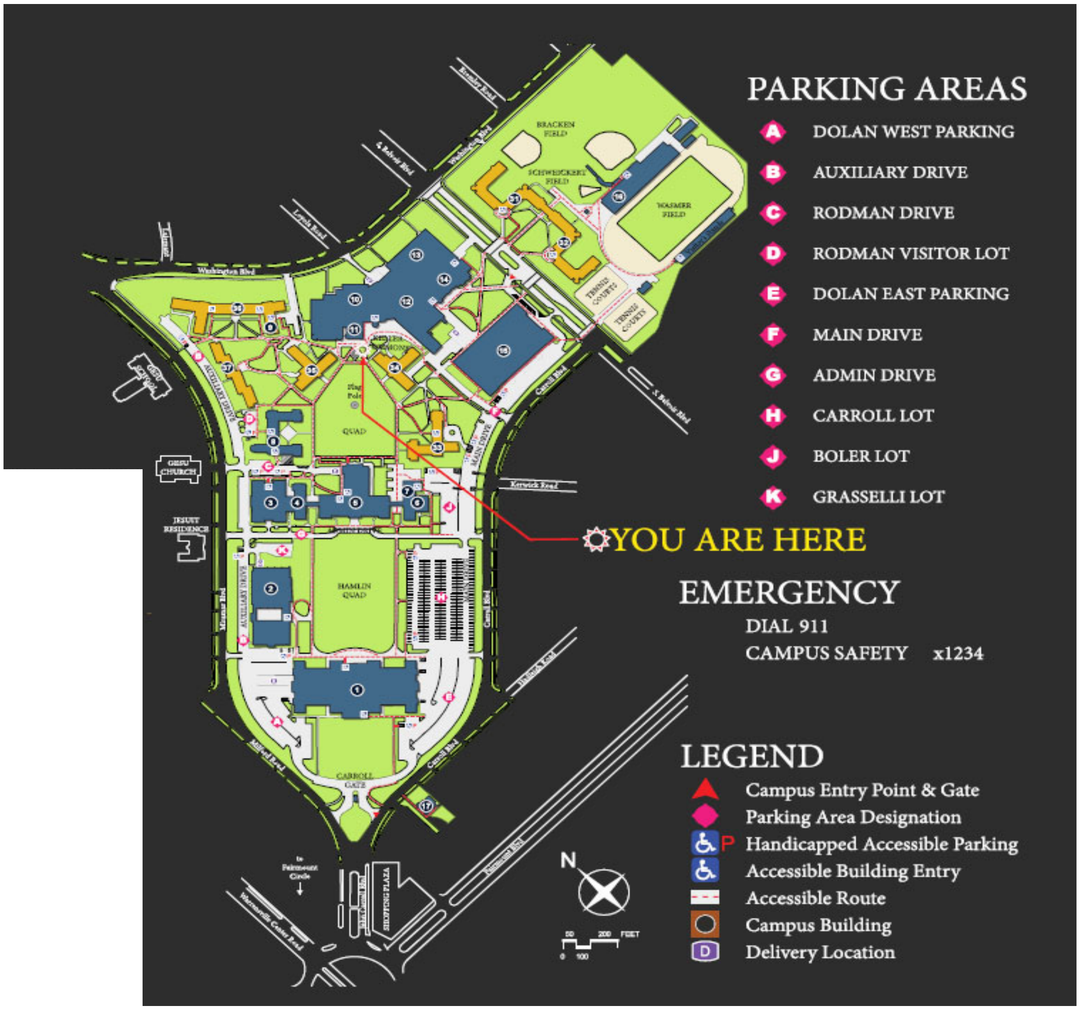
State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2020 Project), and including the Guaranty Agreement between the University and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of October 1, 2020.

State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2022 Project), and including the Guaranty Agreement between the University and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of February 1, 2022.

State of Ohio Higher Educational Facility Revenue Bonds (John Carroll University 2025 Project), and including the Guaranty Agreement between the University and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of June 1, 2025.

EXHIBIT A

DESCRIPTION OF UNIVERSITY CORE CAMPUS



JOHN CARROLL UNIVERSITY BUILDINGS & PUBLIC LOCATIONS

1. DOLAN CENTER for SCIENCE & TECHNOLOGY
   - Muldoon Atrium
   - Donahue Auditorium
   - O'Connell Reading Room
2. GRASSELLI LIBRARY and BREEN LEARNING CENTER
   - Career Services
   - Student Accessibility Services
3. O'MALLEY CENTER - O'Malley Center for Communications & Language Arts
4. SAINT IGNATIUS HALL - B Wing
   - Dean, College of Arts & Sciences
   - Registrar's Office
5. SAINT IGNATIUS HALL - A Wing
   - Office of the President
   - Office of the Academic VP
   - Kulas Auditorium
6. BOLER COLLEGE of BUSINESS - C Wing
   - Dean, Boler College of Business
7. BRUENING HALL
8. RODMAN HALL
   - Business Office
   - Human Resources
   - Admission
   - Student Enrollment & Financial Services
   - Alumni & Advancement
   - Information Technology Services
9. STUDENT HEALTH CENTER
10. LOMBARDO STUDENT CENTER
    - Schott Dining Hall & Atrium
    - Conference & Meeting Rooms
    - Dining Facilities
    - Bookstore
    - Marinello Little Theatre
11. SAINT FRANCIS CHAPEL
12. RECREATION COMPLEX - Rec Plex
    - Campus Safety Services
    - Student Engagement & Residence Life
    - Facilities Department
13. DeCARLO VARSITY CENTER
    - Varsity Gymnasium
14. JOHNSON NATATORIUM
15. ATHLETIC WELLNESS and EVENT CENTER
16. SHULA STADIUM
    - Wasmer Field - Field & Track
    - Schweickert Field - Baseball Field
    - Bracken Field - Softball Field
    - Tennis Courts
17. MILITARY SCIENCE-ROTC
31. CAMPION HALL - Residence Hall
32. HAMLIN HALL - Residence Hall
33. BERNET HALL - Residence Hall
34. PACELLI HALL - Residence Hall
35. DOLAN HALL - Residence Hall
36. MURPHY HALL - Residence Hall
    - Student Health Center
37. SUTOWSKI HALL - Residence Hall

EXHIBIT B

GATEWAY PROJECT DESCRIPTION

Portions of Gateway Project Owned by the University

PPN's: 721-06-011

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 331 in Rapid Transit Land Sales Co.'s University Subdivision No. 30 of part of Original Warrensville Township Lots Nos. 16 and 6, and shown by the recorded plat in Volume 90, Page 22 of the Cuyahoga County Records, and being 50 feet front on the easterly side of Warrensville Center Road and extending back 185.60 feet on the northerly line, 185.61 feet on the southerly line, and having a rear line of 50 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-05-024

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 301 in Rapid Transit Land Sales Co.'s University Subdivision No. 30 of part of Original Warrensville Township Lots Nos. 16 and 6, and shown by the recorded plat in Volume 90, Page 22 of the Cuyahoga County Records, and being 75 feet front on the Westerly side of Milford Road (formerly Miramar Boulevard), and extending back of equal width 200 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-06-016

Situated in the City of University Heights, County of Cuyahoga and State of Ohio: And known as being Sublot No. 326 in The Rapid Transit Land Sales Company's University Subdivision No. 30 of part of Original Warrensville Township Lot Nos. 6 and 16 as shown by the recorded plat in Volume 90 of Maps, Page 22 of Cuyahoga County Records, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-06-015

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 327 in Rapid Transit Land's University Subdivision No. 30 of part of Original Warrensville Township Lot Nos. 16 and 6, as shown by the recorded plat in Volume 90 of Maps, Page 22 of Cuyahoga County Record, and being 50 feet front on the easterly side of Warrensville Center Road and extending back 185.67 feet on the Northerly line, 185.58 feet on the southerly line, and having a rear line of 50 feet, appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-06-014

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 328 in Rapid Transit Land Sales Company's University Subdivision No. 30 of part of Original Warrensville Township Lot Nos. 6 and 16, as shown by the recorded plat in Volume 90 of Maps, Page 22 of Cuyahoga County Record, and being 50 feet front on the easterly side of Warrensville Center Road 185.58 feet deep on the Northerly line, 185.59 feet deep on the Southerly line, and 50 feet wide in the rear, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-06-013

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being part of Original Warrensville Township Lot Nos. 6 and 16 and known as being Sublot No. 329 in Rapid Transit Land Co.'s University Subdivision No. 30 of part of Original Warrensville Township Lot No. 16, as shown by the recorded plat in Volume 90 of Maps, Page 22 of Cuyahoga County Record, and being 50 feet front on the easterly side of Warrensville Center Road and extending back between parallel lines 185.59 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-06-021

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 296 and the southerly 25 feet from front to rear of Sublot No. 297 in the Rapid Transit Land Sales Company's University Subdivision No. 30, of part of Original Warrensville Township Lot No. 6, as shown by the recorded plat in Volume 90, Page 22 of Cuyahoga County Records, and together forming a parcel of land 100 feet front on the westerly side of Milford Road, 200 feet on the Northerly line, 199.47 feet on the southerly line and 100 feet wide in the rear, be the same more or less, but subject to all legal highways.

PPN's: 721-06-020

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being the Northerly 50 feet of Sublot No. 297 in the Rapid Transit Sales Company's University Subdivision No. 30, of part of Original Warrensville Township Lots Nos. 16 and 6, as shown by the recorded Plat in Volume 90 of Maps, Page 22 of Cuyahoga County Records, and being 50 feet front on the Westerly side of Milford Road and extending back between parallel lines 200 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-06-019

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 298 in the Rapid Transit Sales Company's University Subdivision No. 30, of part of Original Warrensville Township Lots Nos. 16 and 6, as shown by the recorded Plat in Volume 90 of Maps, Page 22 of Cuyahoga County Records, and being 75 feet front on the Westerly side of Milford Road(formerly Miramer Boulevard) and extending back of equal width 200 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

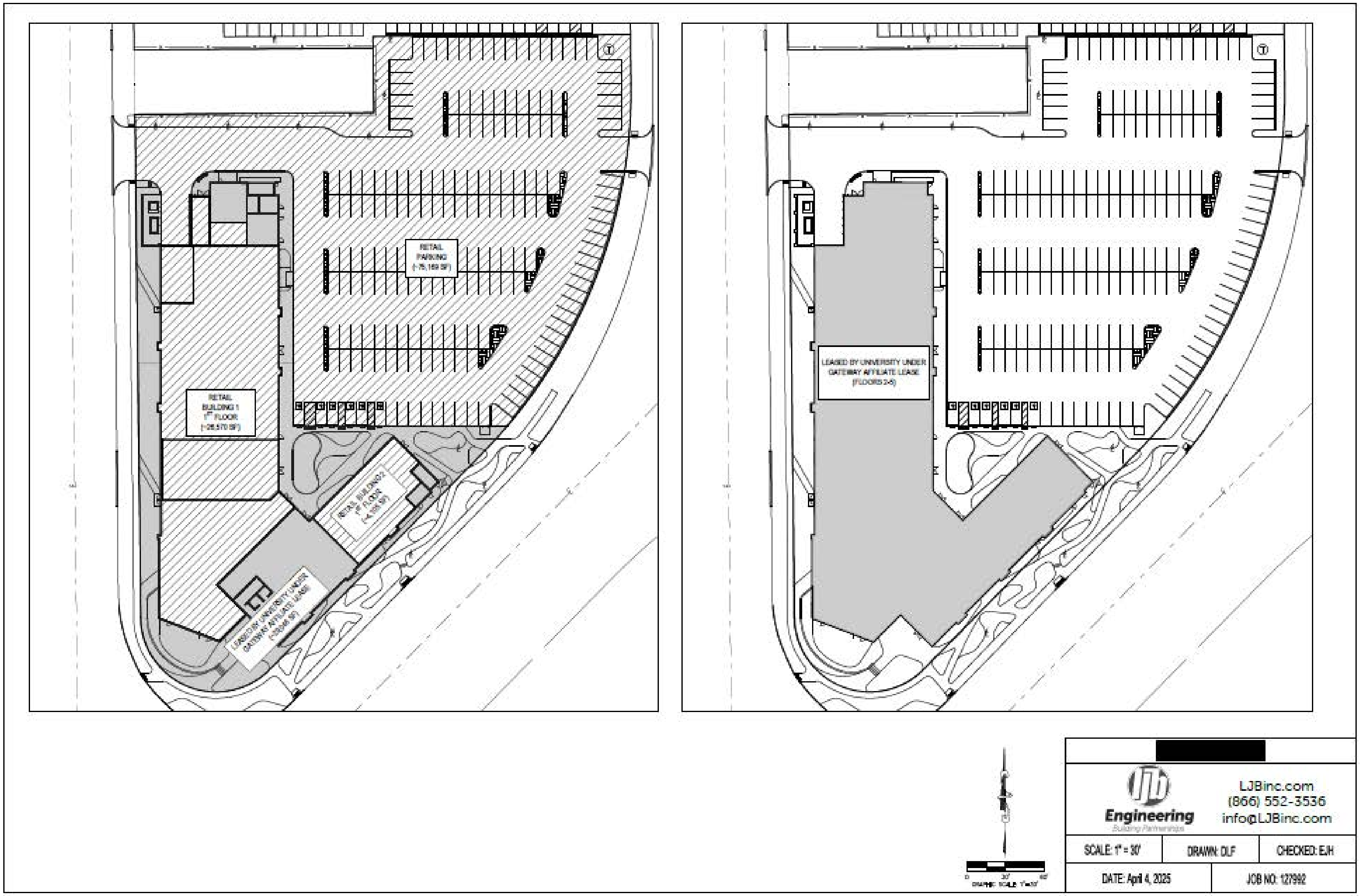
PPN's: 721-06-018

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 299 in the Rapid Transit Sales Company's University Subdivision No. 30, of part of Original Warrensville Township Lots Nos. 16 and 6, as shown by the recorded Plat in Volume 90 of Maps, Page 22 of Cuyahoga County Records, and being 75 feet front on the Westerly side of Milford Road, and extending back of equal width 200 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

PPN's: 721-05-023

Situated in the City of University Heights, County of Cuyahoga and State of Ohio:
And known as being Sublot No. 300 in Rapid Transit Land Sales Co.'s University Subdivision No. 30 of part of Original Warrensville Township Lots Nos. 16 and 6, and shown by the recorded plat in Volume 90, Page 22 of the Cuyahoga County Records, and being 75 feet front on the Westerly side of Milford Road, and extending back of equal width 200 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

Portions of Gateway Project leased to University by a wholly-owned affiliate of the University



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STATE OF OHIO (OHIO HIGHER EDUCATIONAL FACILITY COMMISSION) • HIGHER EDUCATIONAL FACILITY REVENUE BONDS (JOHN CARROLL UNIVERSITY 2025 PROJECT)

John Carroll
UNIVERSITY

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