NEW ISSUE – BOOK ENTRY ONLY

RATINGS: Moody's: Baa1
S&P: BBB+
See "Ratings" herein

In the opinion of Bond Counsel, based on current law and assuming, among other matters, the accuracy of certain representations and compliance by the Agency and the College with their respective tax covenants described herein and the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes. Interest on the Bonds will not constitute an item of tax preference for purposes of the federal individual or corporate alternative minimum tax, although interest on the Bonds will be taken into account in computing the alternative minimum tax imposed on corporations. The Act provides that the Bonds and the income therefrom shall at all times be exempt from taxation in the State of Vermont, except for transfer and estate taxes. See "TAX EXEMPTION" herein for further information.

SAINT MICHAEL'S COLLEGE FOUNDED 1904

$18,465,000
VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING AGENCY REVENUE BONDS (SAINT MICHAEL'S COLLEGE PROJECT), SERIES 2015 (GREEN BONDS)

Dated: Date of delivery **Due: October 1, as shown below**

The Bonds are one of a duly authorized series of revenue bonds of Vermont Educational and Health Buildings Financing Agency (the "Agency"), issued under a Trust Agreement, dated as of November 1, 2015 (the "Trust Agreement"), between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and bond registrar. The Bonds are being issued for the purpose of providing funds to (1) construct and equip a new residence hall at Saint Michael's College, Inc. (the "College"), and (2) pay certain expenses incurred in connection with the issuance of the Bonds.

The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry only form, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive definitive Bonds. So long as DTC is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to DTC. Disbursements of such payments to Direct Participants are the responsibility of DTC and disbursements of such payments to the beneficial owners are the responsibility of Direct Participants and Indirect Participants. See "THE BONDS – Book-Entry Only System." So long as Cede & Co. is the registered owner of the bonds as nominee of DTC, references herein to the holders or registered owners of the Bonds shall mean Cede & Co., as aforesaid, and shall not mean the beneficial owners of the Bonds.

Interest on the Bonds will be payable on April 1 and October 1 of each year, commencing April 1, 2016.

THE BONDS ARE LIMITED OBLIGATIONS OF THE AGENCY AND ARE PAYABLE SOLELY FROM PAYMENTS TO BE MADE BY OR ON BEHALF OF THE COLLEGE, IN ACCORDANCE WITH THE PROVISIONS OF THE LOAN AGREEMENT (AS DEFINED BELOW) AND THE TRUST AGREEMENT AND FROM CERTAIN OTHER FUNDS, ALL AS MORE FULLY DESCRIBED HEREIN. THE AGENCY HAS NO TAXING POWER. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF VERMONT OR OF ANY MUNICIPALITY OR POLITICAL SUBDIVISION OF THE STATE OF VERMONT IS PLEDGED TO THE PAYMENT OF THE BONDS.

The Agency will enter into a Loan Agreement, dated as of November 1, 2015 (the "Loan Agreement"), with the College, under which the Agency will agree to lend to the College the proceeds of the Bonds, and in consideration of the loan the College will agree to make payments to the Trustee (the "Loan Repayments") in such amounts and at such times as are required to provide for timely payment of the principal of, premium, if any, and interest on the Bonds. As evidence of its absolute obligation to repay the loan under the Loan Agreement, the College will execute and deliver to the Agency its promissory note (the "Note").

Pursuant to the Trust Agreement, the Agency will assign to the Trustee certain of the Agency's rights under the Loan Agreement, including all its right, title and interest in and to the Loan Repayments (subject to the reservation of certain rights of the Agency, including its rights to notices, payment of certain expenses and indemnity), and will assign to the Trustee all of its right, title and interest in and to the Note and to any and all moneys and securities in the Bond Fund (as defined herein) and, until applied in payment of any item of the Cost of the Project (as defined herein), to all money and securities in the Construction Fund.

The Bonds will be subject to redemption prior to maturity as described herein.

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS

$11,275,000 Serial Bonds

Maturity Date (October 1)	Amount	Interest Rate	Yield	Maturity Date (October 1)	Amount	Interest Rate	Yield
2016	$365,000	2.000%	0.81%	2026	$560,000	5.000%	3.24%*
2017	375,000	3.000	1.18	2027	585,000	3.375	3.50
2018	390,000	4.000	1.44	2028	605,000	3.500	3.62
2019	405,000	4.000	1.69	2029	635,000	5.000	3.59*
2020	420,000	4.000	2.00	2030	665,000	5.000	3.68*
2021	440,000	4.000	2.24	2031	700,000	5.000	3.75*
2022	460,000	5.000	2.48	2032	735,000	5.000	3.81*
2023	485,000	5.000	2.73	2033	770,000	4.000	4.01
2024	510,000	5.000	2.91	2034	800,000	4.000	4.05
2025	535,000	5.000	3.07	2035	835,000	5.000	3.96*

$7,190,000 5.00% Term Bonds due October 1, 2042 – Priced to Yield 4.12%*

* Priced at the stated yield to the first optional redemption date of October 1, 2025, at a redemption price of 100%. See "THE BONDS – Redemption Prior to Maturity – Optional Redemption" herein.

The Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and subject to the approval of legality by Sidley Austin LLP, New York, New York, Bond Counsel to the Agency. Certain legal matters will be passed upon for the Underwriters by their counsel, Locke Lord LLP, Boston, Massachusetts, for the Agency by its counsel, Deppman & Foley, P.C., Middlebury, Vermont, and for the College by its counsel, Dinse, Knapp & McAndrew, P.C., Burlington, Vermont. It is expected that the Bonds will be available for delivery in definitive form to DTC in New York, New York, or its custodial agent, on or about November 10, 2015.

Morgan Stanley **Wells Fargo Securities**

Dated: October 22, 2015

No dealer, broker, salesman or other person has been authorized by Vermont Educational and Health Buildings Financing Agency (the "Agency"), Saint Michael's College, Inc. (the "College") or the Underwriters to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. Certain information contained herein has been obtained from the College, The Depository Trust Company and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed to be the representation of the Agency or the Underwriters. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE TRUST AGREEMENT HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON THE EXEMPTIONS CONTAINED IN SUCH ACTS.

The Underwriters have provided the following sentence and paragraph for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

Relating To

$18,465,000

VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING AGENCY

Revenue Bonds (Saint Michael's College Project),

Series 2015 (Green Bonds)

INTRODUCTION

The Official Statement, including the cover page and appendices, sets forth certain information concerning the issuance and sale by Vermont Educational and Health Buildings Financing Agency (the "Agency"), a public instrumentality of the State of Vermont (the "State"), of its Revenue Bonds (Saint Michael's College Project), Series 2015 (Green Bonds) in the aggregate principal amount of $18,465,000 (the "Bonds"). The Bonds are authorized to be issued pursuant to Chapter 131, Sections 3851 to 3862, inclusive, of Title 16 of the Vermont Statutes Annotated, as amended (the "Act"). The Bonds will be issued under a Trust Agreement, dated as of November 1, 2015 (the "Trust Agreement"), between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and a resolution of the Agency adopted on September 8, 2015 (the "Resolution"). The Bank of New York Mellon Trust Company, N.A. has also been appointed Bond Registrar under the Trust Agreement.

The Bonds are being issued for the purpose of providing funds to (1) construct and equip a new residence hall on the campus of the College, which may include all or a portion of the interest due on the Bonds during construction, and (2) pay certain expenses incurred in connection with the issuance of the Bonds.

The Agency will enter into a Loan Agreement, dated as of November 1, 2015 (the "Loan Agreement"), with the College, under which the Agency will agree to lend to the College the proceeds of the Bonds and in consideration of the loan the College will agree to make payments to the Trustee (the "Loan Repayments") in such amounts and at such times as are required to provide for timely payment of the principal of and the premium, if any, and interest on the Bonds. As evidence of its unconditional obligation to repay the loan under the Loan Agreement, the College will execute and deliver to the Agency its promissory note (the "Note").

Pursuant to the Trust Agreement, the Agency will, for the benefit of the owners of the Bonds, assign certain of the Agency's rights under the Loan Agreement, including all its right, title and interest in and to the Loan Repayments (subject to the reservation of certain rights of the Agency, including its rights to notices, payment of certain expenses and indemnity), and will assign all of its right, title and interest in and to the Note and to any and all moneys and securities in the Bond Fund and, until applied in payment of any item of the Cost of the Project, to all money and securities in the Construction Fund, to the Trustee in trust.

The Bonds are limited obligations of the Agency. The Agency is not obligated to pay principal of, premium, if any, or the interest on the Bonds except from (i) payments made by the College under the Loan Agreement and on the Note and (ii) other amounts held by the Trustee pursuant to the Trust Agreement. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged as security for the payment of the principal or premium, if any, or interest on the

Bonds. The College's obligation on the Note is an absolute and unconditional obligation of the College, payable from any or all of its available assets or funds.

A summary of certain provisions of the Trust Agreement and the Loan Agreement is included as Appendix C to this Official Statement.

The purchase of the Bonds involves a degree of risk. Prospective purchasers should carefully consider the material under the caption "Risk Factors" herein.

The Bonds will be sold and delivered by the Agency to Morgan Stanley & Co. LLC, as representative (the "Representative") of the underwriters (the "Underwriters"), pursuant to a bond purchase agreement, dated the date of this Official Statement, by and among the Agency, the College and the Representative. (See the caption "Underwriting" herein.)

The preceding and following summaries are not comprehensive or definitive. All references to the Act, the Bonds, the Trust Agreement, the Loan Agreement and the Note are brief summaries of certain provisions thereof and are qualified in their entirety by the definitive forms of such statute and documents. Copies of the documents are available for inspection at the corporate trust office of the Trustee located at 135 Santilli Highway, Everett, MA 02149.

Capitalized terms used in this Official Statement have the meanings specified herein and in Appendix C hereto. Terms not otherwise defined in this Official Statement have the meanings provided in the specific documents.

THE AGENCY

The Agency has been created as a body corporate and politic constituting a public instrumentality of the State for the purpose of exercising the powers conferred on it by virtue of the Act. The purpose of the Agency is essentially to assist certain health care and educational institutions in the acquisition, construction, financing and refinancing of their related projects.

Agency Membership and Organization

Under the Act, the Board of the Agency consists of the Secretary of Education, the State Treasurer, the Secretary of the Agency of Human Services, and the Secretary of Administration of the State, all *ex officio*, seven members appointed by the Governor of the State, with the advice and consent of the Senate, for terms of six years, and two members appointed by the members appointed by the Governor for terms of two years. The members of the Board annually elect a Chair, a Vice Chair, a Treasurer and a Secretary. There is currently one vacancy on the Board. The day-to-day administration of the Agency is handled by the Executive Director of the Agency.

The present officers and members of the Agency and their places of business or residence are as follows:

Officers

James E. Potvin, Chair
Certified Public Accountant
Stevens, Wilcox, Baker, Potvin, Cassidy & Jakubowski
Rutland, Vermont

*Vacancy** - Vice Chair

Edward Ogorzalek, Treasurer
Chief Financial Officer
Rutland Regional Medical Center
Rutland, Vermont

Neal E. Robinson, Secretary†
Vice President for Finance
Saint Michael's College, Inc.
Colchester, Vermont

Ex Officio Members

Elizabeth Pearce
State Treasurer
Montpelier, Vermont

Justin Johnson
Secretary of Administration
Montpelier, Vermont

Rebecca Holcombe
Secretary of Education
Montpelier, Vermont

Hal Cohen
Secretary of the Agency of Human Services
Williston, Vermont

Appointed and Elected Members

Anita L. Bourgeois
Vice President
Merchants Bank
South Burlington, Vermont

Frederick Burkhardt
Assistant Professor
Champlain College
Burlington, Vermont

Kenneth Gibbons
Business and Financial Consultant
Hyde Park, Vermont

Kenneth Linsley
President
Green Mountain Transformer Consultants, LLC
Danville, Vermont

Stuart W. Weppler
Business and Financial Consultant
Morrisville, Vermont

* Dawn D. Bugbee resigned from the Board on September 8, 2015. The Vice Chair position is currently vacant.

† Mr. Robinson serves as the Vice President for Finance of the College and has abstained from all official action of the Board of the Agency undertaken in connection with the issuance of the Bonds.

Executive Director

Robert Giroux
Executive Director
Vermont Educational and Health
Buildings Financing Agency
Winooski, Vermont

Deppman & Foley, P.C., Middlebury, Vermont, is general counsel to the Agency.

Sidley Austin LLP, New York, New York, is Bond Counsel and will render its approving opinion with regard to the legality of the Bonds in substantially the form attached hereto as Appendix D.

Public Financial Management, Inc., Boston, Massachusetts, is the financial advisor to the Agency.

Financing Programs of the Agency

The Agency was duly created under the Act as a body corporate and politic constituting a public instrumentality of the State of Vermont. The Act empowers the Agency, among other things, to finance or assist in the financing of eligible institutions, through financing agreements, which may include loan agreements, lease agreements, conditional sales agreements, purchase money mortgages, installment sale contracts, and other types of contracts to acquire property, both real and personal, including leasehold and other interests in land necessary or convenient for its corporate purposes; to acquire or make loans with respect to facilities, including buildings, improvements to real property, equipment, furnishings, appurtenances, utilities and other property, determined by the Agency to be necessary or convenient in the operation of any eligible institution; to lease or to make loans with respect to such facilities to any such eligible institution; and to issue refunding bonds of the Agency whether the bonds to be refunded have or have not matured.

The Agency has heretofore authorized and issued numerous series of its bonds and notes for the benefit of eligible institutions in the State, including certain bonds of the Agency issued on behalf of the College. All such outstanding Agency bond and note issues have been authorized and issued pursuant to financing documents separate from and unrelated to the Loan Agreement, the Trust Agreement and the Resolution for the Bonds and are payable from certain revenues other than those pledged for payment of the Bonds. Inasmuch as each series of bonds and notes of the Agency is secured separately from all other bonds and notes issued thereby, the moneys on deposit in the respective funds (including cash and securities in the respective reserve accounts) established to provide for the timely payment of the debt service requirements on the various issues of outstanding bonds and notes of the Agency cannot be commingled or be used for any purpose other than servicing the requirements of the specific series of bonds or notes in connection with which such funds were created.

The Agency under the Act may issue from time to time other bonds and notes under separate financing documents to assist eligible institutions in the State in the acquisition, construction, financing and refinancing of their related projects payable from revenues derived by the Agency from such institutions.

THE BONDS

Security for the Bonds

The Bonds will be secured by (1) the Loan Repayments and (2) all other moneys and securities held from time to time by the Trustee for the Bondholders under the Trust Agreement. The obligation of the College to make the Loan Repayments and all other Required Payments under the Loan Agreement is the absolute and unconditional obligation of the College.

Pursuant to the Trust Agreement, the Agency will, for the benefit of the owners of the Bonds, assign certain of the Agency's rights under the Loan Agreement, including all its right, title and interest in and to the Loan Repayments (subject to the reservation of certain rights of the Agency, including its rights to notices, the payment of certain expenses and indemnity), and will assign all of its right, title and interest in and to the Note and to any and all moneys and securities in the Bond Fund and, until applied in payment of any item of the Cost of the Project, to all money and securities in the Construction Fund, to the Trustee in trust. See Appendix C – "DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF THE LOAN AGREEMENT AND THE TRUST AGREEMENT."

Maturities, Amounts and Interest Rates

The Bonds will be dated the date of their delivery, will bear interest until their payment at the rates set forth on the cover of this Official Statement, such interest to the maturity thereof being payable on April 1, 2016 and semi-annually thereafter on April 1 and October 1 of each year and will mature (subject to the right of prior redemption) on October 1 of the years and in the amounts set forth on the cover of this Official Statement.

Each Bond will bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (1) authenticated upon any Interest Payment Date in which event it shall bear interest from such Interest Payment Date or (2) authenticated prior to the first Interest Payment Date in which event it will bear interest from its date; provided, however, that, if at the time of authentication of any Bond interest is in default, such Bond will bear interest from the date to which interest has been paid or duly provided for. Interest on the Bonds shall be computed on the basis of a 360-day years of twelve 30-day months.

The principal of, premium, if any, and the interest on the Bonds will be payable in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. The principal of all Bonds will be payable at the corporate trust office of the Bond Registrar. Payment of the principal of all Bonds will be made upon the presentation and surrender of such Bonds as the same become due and payable.

Interest on any Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name that Bond is registered at the close of business on the Regular Record Date, which will be the fifteenth day (whether or not a business day) of the calendar month preceding the month in which the Interest Payment Date occurs, and will be paid by check mailed to such registered owner at the address appearing on the registration books or, at the option of any owner of Bonds in an aggregate principal amount of $500,000 or more, by wire transfer, by submission by such owner of a written request to the Trustee specifying such method of payment and giving wiring instructions, including the address of a bank within the continental United States to which such payment is to be made.

Redemption Prior to Maturity

Optional Redemption. If the College exercises its option to prepay its Loan, the Bonds maturing on or after October 1, 2026 are required to be redeemed by the Agency on or after October 1, 2025, in whole or in part on any date (and if in part, in such order of maturity as the College determines), upon payment of 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption Without Premium. The Bonds are also required to be redeemed to the extent and in satisfaction of any Sinking Fund Requirement (as set forth below) therefor on October 1 immediately after each Bond Year in which there is a Sinking Fund Requirement, upon payment of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

Prior to October 1, 2036, there shall be no Sinking Fund Requirements. The Bonds maturing on October 1, 2042 are subject to mandatory redemption in part in the amounts set forth below at 100% of the principal amount of the Bonds being redeemed plus accrued interest to the redemption date:

Bonds Maturing October 1, 2042

Year	Amortization Requirement	Year	Amortization Requirement
2036	$ 880,000	2040	$1,075,000
2037	925,000	2041	1,130,000
2038	970,000	2042	1,190,000†
2039	1,020,000		

† Unamortized balance at maturity.

Selection of Bonds to be Redeemed

The Bonds shall be redeemed only in whole multiples of $5,000. The Trustee will select the Bonds to be redeemed in accordance with the terms and provisions of the Trust Agreement.

If less than all of the Bonds of any maturity are to be called for redemption, the Trustee shall select, in such manner as it in its discretion may determine, the Bonds to be redeemed within each maturity, including each Sinking Fund Requirement, each $5,000 portion of principal being counted as one Bond for this purpose.

Notice of Redemption

Notice of redemption identifying the Bonds to be redeemed will be given by the Trustee by first-class mail, postage prepaid, to all owners of Bonds to be redeemed at least 30 days but not more than 60 days prior to the redemption date. Failure to mail any such notice to any owner or any defect in any notice so mailed will not affect the validity of the proceedings for the redemption of the Bonds of any other owner. No further interest will accrue on the principal of any Bond called for redemption after the redemption date if funds sufficient for such redemption have been deposited with the Trustee.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received, such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, 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 in the aggregate principal amount of such maturity, and will be deposited with or for the account of DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million 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"). 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 and www.dtc.org.

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

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

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

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

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 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 Agency 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).

Principal (including sinking fund installments), redemption premium, if any, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Agency or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the College, the Trustee or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Agency or the Trustee, 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.

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

The Agency may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, definitive Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Agency believes to be reliable, but none of the Agency, the College or the Underwriters takes any responsibility for the accuracy thereof.

NEITHER THE TRUSTEE NOR THE AGENCY SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY PARTICIPANT, ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN THE BONDS UNDER OR THROUGH DTC OR ANY PARTICIPANT, OR ANY OTHER PERSON WHO IS NOT SHOWN IN THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A BONDHOLDER, WITH RESPECT TO: THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PRICE, IF ANY, OR INTEREST ON THE BONDS; ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE TRUST AGREEMENT; THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

In the event that the book-entry only system is discontinued, principal and redemption price will be payable upon surrender of the Bonds at the corporate trust office of the Trustee and interest will be payable on each Interest Payment Date, by check or draft mailed or, at the option of the Holder of at least $500,000 aggregate principal amount of Bonds, by wire transfer, to the Bondholders as of the close of business on the Record Date.

If the book-entry only system is discontinued and Bond certificates have been delivered as described in the Trust Agreement, the Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the Bondholder. Thereafter, Bonds may be exchanged for an equal aggregate principal amount of Bonds in other authorized denominations and of the same maturity, upon surrender thereof at the principal corporate trust office of the Trustee, as Registrar. The transfer of any Bond may be registered on the books maintained by the Trustee, as Registrar, for such purpose only upon the surrender thereof to the Trustee with a duly executed assignment in form satisfactory to the Trustee. For every exchange or registration of transfer of Bonds, the Trustee, as Registrar, may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the Bondholder for any exchange or registration of transfer of the Bonds. The Trustee will not be required to register the transfer of or exchange any Bond during the period from the Record Date to the Bond Payment Date or if such Bond (or any part thereof) has been selected for redemption.

THE COLLEGE

Founded in 1904, the College is an independent non-profit institution of higher education, chartered by the State. It was founded by members of the Society of Saint Edmond with which the College maintains its affiliation. It is situated on 480 acres of land located just outside the City of Burlington, Vermont, in the Champlain Valley. For a further discussion of the College, its governance, administration, facilities, academic program, student body and financial operations, see the "Information Concerning the College" included as Appendix A to this Official Statement.

PLAN OF FINANCING

Upon delivery of the Bonds, the proceeds of the Bonds will be used, together with other available funds, to: (i) finance the construction and equipping of a new residence hall located on the main campus of the College, which may include all or a portion of the interest due on the Bonds during construction, and (ii) pay for costs incidental to the issuance of the Bonds (together, the "Project"). See Appendix A hereto – "Information Concerning the College."

Green Bond Designation

The College's dedicated Office of Sustainability maintains a number of initiatives that not only reduce the College's environmental impact, but also educate and incentivize students, staff and faculty to adhere to sustainable practices. This comprehensive approach to sustainability is detailed on the College's website. With respect to campus infrastructure, the College is highly focused on reducing energy, water and waste in both existing and new facilities. Through the College's partnership with Efficiency Vermont, a private organization with a goal of achieving energy savings for Vermont homes, businesses, and communities, the College's improvements to existing buildings have included lighting, HVAC, refrigeration, motion sensors and low flow water improvements, among many others. For all new construction, the College intends to utilize sustainable building practices that incorporate these elements and others to most efficiently blend new buildings into the campus and greater environment. To this end, the College has designated the Bonds as "Green Bonds" in order to allow investors to invest directly in bonds that will finance the Project, which the College has identified as promoting environmental sustainability on campus.

The Project will enable the College to phase out older and less efficient residence halls, while providing capacity for more students on campus. Moreover, the building has been innovatively designed to utilize high industry standards of sustainable building practices as well as unique local environmental considerations to reduce the overall carbon footprint. For additional information about the Project, see Appendix A to this Official Statement under the heading "LOCATION AND FACILITIES – The Project."

In particular, the Project will incorporate the following sustainable building practices and components:

- **Renewable Energy.** The unique geographic location of the College and, more specifically, the Project provides access to naturally-occurring geothermal energy sources. The Project's construction will include the development of a technologically advanced geothermal energy system consisting of approximately thirty 500-foot deep wells. The geothermal system will heat, cool and provide domestic hot water to the Project. The College's Facilities Management Department estimates that a typical "high efficiency design" building of similar size and location would incorporate four boilers for this purpose. Upon Project completion, the College expects the new residence hall to maintain only one boiler as back up for heat and domestic hot water, thereby making the building nearly entirely emission and carbon free.

- **Efficient Building Envelope.** The building envelope is designed to be highly efficient, utilizing spray foam insulation, high performance windows and foundation details which minimize thermal breaks as well as other improvements to traditional construction which were identified using virtual building modeling.

- **Indoor Environmental Quality and Energy Efficiency.** Building controls, including remote changes to set points and sequences, will be used to monitor equipment, room temperatures and other data. LED lighting and energy recovery on building ventilation air will further reduce energy usage and create a comfortable indoor environment.

Holders of the Bonds will not assume any specific Project risk related to the new residence hall. See “THE BONDS – Security for the Bonds.”

The proceeds of the Bonds will be tracked by the College and deposited into a segregated Construction Fund under the Trust Agreement. The College plans to post annual updates related to the expenditure of proceeds, construction of the residence hall and energy usage on the *Green Campus* section of its website until Project completion. Once the Project is completed, no further updates will be provided.

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ESTIMATED SOURCES AND USES OF FUNDS

Set forth below are the estimated sources of funds which will be available for the plan of financing described above and the estimated uses of funds required therefor:

Estimated Sources of Funds

Par amount of Bonds	$18,465,000
Plus Net Original Issue Premium	1,413,707
Total Sources of Funds	$19,878,707

Estimated Uses of Funds

Deposit to Construction Fund	$19,500,000
Costs of Issuance [1]	378,707
Total Use of Funds	$19,878,707

[1] This amount includes underwriters' discount and other costs for legal, accounting, trustee and printing expenses and financial advisor and Agency fees relating to the issuance of the Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth, for each fiscal year ending June 30, the principal, interest and mandatory redemption requirements on the College's outstanding indebtedness (rounded to the nearest dollar).

Fiscal Year Ending June 30	Debt Service on Outstanding Bonds Principal	Interest	Bonds Principal	Interest	Combined Debt Service
2016	$2,505,000	$1,893,225	$ -	$334,471	$4,732,696
2017	2,595,000	1,803,750	365,000	850,319	5,614,069
2018	1,680,000	1,718,250	375,000	841,044	4,614,294
2019	1,750,000	1,649,650	390,000	827,619	4,617,269
2020	1,830,000	1,568,900	405,000	811,719	4,615,619
2021	1,920,000	1,475,150	420,000	795,219	4,610,369
2022	2,020,000	1,376,650	440,000	778,019	4,614,669
2023	2,125,000	1,273,025	460,000	757,719	4,615,744
2024	2,235,000	1,164,025	485,000	734,094	4,618,119
2025	1,425,000	1,072,525	510,000	709,219	3,716,744
2026	1,500,000	999,400	535,000	683,094	3,717,494
2027	1,575,000	922,525	560,000	655,719	3,713,244
2028	1,655,000	841,775	585,000	631,847	3,713,622
2029	1,740,000	756,900	605,000	611,388	3,713,288
2030	780,000	697,800	635,000	584,925	2,697,725
2031	810,000	666,000	665,000	552,425	2,693,425
2032	845,000	632,900	700,000	518,300	2,696,200
2033	875,000	598,500	735,000	482,425	2,690,925
2034	920,000	558,000	770,000	448,650	2,696,650
2035	965,000	510,875	800,000	417,250	2,693,125
2036	1,015,000	461,375	835,000	380,375	2,691,750
2037	1,065,000	409,375	880,000	337,500	2,691,875
2038	1,120,000	354,750	925,000	292,375	2,692,125
2039	1,180,000	297,250	970,000	245,000	2,692,250
2040	1,240,000	236,750	1,020,000	195,250	2,692,000
2041	1,305,000	173,125	1,075,000	142,875	2,696,000
2042	1,370,000	106,250	1,130,000	87,750	2,694,000
2043	1,440,000	36,000	1,190,000	29,750	2,695,750
	$41,485,000	$24,254,700	$18,465,000	$14,736,337	$98,941,037

RISK FACTORS

Purchase of the Bonds involves a degree of risk. Prospective purchasers of the Bonds should give careful consideration to the matters referred to in the following summary. Such summary should not be considered exhaustive, but rather informational only.

No Obligation of the State or any Municipality or Political Subdivision

Neither the faith and credit nor the taxing power of the State or of any municipality or political subdivision of the State is pledged to the payment of the Bonds. The Bonds are special obligations of the Agency payable solely from the sources described in this Official Statement.

Source of Payment of the Bonds

The Bonds are payable solely from payments to be made by the College under the Note and the Loan Agreement. While the future ability of the College to meet its ongoing obligations under the Loan Agreement is based upon assumptions and business judgments which the College believes are reasonable and appropriate, they are subject to conditions that may change in the future to an extent that cannot be determined at this time. Thus, no assurance can be given that revenues will be realized by the College in amounts sufficient to pay, when due, the principal of, premium, if any, and interest on the Bonds.

The realization of revenues by the College is subject to, among other things, demand for the higher educational programs and services offered by the College, the ability of the College to continue to provide such programs and services, competition, rates, costs, management and staff personnel and future economics and other developments, all of which are unpredictable and may affect revenues and the payment of principal of, premium, if any, and interest on the Bonds.

The College expects that it will experience increases in operating costs due to inflation and other factors. There is no assurance that cost increases will be matched by increased tuition and other charges in amounts sufficient to generate an excess of revenues over expenses at the levels experienced by the College.

As a result of such uncertain factors, there can be no assurance that the College will realize revenues sufficient to make the Loan Repayments.

Competition for Enrollment

Competition for students by colleges and universities that are similar to the College remains intense. If the College is unable to maintain its competitive position, its ability to earn revenues and to pay debt service on the Bonds may be impaired.

Enforcement of Bondholder Remedies

The remedies available to the holders of the Bonds upon the occurrence of an event of default under the Loan Agreement or the Trust Agreement are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided may not be readily available or may be limited. A court may decide not to order the remedies specified in the Loan Agreement or the Trust Agreement. 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 general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Market Factors

The financial condition of the College as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the College's control. There can be no assurance that an adverse event will not occur that might affect the market prices of and the market for the Bonds. If a significant event should occur in the affairs of the College, the market for and the market value of the Bonds could be adversely affected.

Future Legislation

Future legislation and regulations affecting non-profit colleges, their tax-exempt status, and educational institutions in general could adversely affect the operations of the College.

Secondary Market for the Bonds

There can be no assurance that there will be a secondary market for purchase or sale of the Bonds. From time to time there may be no market for the Bonds depending upon prevailing market conditions, including the financial condition or market position of firms who may make the secondary market, the evaluation of the College's capabilities and the financial condition and results of operations of the College.

Potential Effects of Bankruptcy

If the College were to file a petition for relief under Title 11 of the United States Code, as amended (the "Bankruptcy Code"), the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the College and its property. If the bankruptcy court so ordered, the College's property, including its revenues, could be used for the benefit of the College despite the claims of its creditors (including the Trustee).

In a bankruptcy proceeding, the College could file a plan for the adjustment of its debts, which modifies the rights of creditors generally or the rights of any class of creditors, secured or unsecured. The plan, when confirmed by the court, would bind all creditors who had notice or knowledge of the plan and discharge all claims against the debtor provided for in the plan. No plan may be confirmed unless, among other conditions, the plan is in the best interest of creditors, is feasible and has been accepted by each class of claims impaired thereunder.

Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the plan are cast in its favor. Even if the plan is not accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors affected thereby and does not discriminate unfairly.

In case of financial difficulties, the College may also commence state court receivership proceedings.

Covenant to Maintain Tax-Exempt Status of the Bonds

The tax-exempt status of the Bonds is based on the continued compliance by the Agency and the College with certain covenants contained in the Resolution, the Loan Agreement, and certain other documents executed by the Agency and the College. These covenants relate generally to restrictions on use of facilities constructed with proceeds of the Bonds, arbitrage limitation, rebate of certain excess investment earnings to the federal government and restrictions on the amount of issuance costs financed with the proceeds of the Bonds. Failure to comply with such covenants could cause interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance of the Bonds. See "TAX EXEMPTION" herein.

Other Risk Factors

In the future, the following factors, among others, may adversely affect the operations of the College to an extent that cannot be determined at this time.

1. Employee strikes and other adverse labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs.

2. Increased costs and decreased availability of public liability insurance.

3. Changes to the demand for higher education in general or for programs offered by the College in particular.

4. Cost and availability of energy.

5. High interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures.

6. A decrease in student loan funds or other aid that permits many students the opportunity to pursue higher education.

7. An increase in the costs of health care benefits, retirement plans, or other benefit packages offered by the College to its employees.

TAX EXEMPTION

Opinion of Bond Counsel

In the opinion of Sidley Austin LLP, New York, New York, Bond Counsel, based on current law, and assuming compliance by the College and the Agency with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and covenants of the Trust Agreement and the Loan Agreement regarding the use, expenditure and investment of proceeds of the Bonds and the timely payment of certain investment earnings to the U.S. Treasury, interest on the Bonds is not includable in the gross income of the owners of the Bonds for federal income tax purposes. The form of the opinion to be delivered by Bond Counsel is set forth in Appendix D to this Official Statement. Failure by the College or the Agency to comply with their respective covenants to comply with the provisions of the Code regarding the use, expenditure and investment of proceeds of the Bonds and the timely payment of certain investment earnings to the Treasury of the United States may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their date of issuance. The covenant of the Agency described above does not require the Agency to make any financial contribution for which it does not receive funds from the College. The opinion with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes may not be relied upon to the extent that such exclusion is adversely affected as a result of any action taken or not taken in reliance upon the opinion or advice of counsel other than Bond Counsel.

Interest on the Bonds will not be treated as an item of tax preference for purposes of the federal individual or corporate alternative minimum tax. The Code contains provisions (some of which are noted below) that could result in tax consequences upon which Sidley Austin LLP renders no opinion as a result of ownership of such Bonds or the inclusion in certain computations (including without limitation, those related to the corporate alternative minimum tax) of interest that is excluded from gross income. Interest on the Bonds owned by a corporation will be included in the calculation of the corporation's federal alternative minimum tax liability.

Bond Counsel's opinion relies upon certain representations made by the College with respect to certain material facts within the knowledge of the College, which facts Bond Counsel has not verified, and upon the opinion of Dinse, Knapp & McAndrew, P.C., Burlington, Vermont, counsel to the College, that the College is an organization described in Section 501(c)(3) of the Code and exempt from tax under Section 501(a) of the Code, or corresponding provisions of prior law and that, to such counsel's knowledge, the College has done nothing to impair such status or cause the use of property financed or refinanced with the proceeds of the Bonds to constitute an unrelated trade or business under Section 513(a) of the Code in excess of any allowable amount permitted under Section 145(a) of the Code. The tax exemption of interest on the Bonds is dependent upon, among other things, the College's status as a "Section 501(c)(3) organization" and, therefore, the conclusion of Bond Counsel that such interest is excludable from gross income for federal income tax purposes is dependent, in part, upon such opinion of Dinse, Knapp & McAndrew, P.C.

Original Issue Discount

The excess, if any, of the amount payable at maturity of any maturity of the Bonds purchased as part of the initial public offering over the issue price thereof constitutes original issue discount. The amount of original issue discount that has accrued and is properly allocable to an owner of any maturity of the Bonds with original issue discount (a "Discount Bond") will be excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. In general, the issue price of a maturity of the Bonds is the first price at which a substantial amount of Bonds of that maturity was sold (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers) and the amount of original issue discount accrues in accordance with a constant yield method based on the compounding of interest. A purchaser's adjusted basis in a Discount Bond is to be increased by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds for federal income tax purposes. A portion of the original issue discount that accrues in each year to an owner of a Discount Bond which owner is a corporation will be included in the calculation of the corporation's federal alternative minimum tax liability. In addition, original issue discount that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed herein. Consequently, an owner of a Discount Bond should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, additional distribution requirements or other collateral federal income tax consequences although the owner of such Discount Bond has not received cash attributable to such original issue discount in such year.

The accrual of original issue discount and its effect on the redemption, sale or other disposition of a Discount Bond that is not purchased in the initial offering at the first price at which a substantial amount of such Bond is sold to the public may be determined according to rules that differ from those described above. An owner of a Discount Bond should consult his tax advisors with respect to the determination for federal income tax purposes of the amount of original issue discount with respect to such Discount Bond and with respect to state and local tax consequences of owning and disposing of such Discount Bond.

Bond Premium

The excess, if any, of the tax basis of a maturity of the Bonds purchased as part of the initial public offering to a purchaser (other than a purchaser who holds such Bonds as inventory, stock in trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is "bond premium." Bond premium is amortized over the respective terms of the Bonds with bond premium (the "Premium Bonds") for federal income tax purposes (or, in the case of a Bond with bond premium 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 such bond). Owners of the Premium Bonds are required to decrease their adjusted basis in such Premium Bonds by the amount of amortizable bond premium attributable to each taxable year such Premium Bonds are held. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes; however, bond premium is treated as an offset to qualified stated interest received on such Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the determination for federal income tax purposes of the treatment of bond premium upon sale or other disposition of Premium Bonds and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Backup Withholding

Interest paid on tax-exempt obligations will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although such reporting requirement does not, in and of itself, affect the excludability of interest on the Bonds from gross income for federal income tax purposes, such reporting requirement causes the payment of interest on the Bonds to be subject to backup withholding if such interest is paid to beneficial owners who (a) are not "exempt recipients," and (b) either fail to provide certain identifying information (such as the beneficial owner's taxpayer identification number) in the required manner or have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner's federal income tax liability provided the required information is furnished to the IRS.

Other Tax Consequences

Ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S Corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, and taxpayers who may be eligible for the earned income credit. Prospective purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

The Act provides that the bonds of the Agency and the income therefrom shall at all times be exempt from taxation in the State of Vermont, except for transfer and estate taxes.

Future Developments

Future or pending legislative proposals, if enacted, regulations, rulings or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject, directly or indirectly, to State or local income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. Legislative or regulatory actions and future or pending proposals may also affect the economic value of the federal or state tax exemption or the market value of the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding any future, pending or proposed federal or state tax legislation, regulations, rulings or litigation, as to which Bond Counsel expresses no opinion.

For example, various proposals have been made in Congress and by the President that would subject interest on bonds that is otherwise excludable from gross income for federal income tax purposes, including interest on the Bonds, to federal income tax payable by certain bondholders with adjusted gross income in excess of specified thresholds. Prospective purchasers should consult their tax advisors as to the effect of such proposals on their individual situations.

LEGALITY OF BONDS FOR INVESTMENT

The Act provides that the bonds of the Agency are securities in which all public officers and bodies of the State of Vermont and all municipalities and municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees, committees and other fiduciaries in the State of Vermont may properly and legally invest funds in their control.

STATE NOT LIABLE ON BONDS

The State is not liable for the payment of the principal of and premium, if any, and interest on the Bonds, or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Agency, and neither of the Bonds nor any of the Agency's agreements or obligations shall be construed to constitute an indebtedness of the State within the meaning of any constitutional or statutory provision whatsoever, nor shall the Bonds directly or indirectly or contingently obligate the State or any municipality or political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

COVENANT BY THE STATE

Under the Act, the State of Vermont does pledge to and agree with the holders of the Bonds that the State will not limit or alter the rights vested in the Agency until the Bonds, together with interest thereon, with interest on any unpaid installment of interest, and all costs and expenses incurred by the Agency in connection with the facilities or in connection with any action or proceedings by or on behalf of the Bondholders, are fully met and discharged.

UNDERWRITING

Under the Bond Purchase Agreement entered into between the Agency, the College and the Representative, the Bonds are being purchased by the Underwriters named on the cover page of this Official Statement at an aggregate purchase price equal to $19,746,537.56, representing the principal amount of the Bonds, plus a net original issue premium of $1,413,706.55, and less an Underwriters' discount of $132,168.99. The Bond Purchase Agreement provides that the Underwriters will purchase all of such Bonds, if any are purchased. The obligation of the Underwriters to accept delivery of the Bonds is subject to various conditions contained in the Bond Purchase Agreement.

The Underwriters intend to offer the Bonds to the public initially at the offering prices or yields set forth on the front cover page of this Official Statement, which prices or yields may subsequently change without any requirement of prior notice. The Underwriters reserve the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices.

The College has agreed to indemnify the Underwriters and the Agency with respect to certain information contained in this Official Statement.

Morgan Stanley, parent company of the Representative, has entered into a retail distribution with Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, the Representative may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, the Representative may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

Wells Fargo Securities, an underwriter of the Bonds, is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association. Wells Fargo Bank, National Association ("WFBNA") has entered into an agreement (the "Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting compensation with respect to the Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

INDEPENDENT AUDITORS

The consolidated financial statements of the College as of June 30, 2015 and 2014 and for the fiscal years then ended, included in Appendix B to this Official Statement, have been audited by KPMG LLP, independent auditors, as stated in their report appearing therein.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC company ("S&P") (collectively, the "Rating Agencies"), have assigned the Bonds ratings of "Baa1" and "BBB+," respectively. Such ratings reflect only the views of such Rating Agencies, and an explanation of the significance of the ratings may be obtained only from the rating agency furnishing the same. Certain information and materials not included in this Official Statement were furnished to the rating agencies by the College. Generally, rating agencies base their ratings on the information and materials furnished to them and on investigations, studies and assumptions made by the rating agencies. There is no assurance that the ratings will continue for any period of time or that they will not be revised or withdrawn entirely by such Rating Agencies, if in the judgment of such Rating Agencies, circumstances so warrant. The Underwriters have undertaken no responsibility either to bring to the attention of the owners of the Bonds any proposed revision or withdrawal of the ratings of the Bonds or to oppose any such proposed revision or withdrawal. The College has, however, undertaken as part of its continuing disclosure obligation (see "CONTINUING DISCLOSURE" below) to file with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access system ("EMMA") all rating changes relating to the Bonds, and S&P and Moody's have agreed with the MSRB to file any such changes directly with EMMA. Any revision or withdrawal of the ratings may have an adverse effect on the market prices of the Bonds.

ABSENCE OF MATERIAL LITIGATION

There is not now pending any litigation against the Agency seeking to restrain or enjoining the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization or existence, nor the title of the present members or other officers of the Agency to their respective offices, is being contested. There is no litigation pending against the Agency which in any manner questions the right of the Agency to make the loan to the College contemplated by the Loan Agreement.

The College is not aware of any litigation pending or threatened, to which the College is a party, wherein any unfavorable decision would adversely affect the ability of the College to enter into the Loan Agreement and carry out its obligations thereunder.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the College has covenanted with the Trustee, for the benefit of the Bondholders, to file certain annual financial and other information and notices of the occurrence of certain enumerated events required to be provided by Rule 15c2-12 with the MSRB through EMMA. The specific nature of the information to be contained in the annual financial and other information and the notices of certain enumerated events is summarized in Appendix E – "FORM OF CONTINUING DISCLOSURE AGREEMENT." The Agency has not committed to provide any continuing disclosure to the Bondholders or to any other person.

The College is subject to continuing disclosure requirements under existing continuing disclosure undertakings. The College timely filed, or caused to be filed, its annual financial information with each Nationally Recognized Municipal Securities Information Repository or EMMA, as applicable, for fiscal years 2011, 2012, 2013 and 2014. The College failed to timely file its annual financial information with EMMA for fiscal year 2010. Such filing was made to EMMA on March 30, 2012. The College has engaged the Trustee as Dissemination Agent to assist it with meeting its continuing disclosure obligations in the future.

FINANCIAL ADVISORS

Public Financial Management, Inc. of Boston, Massachusetts, has acted as financial advisor to the Agency in connection with the issuance of the Bonds. Public Resources Advisory Group, New York, New York, and Stanley P. Stone & Associates, Inc., New York, New York, have acted as financial advisors to the College in connection with the issuance of the Bonds.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approval of legality by Sidley Austin LLP, New York, New York, Bond Counsel, whose approving opinion, in substantially the form set forth in Appendix D hereto, will be delivered with the Bonds. Certain legal matters will be passed upon for the Agency by its counsel, Deppman & Foley, P.C., Middlebury, Vermont; for the College by its counsel, Dinse, Knapp & McAndrew, P.C., Burlington, Vermont; and for the Underwriters by their counsel, Locke Lord LLP, Boston, Massachusetts.

OTHER MATTERS

The foregoing summaries and explanations do not purport to be comprehensive and are expressly made subject to the exact provisions of documents referred to herein. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact.

The agreement of the Agency with the holders of the Bonds is fully set forth in the Trust Agreement, and this Official Statement is not to be construed as constituting an agreement with the purchasers of the Bonds.

The College has reviewed the information contained herein that relates to it and in Appendices A and B hereto, and it has approved all such information for use in this Official Statement.

The execution and delivery of this Official Statement have been duly authorized by the Agency.

VERMONT EDUCATIONAL AND HEALTH
BUILDINGS FINANCING AGENCY

By: /s/ Robert Giroux
Executive Director

APPENDIX A

INFORMATION CONCERNING THE COLLEGE

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SAINT MICHAEL'S COLLEGE
COLCHESTER, VERMONT

October 22, 2015

Vermont Educational and Health
Buildings Financing Agency
20 Winooski Falls Way
Winooski, VT 05404

Ladies and Gentlemen:

We are pleased to present the following information with respect to Saint Michael's College, Inc. ("Saint Michael's", the "College" or "SMC"), and the Project. This letter and information contained herein are submitted to Vermont Educational and Health Buildings Financing Agency (the "Agency") for inclusion in its Official Statement (the "Official Statement") relating to the Agency's Revenue Bonds (Saint Michael's College Project) Series 2015 (Green Bonds) (the "Bonds").

A. GENERAL INFORMATION

Saint Michael's, founded in 1904, is an independent non-profit institution of higher education, chartered by the State of Vermont. The College was founded by members of the Society of Saint Edmund with which the College maintains its affiliation. The College itself, however, is governed by an independent, self-perpetuating Board of Trustees.

In accordance with the College's by-laws, the College is "a Catholic, nonprofit corporation of higher learning in the liberal arts tradition, established to further the education of youth and adults." The College's mission is to "contribute through higher education to the enhancement of the human person and to the enhancement of human culture in the light of the Catholic faith."

In the pursuit of this mission, Saint Michael's has developed into a high-quality, Catholic, residential liberal arts college attracting undergraduates primarily from New England and the Mid-Atlantic but also throughout the country and the international community. Current undergraduate enrollment includes students from 30 states and 33 countries. The College currently sponsors three graduate programs leading to master's degrees in Education, Clinical Psychology and Teaching English to Speakers of Other Languages ("TESOL"). Master's programs in Administration and Theology/Pastoral Ministry were phased out between 2008 and 2011, during which time all remaining students were given the opportunity to complete their degree programs. Saint Michael's has 2,078 full-time equivalent students registered for the fall 2015 semester.

The primary focus of Saint Michael's is its undergraduate program for full-time students, 99% of whom live in College housing. This program, which enrolls 1,932 full-time traditional college age students in the 2015-16 academic year, includes a liberal arts core curriculum and majors in 36 fields. Degrees are awarded in liberal arts and sciences fields as well as in accounting, business, computer science, education and journalism.

Saint Michael's was invited by the Phi Beta Kappa organization to establish a chapter on its campus in August 2003. As the Gamma chapter of Vermont, Saint Michael's is one of only three Vermont institutions to have Phi Beta Kappa chapters on their campuses. The University of Vermont (Alpha) and Middlebury College (Beta) are the other two institutions. Of the 220 Catholic colleges in the country, only 20 have chapters, four of which are in New England: Saint Michael's, Boston College, Holy Cross and Fairfield. Less than one percent of college graduates nationwide are admitted, and fewer than 10 percent of colleges and universities have Phi Beta Kappa chapters on their campuses.[1]

To be considered, at least 10 percent of the faculty of an institution must be Phi Beta Kappa members. Criteria for selection include quality of faculty and their research, quality of students and extent of student research, as well as success of students in gaining fellowships and admission to graduate or professional programs. Honors programs and library quality are also considered.

Student life at Saint Michael's emphasizes learning and growth both inside and outside the classroom. The relatively small size and residential character of the student body allows for extensive student services programming. Some of this programming includes: new student orientation, first and second year student development, residential life programs, health services, dining services, campus ministry, counseling and career development, wilderness programs, multicultural affairs, student government, MOVE (Mobilization of Volunteer Efforts), Fire and Rescue, clubs and athletics. The College sponsors 21 varsity athletic teams for men and women and is a member of the National Collegiate Athletic Association (NCAA), competing at the Division II level. Approximately 25% of Saint Michael's students participate in varsity sports.

B. BOARD OF TRUSTEES

The College is governed by an independent, self-perpetuating Board of Trustees (the "Board"). According to the College's bylaws, "the Board of Trustees bears full responsibility for the governance and operation of Saint Michael's College and ensuring that the College is operated in a manner consistent with and in furtherance of its mission. The Board has the power to manage the property and affairs of the College, establish and require compliance with College policies and has the power to carry out any other functions which are permitted by the appropriate statutes of the State of Vermont, the Articles of Incorporation, or these Bylaws, except insofar as such powers may be limited by law."

The Board consists of not more than 33 voting members and includes the President of the College, the Superior General of the Society of Saint Edmund or his designate, and the Immediate Past President of the Alumni Association. At least one-third of the trustees must be composed of perpetually professed members of the Society of Saint Edmund, priests, sisters, brothers or similar members of another Catholic religious order, or diocesan priests. See "D. SOCIETY OF ST. EDMUND" herein.

Members are elected at the annual organizational meeting of the Board by a two-thirds vote of the trustees. Elected trustees serve for three-year terms or until their successors are elected and qualified. Trustees may succeed themselves in office; however, elected trustees who have served for three consecutive full terms shall not be eligible for re-election until one year has elapsed after the end of their third full term.

There are four regular meetings of the Board each year. Special meetings of the Board may be held as needed. The Executive Committee, which consists of the Chair and Vice Chair of the Board of Trustees, the President, the Superior General of the Society of Saint Edmund and two other trustees, may exercise the powers of the Board when the Board is not in session. The Board functions through the use of five standing committees: Executive, Trusteeship and Mission, Operations and Audit, Institutional Advancement, and Learning. An Investment Committee operates as a sub-committee of the Operations and Audit Committee. Ad hoc committees are appointed from time to time.

[1] Information available on The Phi Beta Kappa Society website: *www.pbk.org*.

A majority of the trustees are necessary to constitute a quorum for the transaction of business, and the act of a majority of the trustees present and voting at a duly called meeting of the Board is an act of the Board. However, two-thirds votes of all members of the Board is required to mortgage, transfer or otherwise legally burden College property, elect or remove the President, elect and remove a member of the Board of Trustees, and amend the Bylaws or the Articles of Incorporation. Upon a vote so specifying, the final details of a resolution to mortgage College property or dispose of College real property may be delegated to the Executive Committee.

From time to time, the College does business with firms with which its trustees may be affiliated. Management must determine that each such transaction is on terms no less favorable than could be obtained from unaffiliated third parties. The College has a policy pursuant to which trustees having a conflict of interest must disclose such conflict and abstain from voting on the related matters. Under Vermont Law any such transaction must benefit the College at the time it is entered into, must be publicly disclosed and must receive approval by a two-thirds vote of disinterested trustees acting in good faith. Management has no knowledge of any transactions involving trustees that are in violation of the College's conflict of interest policy or Vermont Law.

The membership of the Board with the expiration date of each member's term as of July 1, 2015 follows:

NAME	AFFILIATION	TERM EXPIRATION DATE
Mary-Kate G. McKenna* Chair	Hingham, MA Formerly Vice President Dillon Read & Co., Inc. New York, NY	2017
Very Rev. Stephen Hornat, S.S.E.* Vice Chair	Superior General Society of Saint Edmund Colchester, VT	Ex Officio
Sultan Ahamed, M.D., M.B.A.	Senior Attending Surgeon William Backus Hospital, New Haven, CT	2017
Sr. Peg Albert, O.P., Ph.D.	President Siena Heights University, Adrian, MI	2017
Sr. Lorraine Aucoin, P.M.*	St. Monica School Methuen, MA	2016
Jose Blanco*	Co-Founder/Partner Central Valley Fund, Davis CA	2018
Sr. Lindora Cabral, RSM	President Sisters of Mercy of the Americas, Northeast Community	2018
Philip C. Ciulla, Jr.*	Vice President BI, Los Angeles, CA	2016

Rev. Michael P. Cronogue, S.S.E.	Director of Formation Society of Saint Edmund South Burlington, VT	2017
Michael Cunniff*	Owner and Cash Commodity Broker Logue & Company, W. Tisbury, MA	2018
Fr. Stan Deresienski, S.S.E.*	Pastor St Joseph's Parish Tuskegee Institute, AL	2018
Rev. Raymond Doherty, S.S.E.*	Campus Minister Saint Michael's College Colchester, VT	2016
Rev. Patrick Forman*	Pastor St. John Vianney Parish South Burlington, VT	2018
Joseph Garrity*	Chief Operating Officer/Founder Salem Global Partners, Inc. New York, NY	2017
Bro. Francis J. Hagerty, S.S.E.*	Formation Work South Burlington, VT	2016
Rev. Thomas F. X. Hoar, S.S.E., Ph.D.*	President and CEO Saint Edmund's Retreat, Mystic, CT	2016
Noriko Kameda	Author Formerly Senior Instructor, Boston College Principal Owner, Dark to Light, Inc., Pembroke, MA	2016
Antony J. Maginnis*	CEO Global Packaging, Inc. Oaks, PA	2017
Michael E. McGrath	Executive Chairman of the Board Thomas Group, Inc., Irving, TX Founder, Decide Better, Newton, MA	2018
Gerald W. McKenna*	Formerly Senior Vice President and Chief Sales and Marketing Officer Cable One Phoenix, AZ	2017
Mark R. Nelson, PhD.*	Executive Director Computer Science Teachers Association Latham, NY	Ex Officio

Note: Terms expire on June 30 and Board members may serve no more than three consecutive terms.

C. ADMINISTRATON

The administration and day-to-day management of the College are the responsibility of the President of the College who is appointed by and serves at the discretion of the Board. Assisting the President in administration are the chief administrative officers. The biographies of the President and the chief administrative officers of the College follows:

Dr. John J. Neuhauser, PRESIDENT, 71, was appointed in August 2007. Before coming to Saint Michael's College, Dr. Neuhauser was University Professor at Boston College, after serving as academic vice president and dean of faculties there and, before that, as dean and professor of Boston College's

Carroll School of Management. He earned doctoral and master's degrees from Rensselaer Polytechnic Institute and his bachelor's degree from Manhattan College.

Dr. Karen A. Talentino, VICE PRESIDENT FOR ACADEMIC AFFAIRS, 65, was appointed on July 1, 2008. Before coming to Saint Michael's College, she was Professor of Biology and Dean of Faculty at Stonehill College. Prior to that, she was at Simmons College, where she was a tenured Professor of Biology, and held several senior administrative positions, including Dean of Faculty and Interim Dean of the College. She received a B.S. in Biology at the University of California at Santa Barbara, and a Master's and Ph.D. in Biology from the University of Nevada at Reno.

Neal E. Robinson, VICE PRESIDENT FOR FINANCE & TREASURER, 63, returned to this position (which he previously held from September 1999 to November 2007) in November 2010 after serving as Vice President and Chief Financial Officer of Vermont Electric Power Company. Previously, he was Senior Vice President and Treasurer of Banknorth Group, Inc. He holds a B.A. from Ithaca College and a M.B.A. from Cornell University. Mr. Robinson currently serves as a member of the Board of the Vermont Educational and Health Buildings Financing Agency. Due to his position with the College, Mr. Robinson recused himself from any action of the Agency relating to the approval of the Bonds.

Dr. Dawn M. Ellinwood, VICE PRESIDENT FOR STUDENT AFFAIRS & DEAN OF STUDENTS, 50, was appointed on July 1, 2012. Before coming to Saint Michael's College she was Dean of Students at Hampshire College in Amherst, Massachusetts. Prior to that, she was Vice President for Student Affairs and Dean of Students at Elms College in Chicopee, Massachusetts. Dr. Ellinwood earned a B.S., M.P.A. and M.Ed. from Northeastern University and a Ed.D. from the University of Massachusetts Amherst.

Patrick J. Gallivan, VICE PRESIDENT FOR INSTITUTIONAL ADVANCEMENT, 47, was appointed on July 1, 2009. He had been appointed interim Vice President in October 2008. Prior to this he served as Saint Michael's Director for Alumni and Parent Relations, since 1998. Mr. Gallivan began his employment at Saint Michael's College in 1989. He received a B.A. from Saint Michael's in 1989 and received a certificate from the High Potentials Leadership Program at Harvard Business School in 2010.

Michael J. New, VICE PRESIDENT FOR HUMAN RESOURCES & ADMINISTRATION, 64, was appointed in July 2001. Prior to coming to Saint Michael's College, he was Vice President, Human Resources at The Lane Press and prior to that Senior Vice President Human Resources with Banknorth Group, Inc. He holds a B.B.A. from Saint Bonaventure University and a M.P.A. from Western Kentucky University.

William O. Anderson, CHIEF INFORMATION OFFICER, 64, was appointed in January 2002. Prior to this appointment, he served twenty-eight years on the Saint Michael's College faculty in the Department of Business Administration and Accounting and the Department of Computer Science. He holds a B.A. from Dartmouth College and a M.B.A. from the Amos Tuck School of Business Administration at Dartmouth College.

Dr. Sarah Kelly, VICE PRESIDENT FOR ENROLLMENT & MARKETING, 50, began her service to Saint Michael's College in September of 2013. Prior to joining Saint Michael's, Dr. Kelly served as the Vice President for Enrollment and Student Affairs at Wittenberg University from 2007 through 2013 and as Associate Vice President for Student Affairs at Xavier University from, 1997 through 2007. Dr. Kelly received her Bachelor's Degree in Philosophy and English literature and her Master's Degree in English from Miami University in Oxford, Ohio and earned her Ph.D. in Higher Education Administration from Ohio University.

D. SOCIETY OF SAINT EDMUND

The College was founded by the Society of Saint Edmund (the "Society" or "SSE"), a religious community of priests and brothers (the "Edmundites") engaged in education and pastoral works in various areas. The Society has been experiencing a decline in membership since 1968 and currently has 29 professed members. It does not sponsor any other colleges or universities.

The College and the Society maintain a mutually supportive association, with each organization recognizing the autonomous nature of the other. There is no requirement that any non-board position or committee membership at the College be filled by a member of the Society or by individuals designated by the Society, except for the Director of Edmundite Campus Ministry which is a joint appointment by the President and the Superior General of the Society. The College seeks to appoint members of the Society with appropriate qualifications to other positions at the College. Edmundites are appointed and are compensated in the same manner as members of the staff.

The College provides a residence for the Edmundite Community at the College, the expenses for which are reimbursed to the College by the Edmundite Community. While under no legal obligation to do so, the Society of Saint Edmund has been a financial contributor to the College. See "Q. GIFTS AND GRANTS" herein.

The College and the Society of Saint Edmund are not liable for, or obligated on, any debts that are incurred by the other.

E. ACCREDITATION

Saint Michael's was re-accredited by the New England Association of Schools and Colleges (NEASC) for a period of ten years at the conclusion of the College's 2010 Self-Study. The College submitted a five-year interim accreditation report in January 2015. In April 2015, NEASC voted to accept the report, and commended the College for its thorough and well written report. Further, NEASC commended the College and took note of the significant progress made in achieving the goals of the 2010 strategic plan of the College. The College is also a member of the National Association of Independent Colleges and Universities, the Association of Catholic Colleges and Universities, the Association of American Colleges and Universities, the College Entrance Examinations Board, the Association of Governing Boards of Universities and Colleges, the Vermont Higher Education Council and the Association of Vermont Independent Colleges.

F. LOCATION AND FACILITIES

The College is located two miles from Burlington, in Vermont's Champlain Valley. The Valley is bordered by Lake Champlain to the west and the Green Mountains to the east. Over the past two decades this area has enjoyed a prosperous, diverse and expanding economy. Recreation, high-tech manufacturing, higher education and agriculture are the region's principal industries. The attractiveness of Vermont and the Burlington area have proven to be strong marketing assets for Saint Michael's.

The College is situated on 480 acres of land located just outside the City of Burlington in Colchester, Vermont. The College is split into two campuses, the Main Campus (approximately 100 acres) and the smaller North Campus (22 acres). The College owns 79 buildings, which contain approximately 1.4 million aggregate gross square feet. The buildings on the Main Campus include five academic buildings, twelve residence halls, a performing arts center, a student center, a welcome center, the library, a fire station, sports and recreation buildings, the Chapel, administrative buildings, four clusters of townhouse residential units and several residence houses. The buildings on the North Campus include three residence halls, an art center, four student apartment buildings, trades shops, the College's day care center, and buildings that are currently rented to outside organizations. The College owns in excess of 335 acres of undeveloped land adjoining the campus.

Saint Michael's funds scheduled maintenance through its annual operating and capital budgets. This policy has allowed the College to avoid significant levels of deferred maintenance.

The Project:

The proceeds of the Bonds will provide funding for the construction, furnishing and equipping of a new, 188-bed, apartment-style residence facility (the "Project"). The Project will have 2 single rooms, each with its own bathroom and kitchenette, 46 four-person apartments and 1 two-bedroom apartment for a residence director. The apartments will offer single rooms with a common area, a bathroom, a separate shower room, and a kitchen. The projected cost of Project is approximately $19.5 million. Project completion is scheduled for August 2016 with a start date of September 2015. The Project features an innovative design to utilize high industry standards of sustainable building practices as well as unique local environmental considerations to reduce the overall carbon footprint. Components of this design include renewable energy features, an efficient building envelope and indoor environmental quality and energy efficiency initiatives. For a further description of such features, see the front part of the Official Statement under the heading "PLAN OF FINANCING – Green Bond Designation."

Upon completion, there will be a net increase in available housing of 188 beds. The College plans, however, to take off-line an equivalent number of inferior quality beds located on its North Campus. For the first time Saint Michael's will be able to house all of its students on its main campus. This provides the College with flexibility in its housing offering should enrollment increase above projected levels and the increase in apartment style accommodations will enhance the housing experience for seniors and juniors.

The College has obtained all permits and approvals necessary for commencement of construction of the Project.

Future Capital Projects:

The Project completes Saint Michael's master plan in terms of housing facilities for its students. Management of the College is currently focusing its attention on four projects that could be undertaken in the next 2-5 years. It is the College's plan to demolish and rebuild its current administration building, Founders Hall. This building is antiquated and in need of renovation but the original construction of the building prohibits meaningful restoration. Saint Michael's believes it has a competitive strength in the sciences, so to support those programs, program concepts are being developed for improved laboratory facilities. To support recruitment and retention of students, the College anticipates a major upgrade to its only dining facility, and lastly, a renovation of Nicole Hall, the current residence of the Society of Saint Edmund. The College anticipates these projects will be funded through a combination of gifts and debt.

G. ACADEMIC PROGRAMS

Undergraduate Programs

The College conducts accredited programs leading to Bachelor of Arts and Bachelor of Science degrees and enrolls approximately 1,900 undergraduates. All students must complete a minimum of 128 credits normally spread over four years (32 4-credit semester courses). Saint Michael's requires all students to complete a Liberal Studies Curriculum consisting of a first-year seminar, a second language, Philosophy, Study of the Christian Tradition, Literature, History, Quantitative Skills, Laboratory Science, Social Science, Global Issues, Experiential Learning, and Artistic Experience. Students must also demonstrate proficiency in writing skills, oral communication, and ethical reflection within their chosen disciplines. Each student selects a major field of study and may complement that with another major, a minor or electives as desired.

For the 2014-15 academic year, the breakdown of all students by first major was as follows (students with double majors are only counted once):

Major	#	Major	#
Accounting	62	History	66
Art Education	2	International Relations	19
American Studies	16	Information Systems	12
Fine Arts: Art	27	Mathematics	49
Biochemistry	26	Media Studies/Journalism	119
Biology	234	Music	18
Business Administration	321	Philosophy	10
Chemistry	37	Political Science	83
Classics	3	Pre-Pharmacy	13
Computer Science	28	Psychology	180
Economics	52	Physics	12
Education	35	Religious Studies	8
Engineering	30	Secondary Education	11
English	91	Special Major	3
Environmental Studies	125	Sociology	59
Exploratory	203	Spanish	27
French	9	Theatre	22
Gender Studies	5	TOTAL	2,017

The average class size at the College is 18.6 students. The faculty/student ratio is 1:12.4.

Graduate Programs

Saint Michael's College has three graduate programs (Clinical Psychology, Education, and Teaching English to Speakers of Other Languages) which are strong, both academically and financially, and which will continue into the foreseeable future. The College currently enrolls over 500 full and part-time graduate students. The graduate programs generate approximately $2.3 million of gross tuition revenue on an annual basis.

H. UNDERGRADUATE STUDENT BODY

Enrollment

As evidenced by the following table, enrollment has been relatively stable at Saint Michael's College over the course of the past five years.

Full-time Fall Enrollment-Undergraduate	
2015	1,932
2014	2,017
2013	1,929
2012	1,928
2011	1,944

The class of 2018, which entered in the fall of 2014, at 585, was the largest class enrolled at Saint Michael's in the past ten years. President Neuhauser has been a national thought leader on the concept of "Shrinking as a Strategy" and gained positive press for the College when an article on the topic appeared in *Inside Higher Ed*.

Demographic challenges are affecting many colleges in the northeast, as the number of high school graduates in the northeast is declining. Saint Michael's has had success in cultivating secondary markets, mainly in the Mid-Atlantic and through targeted populations in the South, Colorado and California. The number of students from outside of New England has risen steadily for the past five years. Still, the intentional strategy to decreased enrollment has been largely embraced by the Board, the faculty and staff. The class of 2019, entering in the fall of 2015, is intentionally smaller than prior years. While the freshmen class size is smaller, the academic profile compares favorably with both the College's five and ten-year averages, with a 35 point increase in average SAT scores, increases in predicted grade point averages and increases in average class rank.

In addition to the increase in profile, the College significantly reduced the first year tuition discount rate by more than 3%, from 53.3% for the first-year class that entered in the fall of 2014 to 50.2% for the class entering in the fall of 2015.

Admissions

The following table provides information regarding the admissions activity for the College during the past five years:

	For the Fall of:				
	2015	2014	2013	2012	2011
Applications received	4,767	4,299	4,431	4,578	4,474
Number accepted	3,621	3,459	3,328	3,570	3,493
Percent accepted	76%	80%	75%	78%	78%
Number of accepted students enrolled	478	585	512	547	543
Percent of accepted students enrolled	13%	17%	15%	15%	16%
Average SAT of enrolled students	1,175	1,153	1,172	1,147	1,158
Average SAT Reasoning (with Writing)	1,760	1,725	1,753	1,717	1,731
Average class rank	76%	72%	73%	73%	74%

Retention and Graduation Rates

As reflected in the table below, Saint Michael's first year to second year retention rates compare favorably to the national average of 69.8% for private, four-year bachelor's institutions as reported in the 2013 Integrated Postsecondary Education Data System:

Class Entering Fall:	Retention %
2009	88.5
2010	87.2
2011	90.0
2012	87.9
2013	89.9
2014	86.7

The following table demonstrates that the College's graduation rates also compare favorably to the national average of 57% four-year and 65% six-year percentages for four-year, private bachelor's institutions as reported in the 2013 Integrated Postsecondary Education Data System:

	% Graduating in:	
Class Entering Fall:	4 Years	6 Years
2004	73.0	77.0
2005	76.7	81.6
2006	77.0	81.6
2007	69.3	75.0
2008	73.1	80.0
2009	68.6	75.7
2010	73.4	TBD

I. STUDENT LIFE

College-related activities outside the classroom are an important part of each student's educational experience, particularly at an institution where nearly 100% of the students reside on campus. In addition to a robust Residential Life program, the College supports a wide range of activities, which provide students the opportunity to develop physically, socially, intellectually and spiritually. The College and its Student Association fund and support The Defender, the College's student newspaper, and WWPV, the College's student radio station, The Wilderness Program, MOVE (Mobilization of Volunteer Efforts) and numerous other academic clubs and community service organizations. These activities include a student-run volunteer fire department and fully qualified rescue squad, which provide area communities with needed emergency fire and medical services. Students also participate in chorale, wind and jazz ensemble and dramatic productions.

Students are actively involved in intramural and inter-collegiate sports. The College sponsors 21 varsity athletic teams for men and women and is a member of the NCAA, competing at the Division II level in the "Northeast 10" conference. According to the NCAA Federal Graduation Rate/Academic Success Rate Report for the 2014 academic year, Saint Michael's athletes posted an academic success rate of 98%, placing them fourth among 313 Division II colleges and universities.

J. TUITION AND FEES

The following tables show the trends and annual percentage increases in tuition and fees by program for the five most recent academic years.

Undergraduate Program:

Academic Year	Annual Tuition	Activity Fee	Residence Fee	Total	% Increase
2015-16	$40,425	$ 325	$10,975	$51,725	3.5%
2014-15	39,050	325	10,600	49,975	2.5
2013-14	38,690	325	9,725	48,740	4.0
2012-13	37,200	310	9,350	46,860	3.5
2011-12	35,940	300	9,030	45,270	4.0

Graduate Program:

Academic Year	Per Credit Hour Tuition	% Increase
2015-16	590	0.0%
2014-15	590	0.0
2013-14	590	3.5
2012-13	570	3.6
2011-12	550	3.8

Management of the College believes that its cost of attendance is competitive with those institutions with which it competes for students. The following table shows the College's tuition, fees and room and board fees charged to full-time students for the 2014-15 academic year compared with public and private institutions with which the College has the greatest overlap of applications. This information was derived from each institution's website or other published material.

Academic Year 2015-16

Private Institutions	Total Cost of Attendance	Public Institutions	Out-of-State Cost of Attendance
Boston College	$65,620	University of Vermont	$50,310
College of the Holy Cross	61,542	University of Connecticut	45,014
Fairfield University	61,275	University of Mass.-Amherst	42,007
Providence College	59,730	University of New Hampshire	41,476
Quinnipiac College	59,090	University of Rhode Island	40,808
Stonehill College	55,670		
Saint Anselm College	55,528	*Average Public Institutions*	$42,859
Merrimack College	53,595		
Salve Regina University	52,690		
Saint Michael's College	**51,725**		
Assumption College	50,224		
Average Private Institutions	$56,972		

K. FINANCIAL AID

During the 2014-15 academic year 99% of the College's full-time students received some form of financial aid. Sources of financial aid include College, state and federal grants and loans, work study programs, private student loans and grants, and scholarships from outside sources. Financial aid, and the sources thereof, utilized by full-time students at the College during the past five academic years are shown below (in thousands):

Sources of Student Financial Aid (in thousands)

	For the Academic Year:				
	2014-15	2013-14	2012-13	2011-12	2010-11
College-Based Governmental Aid:					
F.S.E.O.G. *	$317	$303	$321	$301	$288
Perkins loans advanced	919	948	857	807	770
Non-College-Based Governmental Aid:					
Pell grants	1,451	1,405	1,397	1,338	1,214
Stafford loans	9,763	9,542	9,744	9,677	9,234
PLUS loans	3,471	3,942	4,528	5,107	5,506
State student assistance	492	536	544	526	555
Unrestricted Saint Michael's Aid	$37,435	$34,129	$31,098	$27,534	$23,973

*Federal Supplemental Educational Opportunity Grant

L. FACULTY AND STAFF

Average total compensation for faculty for the 2014-2015 academic year was as follows:

Professors	$96,394
Associate Professors	$73,395
Assistant Professors	$60,560

For the 2014-15 academic year, based upon the American Association of University Professors (AAUP)'s Annual Report on the Economic Status of the Profession, the average total compensation for faculty placed Saint Michael's near the top quintile among similarly categorized colleges in the country at the ranks of Professor, Associate Professor and Assistant Professor.

The following table illustrates the composition of full-time faculty and staff at the College:

Spring Semester 2015	Number	Percent Tenured	Percent with Terminal Degree
Faculty:			
Professors	55	100%	94%
Associate Professors	48	100%	86%
Assistant Professors	20	--	100%
Instructors	25	--	47%
Visiting faculty	3	--	--
Total full-time faculty	151	68%	87%
Staff:			
Exempt	162		
Non-exempt	170		
Total full-time staff	332		
Total full-time personnel	483		

M. EMPLOYEE RELATIONS AND PENSION PLAN

The administration of the College believes that employee relations at Saint Michael's College are excellent. Ongoing efforts are made to initiate and maintain programs that ensure good employee communication and respond to employee needs and concerns.

Over the past three years, the College has seen the formation of two employee unions. The American Federation of State, County & Municipal Employees (AFSCME) now represents the College's custodial staff of approximately 35 employees. The Service Employees International Union (SEIU) now represents adjunct faculty, numbering approximately 100. The AFSCME contract expires on October 31, 2016, while the first contract for adjunct faculty is being negotiated.

The College has a defined contribution plan (401k) for all employees. After one year of service, each employee qualifies for participation. In fiscal year 2015, the College contributed 8% of the employee's eligible earnings; the employee may contribute additional amounts if she or he chooses to do so. The annual cost to the College in fiscal year 2014-15 for all employee benefits plans, including payroll taxes, was $11,480,186. The College is in full compliance with the Employee Retirement Income Security Act of 1974 (ERISA) and the retirement plan is fully qualified by the Internal Revenue Service. There are no unfunded past service liabilities.

N. INDEPENDENT AUDITORS

The College maintains its accounts in accordance with U.S. generally accepted accounting principles applicable to institutions of higher education. An annual audit is performed by KPMG LLP. The College's audited financial statements for the fiscal years ended June 30, 2015 and June 30, 2014 are included as Appendix B to this Official Statement.

O. FINANCIAL INFORMATION

The following table summarizes results of operations of the College for each of the five most recent fiscal years:

	For the Years Ended June 30:				
	2015	2014	2013 (In thousands)	2012	2011
Operating:					
Revenues:					
Tuition and fees	$85,803	$83,388	$79,809	$76,471	$72,440
Residence and dining	20,586	17,657	16,768	16,602	15,251
Financial aid	(38,959)	(35,804)	(32,584)	(29,013)	(25,349)
Net student charges	67,430	65,241	63,993	64,060	62,342
Contributions	2,232	2,190	2,824	2,036	1,916
Federal and state grant revenues	1,897	2,418	2,639	2,204	1,990
Investment income used in operations	3,219	2,952	2,623	2,546	2,475
Other operating income	1,300	1,315	1,246	1,800	1,065
Other auxiliary enterprises	4,512	4,692	4,921	5,096	5,171
Total operating revenues	80,590	78,808	78,246	77,742	74,959
Net assets released from restrictions	414	288	416	441	470
Total operating revenues and net assets released from restrictions	81,004	79,096	78,662	78,183	75,429
Expenses:					
Instruction	23,734	24,164	24,825	23,571	24,065
Academic support	7,432	6,759	6,842	6,777	6,471
Research	1,302	1,322	1,458	979	599
Student services	13,240	12,321	11,236	10,680	9,747
Institutional support	12,178	11,758	12,443	12,052	11,392
Public service	1,592	2,038	1,941	1,874	1,768
Auxiliary enterprises	20,580	20,249	19,285	20,013	19,169
Total operating expenses	80,058	78,611	78,030	75,946	73,211
Increase in unrestricted net assets from operations	946	485	632	2,237	2,218
Nonoperating:					
Reinvested investment income and unrestricted gains (losses)	(1,561)	4,618	4,311	(2,576)	5,825
Loss from refinancing of debt	-	-	-	(1,331)	-
Net assets released from restrictions	415	2,165	3	26	15
Other nonoperating revenues (expenses)	3,828	(15)	4	(137)	(39)
Reclassification of endowment funds/clarification of donor intent	25	-	-	(120)	-
Voluntary retirement incentive program expense	-	(2,519)	-	-	-
Increase in unrestricted net assets	$3,653	$ 4,734	$ 4,950	$(1,901)	$8,019

Management's Discussion of Financial Performance

Operating Performance: Historically, the operating performance of the College has been strong, generating surpluses on a continual basis.

In terms of operating revenue, net student charges have increased modestly during the three-year period ended June 30, 2015. A larger than expected entering class in the fall of 2014 allowed the College to realize a year-over-year increase in net student revenues of 3.4%. The College has continued its effort to refine financial aid award strategies, with 2014 resulting in a year-over year increase of net student charges of approximately 2%. Adjusting for significant bequests, contributions have remained relatively stable during the same three-year period. Investment income used in operations has increased on an annual basis, a reflection of the increased fair market value of the College's endowment. Other operating income has remained stable since 2013 while modest declines in other auxiliary revenue reflect competition from online booksellers and their impact on the performance of the campus store.

In terms of operating expenses, after an increase of 0.8% in 2014 as compared with 2013, total operating expenses increased by less than 2% in 2015. In reaction to market conditions, which have put pressure on net student charges, the College has continued efforts to constrain growth in its operating expenses. A two-year, voluntary retirement incentive plan concluded in June 2015 attracted the participation of 38 former employees, including faculty and staff. While many of these positions are being replaced with new employees, the program has allowed the College to increase employee compensation for remaining employees while still limiting growth in expenses.

Nonoperating Performance: In 2015 the College sold approximately 15 acres of land at a sale price in excess of $3.0 million. The property had been the subject of a land lease and was developed primarily as affordable housing. The College responded to a request from the lessee to sell, and since the land had limited strategic value to the College it decided to proceed with a sale transaction. After two years of favorable investment market performance, the value of the College's investments declined in 2015 as a result of endowment spending outpacing yield and requiring use of accumulated gains in endowment. Fiscal year 2014 reflects the release of gifts made in support of the new student center and residence hall which were the focus of the bonds issued by the Agency for the benefit of the College in 2012 (the "2012 Bonds").

Financial Planning and Budgeting

The administration annually prepares and updates a five-year financial plan and presents it to the Board of Trustees. The plan includes assumptions with regard to enrollment, tuition and fees, total compensation, financial aid, capital projects and other expenditures. Once the plan is reviewed by the Board, the administration develops its annual budget within the parameters of the plan.

According to the College's current projections, the College expects to continue to generate sufficient operating revenue and cash flow to meet operating expenditures, support debt service and to fund an annual program of capital expenditures for renewal and replacement.

P. ENDOWMENT

Investment of the College's endowment funds is governed by an investment policy approved by the Board of Trustees. The College has a long-term investment horizon and strives to provide a source of spendable income that is reasonably stable and predictable from year to year. The College's investment philosophy is summarized as follows:

1. Preserve purchasing power by striving for long-term returns that exceed payouts, fees, spending policy and inflation.
2. Consistent with prudent standards for preservation of capital, maintenance of liquidity and fund risk tolerance as determined periodically by the Investment Committee in its fiduciary role, the goal of the investment fund is to earn the highest possible total rate of return.

The primary investment objective of the portfolio is to achieve an annualized total return (net of fees and expenses), through appreciation and income, equal to or greater than the rate of inflation (as measured by the broad, domestic Consumer Price Index) plus any spending and administrative expenses thus, at a minimum maintaining the purchasing power of the portfolio. The assets are to be managed in a manner consistent with the College's ethical and moral standards, and in a manner that will meet the primary investment objective, while at the same time attempting to limit volatility in year-to-year spending.

The fund focuses on total return in order to support the annual spending rate, which, consistent with donor intentions, is four and one half percent (4.50%) of the lower of the following (but not less than $2.0 million):

A. the rolling average market value for the three-year period ended two years prior to the fiscal year in which the spending from the endowment occurs, or
B. the market value as of June 30th of the fiscal year ending two years prior to the fiscal year in which the spending from the endowment occurs, or
C. the market value as of October 31st of the preceding fiscal year.

Due to a change in the spending rule, beginning in fiscal year 2016, endowment spending in a given year will be equal to the sum of 80% of the previous year's spending and 20% of the targeted long-term spending rate (4.5%) applied to the fiscal year-end market value two years prior. The spending amount determined by the formula is adjusted for inflation and constrained so that the calculated rate is at least 3.0%, and not more than 4.75%, of the endowment's inflation adjusted market value two years prior.

The College's endowment spending may be obtained from the Fund's annual total return, not simply the investment yield. The College treasurer is responsible for establishing a suitable schedule for drawing down the authorized amount and for communicating that schedule to the fund manager(s) so that any liquidation of securities will not disrupt the overall management of the fund.

The following table shows the book and market values of the Endowment Fund from June 2010 through June 2015.

As of June 30:	**Book Value**	**Market Value**	**Market to Book Value**
	($ in thousands)		
2010	$60,253	$58,182	0.97
2011	62,755	70,899	1.13
2012	63,775	69,718	1.09
2013	66,468	78,312	1.18
2014	82,054	91,349	1.11
2015	83,526	88,508	1.06

Q. GIFTS AND GRANTS

The College conducts an annual program of activities directed to fund-raising and to the cultivation of alumni, friends, foundations, corporations and other prospective benefactors of the College. Total restricted and unrestricted giving, as recorded under CASE Management Reporting Standards, as well as the source of gifts during the past five years is as follows:

	For the Years Ended June 30:				
	2015	2014	2013	2012	2011
			(In thousands)		
Unrestricted	$1,727	$1,822	$2,104	$1,417	$1,367
Restricted	1,327	1,753	1,204	2,245	1,309
Total	$3,054	$3,575	$3,308	$3,662	$2,676
Donors					
Trustees of the College	$299	$878	$270	$1,043	$572
Society of Saint Edmund	35	45	36	294	32
Alumni	1,416	1,618	1,765	1,155	1,179
Faculty/Staff	24	46	29	72	31
Parents	486	338	511	448	360
Friends	150	260	201	173	181
Foundations	180	32	144	162	87
Corporations	314	357	345	315	234
Bequests (not included elsewhere)	150	1	7	-	-
Total	$3,054	$3,575	$3,308	$3,662	$2,676

The percentage of alumni who are donors to the College was 17% in 2015, 18% in 2014, 18% in 2013, 17% in 2012 and 18% in 2011.

R. INSURANCE AND RISK MANAGEMENT

The College maintains comprehensive coverage for all significant insurable risks. A limit of $227 million is maintained on the College's property insurance policy, while the general liability aggregate limit is maintained at $3.0 million. The College has an umbrella liability policy with a limit of $40.0 million. Coverage in the amount of $25.0 million is provided under the College educator liability policy. The College conducts an active loss prevention program that seeks to minimize risks and control insurance costs.

S. OUTSTANDING INDEBTEDNESS

The College is obligated under a loan agreement with the Agency securing the 2012 Bonds, of which approximately $41.485 million was outstanding as of June 30, 2015. The proceeds of the 2012 Bonds, which bear interest at rates ranging from 2.00% to 5.00%, were used to finance the construction of a student center and residence hall and to refund existing bonds that had funded certain campus dormitories and townhouses, the library, student center, field house, an academic building, and residential and international student facilities. The repayment obligation under the above loan agreement is a general obligation of the College.

In addition to the bonds, the College is obligated under a series of capital leases with an aggregate principal obligation of $381,000 as of June 30, 2015. The leases, which have imputed interest rates ranging from 5.6% to 14.2%, were used to fund the acquisition of computer and other office equipment. Also, the College is obligated under a note payable in the amount of $248,000 as of June 30, 2015. The interest rate on this note is 0% and principal thereon is due on October 1, 2022. This loan amortizes $31,000 per year.

T. LITIGATION PENDING

To the knowledge of management of the College, there is no litigation or proceeding pending or threatened against the College wherein an unfavorable decision would adversely affect the ability of the College to meet its debt service obligations or would have a material adverse impact on the financial condition or results of operations of the College.

SAINT MICHAEL'S COLLEGE

By: /s/ John J. Neuhauser
John J. Neuhauser
President

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APPENDIX B

FINANCIAL STATEMENTS OF THE COLLEGE

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SAINT MICHAEL'S COLLEGE

Consolidated Financial Statements

June 30, 2015 and 2014

(With Independent Auditors' Report Thereon)

SAINT MICHAEL’S COLLEGE

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KPMG

KPMG LLP
Suite 400
356 Mountain View Drive
Colchester, VT 05446

Independent Auditors' Report

The President and Board of Trustees
Saint Michael's College:

We have audited the accompanying consolidated financial statements of Saint Michael's College and subsidiaries (the College), which comprise the consolidated statements of financial position as of June 30, 2015 and 2014, and the related consolidated statements of unrestricted activities, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly in all material respects, the financial position of Saint Michael's College and subsidiaries as of June 30, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG LLP

Colchester, Vermont
October 14, 2015

SAINT MICHAEL'S COLLEGE

Consolidated Statements of Financial Position

June 30, 2015 and 2014

(In thousands)

Assets		**2015**	**2014**
Cash and cash equivalents	$	9,782	8,913
Accounts and other receivables, net (note 3)		2,359	1,433
Contributions receivable, net (note 4)		648	1,024
Other assets (note 10)		2,653	2,918
Deposits with bond trustees		2,362	2,323
Long-term investments (note 5)		92,251	93,151
Loans to students		5,345	5,333
Land, buildings, and equipment, net of accumulated depreciation (notes 9 and 10)		94,832	96,441
Total assets	$	210,232	211,536
Liabilities and Net Assets			
Accounts payable and accrued expenses (notes 11 and 13)	$	10,341	11,865
Deferred income		2,942	2,335
Capital lease obligations (note 9)		381	49
Amounts held on behalf of others		1,969	2,045
Notes payable		248	279
Bonds payable (note 10)		44,965	47,689
Refundable advances – U.S. government grants		4,388	4,388
Total liabilities		65,234	68,650
Net assets (note 7):			
Unrestricted		92,610	88,957
Temporarily restricted		21,263	23,392
Permanently restricted		31,125	30,537
Total net assets		144,998	142,886
Total liabilities and net assets	$	210,232	211,536

See accompanying notes to consolidated financial statements.

SAINT MICHAEL'S COLLEGE

Consolidated Statements of Unrestricted Activities

Years ended June 30, 2015 and 2014

(In thousands)

		2015	2014
Operating:			
Revenues:			
Tuition and fees	$	85,803	83,388
Residence and dining		20,586	17,657
Financial aid		(38,959)	(35,804)
Net student charges		67,430	65,241
Contributions		2,232	2,190
Federal and state grant revenues		1,897	2,418
Investment income used in operations (notes 5 and 6)		3,219	2,952
Other operating income		1,300	1,315
Other auxiliary enterprises		4,512	4,692
Total revenues		80,590	78,808
Net assets released from restrictions (note 8)		414	288
Total operating revenues and net assets released from restrictions		81,004	79,096
Expenses (note 12):			
Instruction		23,734	24,164
Academic support		7,432	6,759
Research		1,302	1,322
Student services		13,240	12,321
Institutional support		12,178	11,758
Public service		1,592	2,038
Auxiliary enterprises		20,580	20,249
Total expenses		80,058	78,611
Increase in unrestricted net assets from operations		946	485
Nonoperating:			
Reinvested investment income and unrestricted gains (notes 5 and 6)		(1,561)	4,618
Other nonoperating income (expense)		3,828	(15)
Voluntary retirement incentive program expense (note 11)		—	(2,519)
Reclassification of endowment funds		25	—
Net assets released from restrictions (note 8)		415	2,165
Increase in unrestricted net assets	$	3,653	4,734

See accompanying notes to consolidated financial statements.

SAINT MICHAEL'S COLLEGE

Consolidated Statements of Changes in Net Assets

Years ended June 30, 2015 and 2014

(In thousands)

		2015	2014
Increase in unrestricted net assets (from previous statement)	$	3,653	4,734
Changes in temporarily restricted net assets:			
Contributions		616	1,346
Reinvested investment income and gains (note 5)		(1,883)	6,201
Change in value of split-interest agreement		(5)	(5)
Net assets released from restrictions (note 8)		(829)	(2,453)
Change in value of pledges expected to be received		(28)	86
Increase in temporarily restricted net assets		(2,129)	5,175
Changes in permanently restricted net assets:			
Contributions		609	452
Clarification of donor intent		(25)	—
Change in value of pledges expected to be received		4	5
Increase in permanently restricted net assets		588	457
Increase in net assets		2,112	10,366
Net assets at beginning of year		142,886	132,520
Net assets at end of year	$	144,998	142,886

See accompanying notes to consolidated financial statements.

SAINT MICHAEL'S COLLEGE

Consolidated Statements of Cash Flows

Years ended June 30, 2015 and 2014

(In thousands)

		2015	2014
Cash flows from operating activities:			
Change in net assets	$	2,112	10,366
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation and amortization/accretion		7,862	7,187
Change in value of pledges expected to be received		23	(91)
(Gain) loss on disposal of property and equipment		(3,828)	14
Noncash contributions		(189)	(296)
Realized gain on sale of investments		(3,389)	(15,567)
Change in unrealized depreciation on investments		4,277	2,607
Contributions restricted for long-term investment		(568)	(447)
Change in contributions receivable		353	20
Change in accounts and notes receivable		(926)	41
Change in other assets		231	(348)
Change in other liabilities		(1,542)	2,768
Change in deferred income		607	75
Change in amounts held on behalf of others		(76)	(209)
Change in refundable advance – U.S. government grants		—	87
Change in accounts payable and accrued expenses		(447)	86
Net cash provided by operating activities		4,500	6,293
Cash flows from investing activities:			
Purchase of buildings and equipment		(5,724)	(12,292)
Proceeds from sale of equipment		3,986	18
Purchase of investments		(49,955)	(68,138)
Proceeds from sale and maturities of investments		50,155	69,598
Disbursements of loans to students, net of repayments		(12)	(47)
Change in deposits with bond trustees		(39)	2,598
Net cash used in investing activities		(1,589)	(8,263)
Cash flows from financing activities:			
Contributions restricted for long-term investment		568	447
Proceeds from notes payable issuance		—	310
Payments on capital leases		(142)	(277)
Payment of notes payable		(31)	(31)
Payments of long-term debt		(2,430)	(2,360)
Payments for costs associated with bond issuance		(7)	—
Net cash used in financing activities		(2,042)	(1,911)
Net increase (decrease) in cash and cash equivalents		869	(3,881)
Cash and cash equivalents at beginning of year		8,913	12,794
Cash and cash equivalents at end of year	$	9,782	8,913
Supplemental data:			
Cash paid for interest	$	2,009	2,053
Capital lease additions		475	—
Amounts accrued for the purchase of plant and equipment		1,320	856

See accompanying notes to consolidated financial statements.

(1) Description of the College

Saint Michael’s College (the College), founded in 1904 by the Society of Saint Edmund and conducted under its auspices, is an independent nonprofit educational institution chartered by the State of Vermont. The College is a Catholic institution of higher education in the liberal arts tradition. The mission of the College is to contribute through higher education to the development of human culture and enhancement of the human person in the light of Catholic faith.

The College serves approximately 2,050 traditional undergraduate students in a residential setting with 36 academic major and minor programs. In addition, the College offers graduate degree programs and provides intensive English training, master’s degree programs in teaching English as a second language, and a wide array of special language training programs.

The accompanying financial statements also include the accounts of Saint Michael’s College Fire and Rescue, Inc. and Saint Michael’s College Merrill Cemetery Association, Inc., both wholly owned subsidiaries of the College. All significant intercompany transactions and balances have been eliminated in consolidation.

(2) Summary of Significant Accounting Policies

(a) Basis of Statement Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the College as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

The College’s net assets and activities that increase or decrease net assets are classified as follows:

Permanently Restricted Net Assets contain donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the College and primarily consist of the historic dollar value of contributions to establish or add to donor-restricted endowment funds.

Temporarily Restricted Net Assets contain donor-imposed stipulations as to timing of their availability or use for a particular purpose. These net assets are released from restrictions when the specified time elapses or actions have been taken to meet the restrictions. The unspent accumulated earnings on donor-restricted endowment funds in excess of their historic dollar value are classified as temporarily restricted net assets until appropriated by the College.

Unrestricted Net Assets contain no donor-imposed restrictions and are available for the general operations of the College. Such net assets may be designated by the College for specific purposes, including functioning as endowment funds.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are generally reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their uses are restricted by explicit donor stipulations or law. Expirations of temporary restrictions on net assets, that is, when the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed, are reported as reclassifications among the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions subject to donor-imposed stipulations that are met in the same reporting period are reported as unrestricted support. Promises to give that are scheduled to be received after the balance sheet date are shown as increases in temporarily restricted net assets and are reclassified to unrestricted net assets when the purpose or time restrictions are met. Promises to give subject to donor-imposed stipulations that the corpus be maintained permanently are recognized as increases in permanently restricted net assets. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at the appropriate rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any, on the contributions.

The College reports contributions of land, buildings, or equipment as unrestricted nonoperating support unless the donor places restrictions on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as unrestricted nonoperating support provided the long-lived assets are placed in service in the same reporting period; otherwise, the contributions are reported as temporarily restricted support until the assets are acquired and placed in service.

(b) Operations

The consolidated statement of unrestricted activities reports the change in unrestricted net assets from operating and nonoperating activities. Operating revenues consist of those items attributable to the College's instructional programs, research conducted by the academic departments, residential services, and other auxiliary enterprises. Investment income and gains on the College's unrestricted investments over the amount appropriated under the College spending plan, as discussed in note 6, are reported as nonoperating revenue. Net assets released from restriction related to capital asset purchase or construction is reported as nonoperating revenues.

Expenses associated with the operation and maintenance of College plant assets, including interest and depreciation expense, are allocated on the basis of building space utilized by the functional areas.

(c) Cash and Cash Equivalents

For the purpose of the consolidated statement of cash flows, the College considers investments with maturities at date of purchase of three months or less to be cash equivalents. Included in cash and cash equivalents are money market funds of $1.4 million as of June 30, 2015 and 2014, respectively, which are considered to be Level 1 investments per the fair value hierarchy.

(d) Fair Value Measurements

Fair value is the price that the College would receive upon selling an asset/liability in an orderly transaction to an independent buyer in the principal or most advantageous market of the investment. Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 820, *Fair*

Value Measures and Disclosures, established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

- Level 1 – quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets and liabilities;
- Level 2 – observable prices that are based on inputs not quoted in active markets, but corroborated by market data; and
- Level 3 – unobservable inputs are used when little or no market data is available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, the College utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

The College's bonds trade periodically in a limited market. Utilizing available market pricing information provided by a third party, the College estimated that the aggregate fair value of its fixed rate debt as of June 30, 2015 and 2014 was $44 million and $47 million, respectively. The bonds are considered Level 2 within the fair value hierarchy.

(e) Long-Term Investments

Investments are reported at fair value. If an investment is held directly by the College and an active market and quoted prices exist, the College reports the fair value of such investment as the market price of an identical security. The value of shares in mutual funds is based on share values reported by the funds as of the last business day of the fiscal year. The College also holds shares or units in alternative investment funds involving hedge, private equity, subordinated debt, and real estate strategies. Such alternative investment funds may hold securities or other financial instruments for which a ready market exists and these holdings are priced accordingly. In addition, such funds may hold assets, which require the estimation of fair values in the absence of readily determinable market values. Such valuations are determined by fund managers considering variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain investments held.

A portion of the College's investments use net asset value (NAV) or its equivalent reported by each underlying alternative investment fund as a practical expedient to estimate the fair value of the investment. These investments are redeemable at NAV under the original terms of the subscription agreements and operation of the underlying funds. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by these funds, changes in market conditions and the economic environment may significantly impact the NAV of the funds and, consequently, the fair value of the College's interests in the funds. Furthermore, changes to the liquidity provisions of the funds may significantly impact the fair value of the College's interest in the funds. Although such investments may be sold in a secondary market transaction, subject to meeting certain requirements of the governing documents of the funds, the secondary market is not active and individual transactions are not necessarily observable. It is therefore reasonably possible that if the College were to sell a fund in the secondary market, the sale could occur at an amount different than the reported value, and the differences could be material.

(f) Land, Buildings, and Equipment

Constructed and purchased property and equipment are carried at cost. Library books are expensed during the period the expenditures are incurred. Land, buildings, or equipment donated to the College are generally recorded in the accounts at appraised value at the date of the gift. Long-lived fixed assets, with the exception of land and artwork, are depreciated using the straight-line method over their estimated useful lives. Plant and equipment under capital leases are stated at the present value of the minimum lease payments and are amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the asset.

The College recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which the obligation is incurred if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, the College capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligations, any difference between the cost to settle the asset retirement obligation and the liability recorded will be recognized as a gain or loss in the consolidated statement of unrestricted activities.

(g) Bond Issue Costs

Bond issue costs are included in other assets and have been deferred. Bond issue costs are amortized using the effective interest method over the life of the associated bond issue.

(h) Student Deposits

Student deposits, along with advance payments for tuition, room, and board related to the next semester, have been deferred as amounts held on behalf of others and will be reported as unrestricted revenue as the programs occur.

(i) Tax Status

The College is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. The College believes it has taken no significant uncertain tax positions.

(j) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(k) Contributed Services

Contributed services are recorded at fair value, and the amount recorded represents the value of volunteer ambulance staff time donated by members of Saint Michael's College Fire and Rescue, Inc. Contributed services of $426 thousand and $447 thousand are included in contribution revenue and salaries of the College as of June 30, 2015 and 2014.

(l) Functional Expenses

The College's primary program services are instruction and public service. Expenses reported as academic support, student services, institutional support, and auxiliaries are incurred in support of these primary program services.

The College classifies fund-raising expenses as institutional support. The amount included in operating expenses was $1.8 million and $1.9 million in 2015 and 2014.

(3) Allowances for Uncollectible Accounts

Accounts receivable are net of an allowance for uncollectible accounts of $947 thousand and $931 thousand, at June 30, 2015 and 2014, respectively. Bad debt expense charged to operations was $54 thousand and $116 thousand in 2015 and 2014, respectively.

(4) Contributions Receivable

Contributions receivable consist of the following at June 30, 2015 and 2014 (in thousands):

		2015	2014
Unconditional promises expected to be collected in:			
Less than one year	$	540	607
One year to five years		236	494
Less:			
Allowance for uncollectible contributions		(114)	(91)
Discount to present value		(14)	(24)
		648	986
Contributions receivable under charitable gift trust agreements		—	30
Change in value of split-interest agreements		—	8
		—	38
Total	$	648	1,024

The College uses a discount rate ranging from 0.5% to 2.0% as established upon receipt of the contribution to determine the present value of contributions receivable.

(5) Long-Term Investments

The following tables summarize the College's investments by major category in the fair value hierarchy as of June 30, 2015 and 2014, as well as the related liquidity (in thousands):

	2015					
	Level 1	Level 2	Level 3	Total	Redemption or liquidation	Days' notice
Investments:						
Cash	$ 8,968	—	—	8,968	Daily	1–3
Small cap equity – domestic	3,868	—	—	3,868	Daily	1–3
Mid cap equity – domestic	4,030	—	—	4,030	Daily	1–3
Large cap equity – domestic	10,834	—	—	10,834	Daily	1–3
World equity composite:						
Mutual fund	13,718	—	—	13,718	Daily	1–3
Hedge fund of funds	—	7,141	—	7,141	Annual	—
Directional hedge composite – HFOF	—	10,739	—	10,739	Quarterly/annual	65–95
Relative value strategies	—	4,668	4,638	9,306	Monthly/Illiquid	15–60
Private equity	—	—	3,959	3,959	Illiquid	—
Global fixed income composite:						
Mutual fund	4,563	—	—	4,563	Daily	1–3
Subordinated debt	—	—	1,806	1,806	Illiquid	—
Direct hedge fund	—	5,096	3,026	8,122	Quarterly/Illiquid	60
Real asset composite:						
Direct hedge fund	—	2,432	1,855	4,287	Monthly/Illiquid	30
Real estate	3	—	907	910	Illiquid	—
Total	$ 45,984	30,076	16,191	92,251		

	2014					
	Level 1	Level 2	Level 3	Total	Redemption or liquidation	Days' notice
Investments:						
Cash	$ 1,073	—	—	1,073	Daily	1–3
Small cap equity – domestic	6,326	—	—	6,326	Daily	1–3
Mid cap equity – domestic	4,707	—	—	4,707	Daily	1–3
Large cap equity – domestic	17,052	2,214	—	19,266	Daily	1–3
World equity composite:						
Mutual fund	13,909	—	—	13,909	Daily/Monthly	1–3
Hedge fund of funds	—	7,476	—	7,476	Annual	—
Directional hedge composite – HFOF	—	10,082	—	10,082	Quarterly/annual	65–95
Relative value strategies – DHF	—	4,650	—	4,650	Monthly	15–60
Private equity	—	—	4,793	4,793	Illiquid	—
Global fixed income composite:						
Mutual fund	4,489	—	—	4,489	Daily	1–3
Subordinated debt	—	—	2,076	2,076	Illiquid	—
Direct hedge fund	—	5,147	4,512	9,659	Quarterly/Illiquid	60
Real asset composite:						
Direct hedge fund	—	2,775	1,394	4,169	Monthly/Illiquid	30
Real estate	3	—	473	476	Illiquid	—
Total	$ 47,559	32,344	13,248	93,151		

The College owns interests in alternative investment funds rather than in the securities underlying each fund, and therefore it is generally required to consider such investments as Level 2 or Level 3, even though the underlying securities may not be difficult to value or may be readily marketable. Also, because NAV is used as a practical expedient to estimate fair value, the level in the fair value hierarchy in which each fund's fair value measurement is classified is based on the College's ability to redeem its interest at or near the date of the consolidated statement of financial position. Accordingly, the inputs or methodology used for valuing or classifying investments for financial reporting purposes are not necessarily an indication of the risk associated with investing in those investments or a reflection on the liquidity of each fund's underlying assets and liabilities.

The following tables present the College's activity for the fiscal years ended June 30, 2015 and 2014 for investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) (in thousands):

		Private equity	Global fixed income composite	Real asset composite	Total
Fair value at June 30, 2014	$	4,793	6,588	1,867	13,248
Purchases		426	3,420	2,086	5,932
Distributions		(575)	(576)	(80)	(1,231)
Net realized and unrealized gains		(685)	38	(1,111)	(1,758)
Fair value at June 30, 2015	$	3,959	9,470	2,762	16,191

		Private equity	Global fixed income composite	Real asset composite	Total
Fair value at June 30, 2013	$	3,772	2,320	1,228	7,320
Purchases		744	4,920	938	6,602
Distributions		(503)	(626)	(161)	(1,290)
Net realized and unrealized gains		780	(26)	(138)	616
Fair value at June 30, 2014	$	4,793	6,588	1,867	13,248

Long-term investment activities consist of the following for the year ended June 30, 2015 and 2014 (in thousands):

		2015	2014
Investment return:			
Interest and dividends, net of investment fees of $276 thousand in 2015 and $454 thousand in 2014	$	713	753
Unrealized losses		(4,327)	(2,559)
Realized gains		3,389	15,577
Total return on investments		(225)	13,771
Amount appropriated for operations		(3,219)	(2,952)
Reinvested investment (loss) income	$	(3,444)	10,819
Reinvested investment income:			
Reinvested in unrestricted, designated groups	$	(1,561)	4,618
Reinvested in temporarily restricted group		(1,883)	6,201
Total reinvested investment (loss) income	$	(3,444)	10,819

Private equity investments are generally made through limited partnerships. Under the terms of these agreements, the College is obligated to remit additional funding periodically as capital or liquidity calls are exercised by the manager. These partnerships have a limited existence, and under such agreements may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, and other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. The College cannot anticipate such changes because they are based on unforeseen events, but should they occur they may result in less liquidity or return from the investment than originally anticipated. As a result, the timing and amount of future capital or liquidity calls expected to be exercised in any particular future year are uncertain. The College had outstanding commitments to private equity, real estate, and subordinated debt investments of $8.7 million as of June 30, 2015. These commitments are expected to be funded from existing investments included within the endowment. Generally, these commitments have 10-year terms, with the option to extend. As of June 30, 2015, the average remaining life of the investments is 4 years. The remaining outstanding commitments are summarized in the table below (in thousands):

Private equity	$	1,166
Real estate		7,339
Private debt		175
	$	8,680

The investment fair values as of June 30, 2015 are summarized below by redemption or sale period (in thousands):

		Investment fair values
Investment redemption or sale period:		
Daily	$	45,985
Monthly		7,099
Quarterly		5,157
Annual		17,819
Lockup until liquidation		16,191
Total as of June 30, 2015	$	92,251

(6) Endowment

The College's endowment consists of approximately 200 individual funds established for a variety of purposes, including both donor-restricted endowment funds (true endowment) and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Relevant Law

Under the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the historic-dollar-value threshold is eliminated, and the governing board has discretion to determine appropriate expenditures of a donor-restricted endowment fund in accordance with a robust set of guidelines about what constitutes prudent spending. UPMIFA permits the College to appropriate for expenditure or accumulate so much of the endowment fund as the College determines to be prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. Several criteria are to be used to guide the College in its yearly expenditure decisions: (1) duration and preservation of the fund; (2) the purposes of the College and the donor-restricted endowment fund; (3) general economic conditions; (4) effect of inflation and deflation; (5) the expected total return from income and the appreciation of investments; (6) other resources of the College; and (7) the investment policy of the College.

Although UPMIFA offers short-term spending flexibility, the explicit consideration of the preservation of funds among factors for prudent spending suggests that a donor-restricted endowment fund is still perpetual in nature. Under UPMIFA, the Board of Trustees is permitted to determine and continue a prudent payout amount, even if the market value of the fund is below historic dollar value. There is an expectation that, over time, the permanently restricted amount will remain intact. This perspective is aligned with the accounting standards definition that permanently restricted funds are those that must be held in perpetuity even though the historic dollar value may be expended on a temporary basis.

The College classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets, until appropriated for spending by the Board of Trustees.

Endowment net asset composition by type of fund consists of the following at June 30, 2015 (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$	(1)	18,568	30,749	49,316
College-designated endowment funds		38,475	717	—	39,192
Total endowment net assets	$	38,474	19,285	30,749	88,508

Endowment net asset composition by type of fund consists of the following at June 30, 2014 (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$	—	20,453	30,236	50,689
College-designated endowment funds		39,950	710	—	40,660
Total endowment net assets	$	39,950	21,163	30,236	91,349

(Continued)

Changes in endowment net assets for the year ended June 30, 2015 are as follows (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, July 1, 2014	$	39,950	21,163	30,236	91,349
Total return, including realized and unrealized gains, net of fees		(104)	(112)	—	(216)
Endowment income appropriated		(1,453)	(1,766)	—	(3,219)
Contributions		81	—	513	594
Endowment net assets, June 30, 2015	$	38,474	19,285	30,749	88,508

Changes in endowment net assets for the year ended June 30, 2014 are as follows (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, July 1, 2013	$	33,634	14,998	29,680	78,312
Total return, including realized and unrealized gains, net of fees		5,921	7,774	—	13,695
Endowment income appropriated		(1,343)	(1,609)	—	(2,952)
Contributions		—	—	556	556
Transfer		1,738	—	—	1,738
Endowment net assets, June 30, 2014	$	39,950	21,163	30,236	91,349

(b) Funds with Deficiencies

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the fund's historic dollar value. Deficiencies of this nature reported in unrestricted net assets were $1 and $0 thousand at June 30, 2015 and 2014, respectively. These deficiencies resulted from market losses on long-term investments. Subsequent gains that restore the fair value of the assets of the endowment funds to the required level will be classified as an increase in unrestricted net assets.

(Continued)

(c) Return Objectives and Risk Parameters

The primary investment objective of the Portfolio is to achieve an annualized total return (net of fees and expenses), through appreciation and income, equal to or greater than the rate of inflation (as measured by the broad, domestic Consumer Price Index) plus any spending and administrative expenses thus, at a minimum maintaining the purchasing power of the Portfolio. The investments are managed under the Uniform Prudent Investor Act standard requiring the exercise of reasonable care, skill, and caution while being applied to investments not in isolation, but in the context of the portfolio as a whole and as a part of an overall strategy having risk and return objectives reasonably suited to the portfolio. Since short-term market fluctuations may cause variations in investment performance, it is intended that the objectives will be achieved over a full market cycle.

(d) Strategies Employed for Achieving Objectives

The College targets a diversified asset allocation that places emphasis on investment in: global equity (54%), global fixed income securities and cash (11%), diversifying strategies (20%), and real assets (15%). The portfolio is reviewed quarterly and rebalanced as needed.

(e) Endowment Spending Policy

The College has interpreted relevant state law as generally permitting the spending of gains on endowment funds. The College's endowment spending policy is up to 4.5% of the lowest of the following, but not less than $2.0 million:

1. the rolling average market value for the three-year period ended two years prior to the fiscal year in which the spending from the endowment occurs,

2. the market value as of June 30 of the fiscal year ending two years prior to the fiscal year in which the spending from the endowment occurs, or

3. the market value as of October 31 of the preceding fiscal year.

(7) Net Assets

The College's net assets as of June 30 are as follows (in thousands):

	2015			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Undesignated	$ 2,714	—	—	2,714
Designated for:				
Student loans	1,015	—	—	1,015
Student aid	—	1,177	22,356	23,533
Investment in plant	49,238	269	—	49,507
Long-term accumulated investment/endowment gains	38,543	18,567	—	57,110
Contributions receivable	—	535	113	648
Other purposes	1,100	587	5,096	6,783
Instruction	—	128	3,560	3,688
Total net assets	$ 92,610	21,263	31,125	144,998

	2014			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Undesignated	$ (1,315)	—	—	(1,315)
Designated for:				
Student loans	925	—	—	925
Student aid	—	1,060	21,869	22,929
Investment in plant	48,424	270	—	48,694
Long-term accumulated investment/endowment gains	40,023	20,453	—	60,476
Contributions receivable	—	952	72	1,024
Other purposes	900	548	5,037	6,485
Instruction	—	109	3,559	3,668
Total net assets	$ 88,957	23,392	30,537	142,886

(8) Net Assets Released from Restrictions

Net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors are as follows at June 30, 2015 and 2014 (in thousands):

		2015	2014
Purpose restrictions:			
Student aid	$	175	38
Construction or purchase of buildings and equipment		415	2,165
Other		239	250
	$	829	2,453

The net assets released from restrictions are allocated between operating and nonoperating as follows (in thousands):

		2015	2014
Operating	$	414	288
Nonoperating		415	2,165
	$	829	2,453

(9) Land, Buildings, and Equipment

The following is a summary of the College's property and equipment as of June 30, 2015 and 2014 (in thousands):

	Estimated lives		2015	2014
Artwork	—	$	356	309
Land	—		2,335	2,335
Land improvements	25–33 years		4,459	4,254
Buildings and improvements	5–50 years		155,689	153,483
Equipment and furniture	3–10 years		41,710	41,074
Construction in progress	—		2,170	1,856
			206,719	203,311
Less accumulated depreciation			(111,887)	(106,870)
Net land, buildings, and equipment		$	94,832	96,441

Depreciation expense charged to operations was \$8.1 million and \$7.5 million in 2015 and 2014, respectively.

(Continued)

The College has capital leases for computers and equipment in the amount of $381 thousand and $49 thousand as of June 30, 2015 and 2014 maturing in 2016.

(10) Bonds Payable

Bonds payable consist of the following at June 30, 2015 and 2014 (in thousands):

		2015	2014
Dormitory bonds:			
2012 bonds:			
Payable to VEHBFA; consists of bonds issued aggregating $31.7 million with fixed interest rates ranging from 2.00% to 5.00%, maturing serially through 2028; and $3.3 million, 4.05% and $11.6 million, 5.00% term bonds due October 1, 2032 and 2042 respectively; interest is payable semi-annually; the face amount of the bonds is $41.5 and $43.9 million at June 30, 2015 and 2014, respectively. Unamortized original issue premium of $3.5 and $3.8 million has been added to this liability at June 30, 2015 and 2014, respectively.	$	44,965	47,689
Total	$	44,965	47,689

All bonds are subject to trust indentures. The agreements contain various covenants that the College is in compliance with at June 30, 2015 and 2014.

Annual principal payments due on bonds payable, excluding the original issue premium are as follows (in thousands):

Year ending June 30:		
2016	$	2,505
2017		2,595
2018		1,680
2019		1,750
2020		1,830
Thereafter		31,125
	$	41,485

Bond issuance costs of $614 thousand less accumulated amortization of $128 thousand and $87 thousand are reported and are included in other assets at their net value of $486 thousand and $527 thousand at June 30, 2015 and 2014, respectively.

Interest expense charged to operations was $1.7 million and $1.5 million in 2015 and 2014, respectively.

(Continued)

The College has a revocable unsecured line of credit in the amount of $3.0 million at June 30, 2015 and 2014, which is available for working capital needs. The current line of credit expires on January 15, 2016. There were no amounts outstanding as of June 30, 2015 and 2014.

(11) Retirement and Similar Plans

The College has a defined contribution retirement plan providing retirement benefits for eligible employees. Employees are generally eligible to participate in the plan after one year of continuous employment. College contributions to the plan are calculated as a percentage of the participant's annual base compensation, and additional voluntary contributions by participants are permitted. College contributions to the plan totaled $2.0 million and $1.3 million in 2015 and 2014, respectively.

The College adopted a new voluntary separation program for faculty and staff in December 2013. To be eligible for the plan, the sum of an employee's years of service plus age must equal a minimum of 80. The program benefits include a one-time lump-sum payment equal to 90% of base pay for employees electing a June 30, 2014 separation date; employees electing to retire on June 30, 2015 will receive 70% of base pay. All participants in the College health care plan receive a onetime lump-sum payment in lieu of participation, and all participants remain eligible for COBRA coverage through the College. The amount recorded as an accrued liability was $2.5 million and $1.0 million at June 30, 2015 and June 30, 2014, respectively.

(12) Operating Expenses

The natural classification of operating expenses for the years ended June 30, 2015 and 2014 was as follows (in thousands):

	2015	2014
Salaries and benefits	$ 44,306	43,025
General supplies and expenses	11,159	12,017
Cost of items purchased for resale	5,806	5,790
Depreciation	8,179	7,515
Plant maintenance	5,658	5,560
Interest and debt fees	1,741	1,599
Travel and entertainment	2,493	2,400
Library acquisitions	716	705
Total operating expenses	$ 80,058	78,611

(13) Commitments and Contingencies

The College is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the College's financial statements.

The College provides health and dental insurance coverage to its eligible employees through self-funded plans administered by a regulated insurance carrier. The College carries stop loss insurance for any claim exceeding $125 thousand during the annual contract period. There are no upper limits on these policies for the contract period ended December 31, 2014; a $2.0 million maximum applies to any claims related to the Medicare supplemental plans. The amount reserved for incurred but not reported health and dental claims was $510 thousand at June 30, 2015 and 2014, respectively.

The College participates in the Independent 529 Plan (the Plan). The Plan permits families to purchase tuition certificates, which provide prepaid annual tuition benefits. One annual tuition benefit covers the cost of full-time student tuition and mandatory fees. The College is obligated to accept certificates purchased during the period the College is a participant in the Plan as payment of tuition and fees without regard to the standard tuition rate in effect at the time of the individual's enrollment at the College. The effect of this program cannot be determined as it is contingent on future tuition increases and the Plan participants who attend the College.

The College joined SAGE Scholars, Inc. (SAGE) which is a private college enrollment marketing tool. SAGE maintains a database of participating students whose families are actively saving and planning for higher education. Families earned tuition reward points based on their investments with SAGE's Financial Affiliates, which are redeemable at participating member institutions. The maximum discount that a participant is required to offer to SAGE scholars is one year's tuition applied evenly over four years. Tuition discounts offered under this program are included in the student's financial aid award, not an additional award. Similar to the 529 plan above, the effect of this program cannot be determined.

(14) Subsequent Events

The College considers events or transactions that occur after the balance sheet date, but before the consolidated financial statements were issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. These consolidated financial statements were issued on October 14, 2015, and subsequent events have been evaluated through that date.

APPENDIX C

DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF THE LOAN AGREEMENT AND THE TRUST AGREEMENT

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DEFINITIONS OF CERTAIN TERMS

The following is a summary of the definitions of certain terms contained in the Loan Agreement and the Trust Agreement and used in this Official Statement.

"Annual Administrative Fee" means the annual fee for the general administrative expenses of the Agency in an amount not to exceed one-tenth of one percent (1/10 of 1%) of the principal amount of the Bonds then Outstanding.

"Bond Fund" means the "Vermont Educational and Health Buildings Financing Agency (Saint Michael's College Project) Series 2015 Bond Fund" created under the Trust Agreement and described in the Summary of the Trust Agreement in this Appendix C.

"Bond Year" means the period commencing on October 1 of any calendar year and ending on September 30 of the next succeeding calendar year.

"Business Day" means any day other than (i) a Saturday or Sunday or legal holiday or a day on which banking institutions in any city in which the principal office of the Trustee is located are authorized or required by law or executive order to close, or (ii) a day on which the New York Stock Exchange is closed.

"Campus" means, collectively, the Existing Facilities, the Project and any Improvements.

"Code" means the Internal Revenue Code of 1986, as amended.

"College" means Saint Michael's College, Inc., a private, nonprofit college organized and existing under the laws of the State and located in the Town of Colchester, Vermont.

"Construction Fund" means the "Vermont Educational and Health Buildings Financing Agency (Saint Michael's College Project) Series 2015 Construction Fund" created under the Trust Agreement and described in the Summary of the Trust Agreement in this Appendix C.

"Defaulted Interest" means any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date.

"Defeasance Obligations" means (i) noncallable Government Obligations, (ii) evidences of ownership of a proportionate interest in specified noncallable Government Obligations, which Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, (iii) Defeased Municipal Obligations and (iv) evidences of ownership of a proportionate interest in specified Defeased Municipal Obligations, which Defeased Municipal Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity as custodian.

"Defeased Municipal Obligations" means obligations of state or local government municipal bond issuers, which obligations are rated in the highest rating category by S&P and Moody's, respectively, provision for the payment of the principal of and interest on which shall have been made by deposit with a trustee or escrow agent of (i) noncallable Government Obligations, (ii) evidences of ownership of a proportionate interest in specified noncallable Government Obligations, (iii) cash or (iv) any combination of such noncallable Government Obligations, evidences of ownership and cash, which Government Obligations or evidences of ownership, together with any cash, are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, the maturing principal of and interest on such Government Obligations or evidences of ownership, when due and payable, being sufficient, together with any cash, to provide money to pay the principal of and premium, if any, and interest on such obligations of such state or local government municipal bond issuers.

"Depositary" means one or more banks or trust companies authorized under the laws of the United States of America or the State to engage in the banking business within the State and designated by the Agency, with the approval of the College, as a depositary of money under the provisions of the Trust Agreement.

"Existing Facilities" means the property of the College in the Town of Colchester, Vermont, in the State with all improvements, buildings, structures, fixtures, machinery, equipment and other facilities existing and situated in and upon said property on the date of delivery of and payment for the Bonds.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by, the United States of America.

"Holder" means a person in whose name a Bond is registered in the registration books provided for in the Trust Agreement.

"Improvements" means any additions, enlargements, improvements, extensions, alterations, fixtures, equipment, land, appurtenances and other facilities to or for the Project or the Existing Facilities.

"Independent Counsel" means any attorney or attorneys duly admitted to practice law before the highest court of the State and not officers or full-time employees of the Agency, the Trustee or the College.

"Initial Administrative Fee" means the fee required to be paid to the Agency on the date of issuance of the Bonds for its administrative expenses in connection with its financing of the Project and the refunding of the Refunded Bonds.

"Interest Payment Date" means April 1 or October 1, as the case may be.

"Interest Account" means the account in the Bond Fund created and so designated by the Trust Agreement.

"Interest Requirements" for any Bond Year means the amount that is required to pay interest on all Outstanding Bonds on April 1 in such Bond Year and on October 1 of the following Bond Year.

"Investment Obligations" means:

A. Defeasance Obligations;

B. bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or any other like governmental or government-sponsored agencies which may be created: Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Financing Bank; Federal Home Loan Bank System; Export Import Bank of the United States; Farmers Home Administration; Small Business Administration; Inter-American Development Bank; International Bank for Reconstruction and Development; Federal Land Banks; and Government National Mortgage Association;

C. direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any corporation, if such obligations are rated in one of the two highest rating categories by each of S&P and Moody's (without regard to any gradations within such categories) or, upon the discontinuance of either or both of such services, any other nationally recognized rating services;

D. negotiable or non-negotiable certificates of deposit, time deposits, or other similar bank deposit products, issued by any bank (including the Trustee), banking association or trust company or any savings and loan association, and either (i) at the time of purchase the long-term obligations of such bank, banking association, trust company or savings and loan association are rated BBB by S&P and Baa2 by Moody's (without regard to any gradations within such categories) or (ii) the deposits are continuously secured as to principal, but only to the extent not insured by the Federal Deposit Insurance Corporation or similar corporation chartered by the United States of America, (a) by lodging with a bank or trust company, as collateral security, obligations described in paragraphs A. or B. above or other marketable securities eligible as security for the deposit of trust funds under applicable regulations of the Comptroller of the Currency of the United States or applicable state law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) if the furnishing of security as provided in clause (a) of this paragraph is not permitted by applicable law, in such manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds;

E. repurchase agreements with respect to obligations listed in paragraphs A. or B. above if entered into with a bank (including the Trustee), banking association, trust company or a broker or dealer (as defined by the Securities Exchange Act of 1934) which is a dealer in government securities which reports to, trades with and is recognized as a primary dealer by a Federal Reserve Bank, and which is a member of the Securities Investors Protection Corporation if (i) such obligations that are the subject of such repurchase agreement are delivered to the Trustee or are supported by a safe-keeping receipt issued by a depository satisfactory to the Trustee, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than monthly, of not less than the repurchase price, (ii) a prior perfected security interest in the obligations which are the subject of such repurchase agreement has been granted to the Trustee and (iii) such obligations are free and clear of any adverse third party claims;

F. commercial paper rated in the highest rating category by S&P and Moody's;

G. money market mutual funds that invest primarily in obligations listed in paragraphs A., B. or C. above which mutual funds are rated in the highest category by each of S&P and Moody's;

H. investment agreements continuously secured by the obligations listed in paragraphs A., B. or D. above, with any bank, trust company or broker or dealer (as defined by the Securities Exchange Act of 1934) which is a dealer in government securities, reports to, trades with and is recognized as a primary dealer by, a Federal Reserve Bank, and is a member of the Securities Investors Protection Corporation if (i) such obligations are delivered to the Trustee or are supported by a safekeeping receipt issued by a depository satisfactory to the Trustee, provided that such investment agreements must provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than monthly, of not less than the amount deposited thereunder, (ii) a prior perfected security interest in the obligations which are securing such agreement has been granted to the Trustee, and (iii) such obligations are free and clear of any adverse third party claims; and

I. investment agreements with any bank or trust company which has long-term obligations rated in one of the two highest rating categories by each of S&P and Moody's (without regard to any gradations within such categories).

Any of the above-described investments may be issued by or acquired through the Trustee or its affiliates, or any entity which the Trustee or its affiliates provide services (and receives compensation) if such investment otherwise satisfies the requirements of this definition.

"Loan" means, with respect to the Bonds, the aggregate amount of the moneys loaned to the College pursuant to the Loan Agreement and shall be equal to the aggregate principal amount of the Bonds issued by the Agency.

"Loan Repayments" means the payments so described under the caption "Loan Repayments; Required Payments Under the Loan Agreement" in the Summary of the Loan Agreement in this Appendix C.

"Moody's" means Moody's Investors Service, its successors and assigns and if for any reason Moody's shall no longer perform the functions of a securities rating agency, Moody's shall be deemed to refer to any other nationally recognized securities rating agency appointed by the College and approved by the Agency.

"Note" means the promissory note of the College delivered to the Agency pursuant to the Loan Agreement.

"Operating Assets" means any or all land, leasehold interests, buildings, machinery, equipment, hardware and inventory of the College used in its trade or business, but not including cash, investment securities and other property held for investment purposes.

"Outstanding" when used with reference to Bonds means, as of a particular date, all Bonds theretofore issued under the Trust Agreement, except:

1. Bonds paid or redeemed or delivered to the Bond Registrar for cancellation;

2. Bonds, for the payment of which, money, Defeasance Obligations, or a combination of both, sufficient to pay, on the date when such Bonds are to be paid or redeemed, the principal or Redemption Price of, and the interest accruing to such date on, the Bonds to be paid or redeemed, has been deposited with the Trustee or the Bond Registrar in trust for the holders of such Bonds; Defeasance Obligations shall be deemed to be sufficient to pay or redeem Bonds on a specified date if the principal of and the interest on such Defeasance Obligations, when due, will be sufficient to pay on such date the principal or Redemption Price of, and the interest accruing on, such Bonds to such date;

3. Bonds in exchange for or in lieu of which other Bonds have been issued and authenticated under the Trust Agreement; and

4. Bonds deemed to have been paid in accordance with the Trust Agreement.

"Permitted Liens" means liens or encumbrances that are described in one or more of the following:

1. Any judgment lien or notice of pending action against the College so long as such judgment or pending action is being contested and execution thereon is stayed or while the period for responsive pleading has not lapsed;

2. Rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law, affecting any property, to (1) terminate such right, power, franchise, grant, license or permit, provided that the exercise of such right would not materially impair the use of the property or materially and adversely affect the value thereof, or (2) purchase, condemn, appropriate or recapture, or designate a purchaser of, such property; (B) any liens on any property for taxes, assessments, levies, fees, water and sewer rents, and other governmental and similar charges and any liens of mechanics, materialmen, laborers, suppliers or vendors for work or services performed or materials furnished in connection with such property, which are not due and payable or which are not delinquent or which, or the amount or validity of which, are being contested and execution thereon is stayed or, with respect to liens of mechanics, materialmen, and laborers, have been due for less than 60 days; (C) easements, rights-of-way, servitudes, restrictions and other minor defects, encumbrances, and irregularities in the title to any property which do not materially impair the use of such property or materially and adversely affect the value thereof; (D) rights reserved to or vested in any municipality or public authority to control or regulate any property or to use such property in any manner, which rights do not materially impair the use of such property or materially and adversely

affect the value thereof; (E) easements hereafter granted to governmental bodies and utility companies in connection with existing or future improvements to the property and (F) easements required for the maintenance and use of certain buildings and improvements located on the property but which are specifically excluded from the description of the property;

3. Purchase money security interests and security interests existing on any property prior to the time of its acquisition through purchase, merger, consolidation or otherwise, or placed upon property to secure a portion of the purchase price thereof, or lessor's interests in leases required to be capitalized in accordance with generally accepted accounting principles; provided that the aggregate principal amounts secured by any such interests shall not exceed at the time of incurrence or assumption the lesser of the cost or fair market value of such property;

4. Liens arising by reason of good faith deposits in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits 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;

5. Any lien 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 at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable the College to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance, pension or profit-sharing plans or other similar arrangements, or to share in the privileges or benefits required for companies participating in such arrangements;

6. Liens on property received by the College through gifts, grants or bequests, up to the fair market value of such property;

7. Liens for taxes or special assessments not then delinquent or which are being contested;

8. Any lien created or permitted by the Trust Agreement;

9. Any lien on property securing Indebtedness provided that at the time of granting such lien, a parity lien on such property is granted in favor of the Trustee for the benefit of Bondowners securing the Bonds equally and ratably;

10. Any lien on property which is subordinate to the lien granted to the Trustee pursuant to clause (9); and

11. Any lien upon property, provided that the Trustee shall have received a certificate of an authorized officer of the College to the effect that the loss of the property would not have any material adverse effect upon (a) the security for the Bonds or (b) the operations of the College.

"Plans and Specifications" means the outline plans and specifications prepared for the Project as the same may be implemented and detailed from time to time and as the same may be revised from time to time prior to the completion of the acquisition, construction and equipping of the Project in accordance with the Loan Agreement.

"Principal Account" means the account in the Bond Fund created and so designated by Section 501 of the Trust Agreement.

"Project" means the approximately 56,000 square foot apartment-style residence hall to be constructed on the College's Campus.

"Redemption Price" means, with respect to Bonds or a portion thereof, the principal amount of such Bonds or portion thereof plus the applicable premium, if any, payable upon redemption thereof in the manner contemplated in accordance with the terms of the Trust Agreement.

"Required Payments under the Loan Agreement" means the payments so described under the caption "Loan Repayments; Required Payments Under the Loan Agreement" in the Summary of the Loan Agreement in this Appendix C.

"Serial Bonds" means the Bonds which are stated to mature in consecutive annual installments.

"Sinking Fund Account" means the account in the Bond Fund created and so designed by the Trust Agreement.

"Sinking Fund Requirement" means, with respect to the Bonds constituting Term Bonds for any Bond Year, the principal amount fixed or computed as set forth in the Trust Agreement for the retirement of such Term Bonds by purchase or redemption on October 1 of the following Bond Year.

"S&P" means Standard & Poor's Ratings Service, a Standard & Poor's Financial Services LLC business, its successors and assigns and if for any reason S&P shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency appointed by the College and approved by the Agency.

"State" means the State of Vermont.

"Term Bonds" means Bonds other than Serial Bonds.

"Total Required Payments" means the sum of Loan Repayments and Required Payments.

SUMMARY OF THE LOAN AGREEMENT

Loan Repayments; Required Payments Under the Loan Agreement

The College is required to make Total Required Payments under the Loan Agreement when due. Loan Repayments are to be paid, when due and payable, to the Trustee for deposit in the Bond Fund and the Redemption Fund, as the case may be. All other Required Payments under the Loan Agreement are to be paid by the College directly, when due and payable, to the persons entitled thereto.

Loan Repayments are required to be sufficient in the aggregate to repay the loan and interest thereon and to pay in full all Bonds issued under the Trust Agreement, together with the total interest and redemption premium, if any, thereon. The College is required to repay the Loan in monthly installments, each installment being deemed a Loan Repayment. The College may prepay all or any part of the Loan as provided in the Loan Agreement.

The College shall also pay, when due and payable, as Required Payments under the Loan Agreement, the following costs and expenses, exclusive of costs and expenses payable from the proceeds of the Bonds:

(i) the fees and other costs payable to the Bond Registrar and the Trustee;

(ii) all costs incurred in connection with the purchase or redemption of Bonds to the extent money is not otherwise available therefor;

(iii) the fees and other costs incurred for services of such attorneys, management consultants, insurance advisers, and accountants as are employed to make examinations, provide services, render opinions or prepare reports required under the Loan Agreement or the Trust Agreement; and

(iv) reasonable fees and other costs that the College is obligated to pay, not otherwise paid under the Loan Agreement or the Trust Agreement, incurred by the Agency in connection with its administration and enforcement of, and compliance with, the Loan Agreement or the Trust Agreement, including, but not limited to, certain fees of the Agency and reasonable attorney's fees.

Absolute Obligation to Make Total Required Payments

The obligation of the College to make the Loan Repayments and all other Required Payments under the Loan Agreement and the Note and to perform and observe the other agreements contained in the Loan Agreement is absolute and unconditional. The College will pay without abatement, diminution or deduction all such amounts, regardless of any defense or any rights of setoff, recoupment or counterclaim that the College may have or assert against the Agency or the Trustee or any other person.

Covenants of the College

The Loan Agreement provides that the College will comply with certain covenants with respect to: maintenance of the College's corporate existence; maintenance and preservation of the College's campus; examination of the Project and the books and records of the College by the Trustee and the Agency; compliance with applicable law; furnishing of financial statements to the Agency and the Trustee; non-religious use of the Project; and the execution and delivery of supplements, amendments and other corrective instruments as may reasonably be required with respect to the performance of the Loan Agreement.

The College covenants and agrees that it will use diligence so that it will not perform any acts nor enter into any agreements or omit to perform any act or fulfill any requirement that shall have the effect of prejudicing the College's tax exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The College further covenants that it will use due diligence so that it will maintain its tax exempt status under Federal income tax laws and regulations thereunder and none of its gross revenues, income or profits, either realized or unrealized, and none of its other assets or property will be distributed to any of its employees, or inure to the benefit of any private person, association or corporation, other than for the lawful corporate purpose of the College.

Additional Indebtedness

The College covenants that it will only incur additional long-term indebtedness if (a) the maximum annual debt service on all long-term indebtedness outstanding after the issuance of such proposed additional long-term indebtedness is less than or equal to ten percent (10%) of the Operating Revenues of the College as shown on its most recently audited financial statements and (b) the Liquid Unrestricted Net Assets (being the sum of the College's Unrestricted Net Assets less Net Investments in Buildings and Equipment, as shown on its most recently audited financial statements) of the College is greater than or equal to fifty percent (50%) of the sum of the College's outstanding long-term indebtedness after the issuance of such proposed additional long-term indebtedness.

Liens and Encumbrances

The College covenants that it will not create or suffer to be created any lien, encumbrance or charge upon the Campus or any part thereof, other than a Permitted Lien, and that it will satisfy or cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands (except such as may arise from or in connection with the acquisition, construction and equipping of the Project) for labor, materials, supplies or other items which, if not satisfied, might by law become a lien upon the Campus or any part thereof. If any such lien shall be filed or asserted against the Campus or any part thereof, by reason of labor, materials, supplies or other items supplied or claimed to have been supplied on or to the Campus at the request or with the permission of the College or of anyone claiming to act for the College, then the College shall, within thirty (30) days after it receives notice of the filing or the assertion thereof, cause the same to be discharged of record or effectively prevent the enforcement or foreclosure thereof against the Campus or any part thereof, by contest, payment, deposit, bond, order of court or otherwise. The College is not required to satisfy or discharge any such lien, encumbrance, charge, claim or demand (individually, a "Lien" and together, "Liens") so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, and such contest does not jeopardize the interest of the Agency, the College and the Holders in the Campus, or any part thereof.

Defaults and Remedies

Events of Default are defined in the Loan Agreement to include: (a) failure of the College to make all or any part of any Total Required Payment under the Loan Agreement when due, or (b) failure by the College to pay when due any payment required under the Loan Agreement, other than any Total Required Payment, and such failure continues for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the College by the Agency or the Trustee, unless the Agency and the Trustee shall agree in writing to an extension of such time prior to its expiration, or (c) failure of the College to perform, observe or comply with any covenant, condition or agreement on its part under the Loan Agreement (other than a failure to make any payments in clauses (a) and (b) above), and such failure continues for a period of 90 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the College by the Trustee or the Agency, unless the Agency and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 90-day period, it shall not constitute an Event of Default if corrective action is instituted by the College within such period and diligently pursued until such failure is corrected, or (d) under any present or future bankruptcy law, the application for or consent to the appointment of a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of itself or of any part of its property, or the admission in writing of its inability to pay its debts generally as they come due, or the making of a general assignment for the benefit of creditors, or the institution of proceedings to be adjudged a bankrupt or insolvent, or the seeking of reorganization in a proceeding under any present or future bankruptcy law or the admission of the material allegations of a petition filed against the College in any such proceeding, or the seeking of relief under the provisions of any other present or future bankruptcy, insolvency or other similar law providing for the reorganization or winding up of corporations, or the College or its directors shall take action looking to the dissolution or liquidation of the College or an arrangement, composition, extension or adjustment with its creditors generally, or (e) the entry of a decree or order by a court having jurisdiction in the premises adjudging the College a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the College under the Federal Bankruptcy Code or any other applicable law, or under any present or future bankruptcy law appointing a receiver, liquidator, custodian, assignee, trustee or sequestrator (or other similar official) of the College or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of such decree or order unstayed and in effect for a period of 60 consecutive days, or (f) abandonment by the College of the Project, or any substantial part thereof, or the operations therein other than as permitted in the Loan Agreement, and such abandonment shall continue for a period of thirty (30) days after written notice thereof shall have been given to the College by the Agency or the Trustee, or (g) failure of the College to pay the principal of or interest on any other obligation of the College for borrowed money in excess of $750,000 as and when the same shall become due and payable by lapse of time, by declaration, by call for redemption or otherwise and such default shall continue beyond the period of grace, if any, allowed with respect thereto, provided, however, that any such default regardless of amount shall be a default if such default adversely affects repayment or jeopardizes the interests granted by the College under the Loan Agreement, or (h) default by the College under any indenture, agreement or other similar instrument under which any evidence of indebtedness of the College may be issued and such default results in the formal acceleration of the maturity of any indebtedness of the College outstanding thereunder in excess of $100,000 or (i) an event of default under the Trust Agreement shall have, occurred and be continuing.

The provisions of subsections (b) and (c) of the paragraph above are subject to the following limitations: if by reason of Force Majeure, the College is unable in whole or in part to carry out any of its agreements contained in the Loan Agreement, failure of the College to carry out any such agreement other than the obligations on the part of the College contained in the Loan Agreement relating to the College's agreement relating to the nature of the Loan and its covenant maintain its existence and tax status, shall not be deemed an Event of Default during the continuance of such Force Majeure, including a reasonable time for the removal of the effect thereof.

The term "Force Majeure" shall mean, without limitations, the following:

(a) acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; order or restraints of any kind of the government of the United States or of the State or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; war; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; storms; droughts; floods; washouts; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; shortages of labor, materials, supplies or transportation; or

(b) any cause, circumstance or event not reasonably within the control of the College.

The College agrees, however, to use its best efforts to remedy with all reasonable dispatch Force Majeure preventing it from carrying out its agreement; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the College, and the College shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the College unfavorable to the College.

Upon the happening of an Event of Default under the Loan Agreement, the Agency may take any of the following actions: (a) declare all unpaid Loan Repayments and all amounts payable under the Note to be immediately due and payable, whereupon the same shall become immediately due and payable; or (b) take any action at law or in equity to collect the payments then due and thereafter to become due, to enforce performance and observance of any obligation, agreement or covenant of the College under the Loan Agreement.

Any amounts collected pursuant to such action shall be paid to the Trustee for deposit in the Bond Fund and applied in accordance with the provisions of the Trust Agreement.

Prepayment of Loan

The College has the option to prepay, together with accrued interest, all or any portion of the amounts payable under the Note at any time. Such prepayment shall be made by the College taking, or causing the Agency to take, the actions required (i) for payment of the Bonds, or (ii) to effect a partial redemption of the Bonds.

Insurance

The College agrees that it will maintain, or cause to be maintained, the following types of insurance (including one or more self-insurance programs considered to be adequate) in such amounts as, in its judgment, are adequate to protect the Campus: (i) comprehensive general public liability insurance, including blanket contractual liability and automobile insurance including owned and hired automobiles (excluding collision and comprehensive coverage thereon), (ii) fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke and uniform standard coverage and vandalism and malicious mischief endorsements and business interruption insurance covering such periods, and (iii) boiler insurance.

The College shall employ an insurance consultant to review the insurance requirements of the College from time to time (but not less frequently than biannually). If the Insurance Consultant makes recommendations for the increase of any coverage, except as permitted in the Loan Agreement, the College shall increase or cause to be increased such coverage, in accordance with such recommendations, subject to a good faith determination of the board of trustees of the College that such recommendations in whole or in part, are in the best interest of the College.

If the College shall fail to obtain or maintain insurance as required in the Loan Agreement, the College shall forthwith notify the Agency and the Trustee of such failure, and the Trustee may, at its option, obtain and maintain such insurance and the College shall be obligated to promptly reimburse the Trustee for all amounts expended in connection therewith, together with interest thereon at the then announced prime rate charged by the commercial lending department of the Trustee.

No acceptance or approval of any insurance policy or plan of self-insurance by the Agency or the Trustee shall relieve or release the College from any liability, duty or obligation under the provisions of the Loan Agreement.

Amendments to Loan Agreement

The Loan Agreement may be amended without the consent of or notice to any of the Holders, to cure any ambiguity or formal defect or omission therein or in any supplement thereto, to grant or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers, authority or security that may lawfully be granted or conferred upon the Holders or the Trustee, and to add conditions, limitations and restrictions on the College to be observed thereafter. Any other amendments to the Loan Agreement require approval of the Holders of not less than 51% in aggregate principal amount of the Bonds then Outstanding.

Members, Directors, Trustees, Officers and Employees of the Agency Not Liable

Notwithstanding any other provision of the Loan Agreement (a) the Agency shall not be liable to the College, the Trustee, the Holders or any other person for any failure of the Agency to take action under the Loan Agreement unless the Agency (i) is requested in writing by an appropriate person to take such action and (ii) is assured of payment of or reimbursement for any expenses in such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Agency nor any director of the Agency or any other official or employee of the Agency shall be liable to the College, the Trustee, the Holders or any other person for any action taken by it or by its officers, servants, agents or employees, or for any failure to take action under the Loan Agreement or the Trust Agreement. In acting under the Loan

Agreement, or in refraining from acting under the Loan Agreement, the Agency may conclusively rely on the advice of its legal counsel.

SUMMARY OF THE TRUST AGREEMENT

Various Funds and Accounts Created by the Trust Agreement

The Trust Agreement creates the following funds:

(1) the Bond Fund;

(2) the Redemption Fund; and

(3) the Construction Fund.

All proceeds of the Bonds, after the payments and deposits required by the Trust Agreement, including the deposit to the escrow fund for the benefit of the holders of the Refunded Bonds, are made, shall be deposited immediately upon receipt to the credit of the Construction Fund. Payment of the Cost of the Project shall be made from the Construction Fund.

The Trust Agreement also creates separate accounts in the Bond Fund designated the "Interest Account," the "Principal Account" and the "Sinking Fund Account."

The money in each of the aforementioned funds and accounts will be held in trust and will be subject to a lien and charge in favor of the Holders of the Bonds until paid out or transferred as provided in the Trust Agreement.

Deposits to the Bond Fund

The Trustee will deposit all amounts received as Loan Repayments and Required Payments under the Loan Agreement in the following order, subject to the credits provided in the Trust Agreement:

> (i) on April 20, 2016, and on the 20th day of each month thereafter, into the Interest Account, one-sixth (1/6) of the interest payable on the Bonds on the next ensuing Interest Payment Date, until the amount in the Interest Account is equal to the interest payable on the Bonds on the next ensuing Interest Payment Date;
>
> (ii) on October 20, 2016, and on the 20th day of each month thereafter, into the Principal Account, one-twelfth (1/12) of the amount equal to the principal of all Serial Bonds due on the next ensuing October 1 until the amount in the Principal Account is equal to the principal payable on such October 1; and
>
> (iii) on October 20, 2035, and on the 20th day of each month thereafter, into the Sinking Fund Account, one-twelfth (1/12) of that amount which is sufficient to retire the Term Bonds to be called by mandatory redemption or to be paid at maturity on the next ensuing October 1 until the amount in the Sinking Fund Account equals the Sinking Fund Requirement.

For the April 1, 2016 Interest Payment Date for the Bonds and the Serial Bond maturing on October 1, 2016, the College shall deposit on the 20^{th} day of each Month, (a) beginning on November 20, 2016 and continuing through March 20, 2016, inclusive, to the credit of the Interest Account, one-fifth of the interest payable on the Bonds on the October 1, 2012 Interest Payment Date, and (b) beginning on November 20, 2016 and continuing through September 20, 2016, inclusive to the credit of the Principal Account, one-eleventh of the principal due on the Serial Bond maturing on October 1, 2016.

If, after giving effect to the credits specified below, any installment of Total Required Payments is insufficient to enable the Trustee to make the deposits required above, the Trustee will notify the College and request that it increase each future installment of the Total Required Payments to make up any previous deficiency in any of the required monthly payments and to make up any deficiency or loss in any of the above-mentioned accounts and funds.

To the extent that investment earnings are credited to the Interest Account, Principal Account or Sinking Fund Account in accordance with the Trust Agreement, or amounts are credited thereto as a result of the application of Bond proceeds or a transfer of investment earnings on any other fund or account held by the Trustee, or otherwise, future deposits to such accounts will be reduced by the amount so credited, and the Loan Repayments due from the College in the months following the date of the credit will be reduced by the amounts so credited.

Bond Fund Accounts

Money on deposit in the Interest Account of the Bond Fund will be transferred by the Trustee to the Bond Registrar on the Business Day next preceding each Interest Payment Date, date for payment of Defaulted Interest, or date when Bonds are to be redeemed to pay interest due on the Bonds. If the balance in the Interest Account on the 20th day of the month next preceding an Interest Payment Date or date upon which Bonds are to be redeemed is insufficient to pay interest becoming due on the Bonds on the next ensuing Interest Payment Date or date when Bonds are to be redeemed, then the Trustee will notify the College of such deficiency and the College will immediately deliver funds sufficient to cure the same.

Money on deposit in the Principal Account of the Bond Fund will be transferred by the Trustee to the Bond Registrar on each October 1 to pay the principal of all Bonds maturing on such October 1.

Money held for the credit of the Sinking Fund Account will be applied during each Bond Year to retire Term Bonds as follows:

(a) The Trustee shall, at the written direction of the College, endeavor to purchase and cancel Term Bonds or portions thereof then subject to redemption by operation of the Sinking Fund Account at the most advantageous price obtainable with reasonable diligence, such price not to exceed the Redemption Price provided in the Trust Agreement. The Trustee will pay the interest accrued on such Term Bonds or portions thereof to the date of purchase from the Interest Account and the purchase price from the Sinking Fund Account, but the Trustee will not purchase the Bonds from money in the Sinking Fund Account within the forty-five (45) days immediately preceding the next October 1 on which such Term Bonds are subject to redemption.

(b) The Trustee will call for redemption on the October 1 immediately following such Bond Year, Term Bonds or portions thereof then subject to redemption in a principal amount equal to the aggregate Sinking Fund Requirement for the Term Bonds for that Bond Year, less the principal amount of any such Term Bonds retired by purchase as described in the preceding subparagraph.

In the event the balance in the Sinking Fund Account on the 20th day of September in any year is insufficient for the payment of the Sinking Fund Requirement on the Term Bonds on the next ensuing October 1, the Trustee shall notify the College of the amount of such deficiency. Upon notification, the College shall, not later than the Business Day prior to such October 1 deliver to the Trustee an amount, in immediately available funds, sufficient to cure the same.

Redemption Fund

Moneys held for the credit of the Redemption Fund will be applied to the purchase or redemption of Bonds as provided in the Trust Agreement. The expenses in connection with the purchase or redemption of Bonds are required to be paid by the College as part of the Required Payments under the Loan Agreement.

Investment of Money

Money held for the credit of all funds and accounts, as nearly as may be practicable, will be continuously invested and reinvested by the Trustee in Investment Obligations. Any such Investment Obligations shall mature not later than the respective dates when the money held for the credit of such funds or accounts will be required for the purposes intended.

No Investment Obligations in any fund or account may mature beyond the latest maturity date of any Bonds Outstanding at the time such Investment Obligations are deposited.

Investment Obligations acquired with money and credited to any fund or account established under the Trust Agreement will be held by or under the control of the Trustee and will be deemed at all times to be part of such fund or account in which such money was originally held. Interest accruing on such Investment Obligations and any profit or loss realized upon the disposition or maturity of the same will be credited to or charged against such fund. The Trustee will sell at the best price attainable or reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to provide money to make any payment or transfer of money from any such fund or account. The Trustee will not be liable or responsible for any loss resulting from any investment in Investment Obligations.

Events of Default

Each of the following events is an Event of Default under the Trust Agreement:

(a) payment of any installment of interest on any of the Bonds shall not be made when due and payable; or

(b) payment of the principal or the redemption premium, if any, of any Bonds shall not be made when due and payable, whether at maturity or by proceedings for redemption or pursuant to a Sinking Fund Requirement or otherwise; or

(c) default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Trust Agreement or any agreement supplemental thereto and such default shall continue for thirty (30) days or such further time as may be granted in writing by the Trustee after receipt by the College or the Agency, as the case may be, of a written notice from the Trustee specifying such default and requiring the same to be remedied; or

(d) an "Event of Default" shall have occurred under the Loan Agreement, and such "Event of Default" shall not have been remedied or waived.

Remedies on Default

Upon the happening and continuance of any Event of Default under the Trust Agreement, the Trustee may, and upon the written request of the Holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, by notice in writing to the Agency and the College, declare the principal of all Bonds then Outstanding to be due and payable. Such declaration may be rescinded under circumstances specified in the Trust Agreement.

No Holder may institute any suit, action or proceeding on any Bonds for any remedy under the Trust Agreement unless he previously has given to the Trustee written notice of the Event of Default under the Trust Agreement on account of which such suit, action or proceeding is to be instituted, and unless such Holder has made a written request to the Trustee to act and furnished indemnity as required in the Trust Agreement and the Trustee has refused or neglected to comply with such request; except that the Holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all Holders. Except as provided in the Trust Agreement, no Holder will have any right in any manner whatever to enforce any right thereunder, and any individual rights given to such Holders by law are restricted by the Trust Agreement to the rights and remedies therein granted.

Notice to Bondholders

Except as described below, notice of any Event of Default will be mailed to all Holders within 30 days after the Trustee receives notice of the same. The Trustee shall not be subject to any liability to any Holder by reason of its failure to mail any such notice.

Except upon the happening of an Event of Default with respect to, among other things, the payment of the principal of and interest on or redemption premium on Bonds when due, the Trustee may withhold notice of any Event of Default to Holders if in its opinion such withdrawal is in the interest of the Holders. The Trustee shall not be subject to any liability to any Holder by reason of its failure to mail any such notice.

Payment of Trustee's and Bond Registrar's Fees

If the Agency fails to cause required payments to be made to the Trustee or the Bond Registrar for compensation and expenses, the Trustee or the Bond Registrar may make such payment from any monies in its possession and will be entitled to a preference therefor over any Bonds Outstanding, except from moneys set aside in trust for the Holders.

Modification of the Trust Agreement

The Agency and the Trustee may, from time to time, execute without the consent of the Holders such supplemental trust agreements as shall be consistent with the terms and provisions of the Trust Agreement and the Loan Agreement and shall not affect adversely or prejudice the interest of the Holders to cure any ambiguity or formal defect or omission, to modify, alter, amend, add to or rescind in any particular, any of the terms or provisions contained in the Trust Agreement, to grant to or confer upon the Trustee for the benefit of the Holders of Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Holders or the Trustee, to add to the provisions of the Trust Agreement other conditions, limitations and restrictions or covenants of the Agency, to comply with any federal or state securities law, to provide for the issuance of Bonds in bearer form or to provide for the issuance of Bonds under a book-entry system.

Except as provided in the immediately preceding paragraph, the Trust Agreement may be amended in any particular with the consent of the Holders of more than 50% in aggregate principal amount of the Bonds Outstanding, provided, that nothing contained in the Trust Agreement will permit (a) any extension of the maturity of principal of or interest on any Bonds, (b) a reduction in the principal amount of or the redemption premium or the rate of interest on any Bonds, (c) the creation of a pledge of receipts and revenues to be received by the Agency under the Loan Agreement superior to the pledge created by the Trust Agreement, (d) a preference or priority of any Bond over any other Bond, or (e) a reduction in the aggregate principal amount of Bonds required for consent to such supplemental trust agreement.

The Trustee shall not be obligated to enter into any such supplemental trust agreement which adversely affects the Trustee's own rights, duties or immunities under the Trust Agreement and in entering into any such supplemental trust agreement, may rely conclusively upon a written opinion of Independent Counsel that such supplemental trust agreement does not affect adversely or prejudice the interest of the Holders.

Defeasance

When, among other things, the principal, premium, if any, and interest due upon all of the Bonds is paid or sufficient money or Defeasance Obligations are held by the Trustee for such purpose, then the right, title and interest of the Trustee in the funds and accounts created in the Trust Agreement will cease and the Trustee will release the Trust Agreement.

Recourse Against the Agency

The members, officers and employees of the Agency are not personally liable for any costs, losses, damages or liabilities caused or incurred by the Agency in connection with the performance of any obligation under the Trust Agreement.

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APPENDIX D

PROPOSED FORM OF LEGAL OPINION

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SIDLEY AUSTIN LLP
SIDLEY

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NEW YORK, NY 10019
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November __, 2015

Vermont Educational and Health
Buildings Financing Agency
Winooski, Vermont

Ladies and Gentlemen:

As bond counsel to the Agency (as defined below), we have examined Title 16, Chapter 131, Sections 3851-3862, Vermont Statutes Annotated, as amended (the “Act”), and certified copies of the proceedings of the Board of Vermont Educational and Health Buildings Financing Agency (the “Board”), a body corporate and politic constituting a public instrumentality of the State of Vermont (the “Agency”), authorizing the issuance of revenue bonds of the Agency hereinafter described and other proofs submitted relative to the issuance of the following described bonds (the “Bonds”):

$18,465,000

VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING AGENCY REVENUE BONDS (SAINT MICHAEL’S COLLEGE PROJECT) SERIES 2015

Dated, maturing, bearing interest and subject to redemption all as provided in the Trust Agreement.

The Bonds are issued under and pursuant to the Act and a Trust Agreement, dated as of November 1, 2015 (the “Trust Agreement”), between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). The Bonds are issuable in fully registered form in denominations of $5,000 and integral multiples thereof.

The Agency will lend the proceeds of the Bonds to Saint Michael’s College, Inc. (the “College”) under the Loan Agreement, dated as of November 1, 2015 (the “Loan Agreement”), between the Agency and the College. As evidence of the College’s obligation to repay the loan of the proceeds of the Bonds and to perform its obligations under the Loan Agreement, the College issued its promissory note, dated as of November 1, 2015 (the “Note”). The Note is an absolute and unconditional obligation of the College. The Note and the Loan Agreement (except for certain rights of the Agency) have been assigned to the Trustee as security for the payment of the Bonds. The Bonds are additionally secured by funds held by the Trustee under the Trust Agreement, income from the investment thereof and, under certain circumstances, proceeds of insurance and condemnation awards.

We have also examined one of the Bonds as executed and authenticated.

Based upon such examination, we are of the opinion that:

1. The Bonds have been duly authorized, executed and issued.

2. The Trust Agreement has been duly authorized and executed by the Agency and is a valid, binding and enforceable agreement in accordance with its terms.

3. The Bonds are valid and binding limited obligations of the Agency payable in accordance with their terms from payments to be made by the College pursuant to the Note, funds held by the Trustee under the Trust Agreement, money attributable to the proceeds of the Bonds, the income from the investment thereof and, under certain circumstances, proceeds of insurance and condemnation awards.

4. The Loan Agreement has been duly authorized and executed by the Agency and the College and is a valid, binding and enforceable agreement in accordance with its terms.

5. The Bonds shall not be deemed to constitute a debt or liability of the State of Vermont, and neither the faith and credit nor the taxing power of the State of Vermont is pledged for the payment of the principal of or the interest on the Bonds.

6. Based on current law and assuming compliance by the College and the Agency with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and their respective covenants in the Trust Agreement and the Loan Agreement regarding use, expenditure and investment of proceeds of the Bonds and the timely payment of certain investment earnings to the United States Treasury, interest on the Bonds is not includible in gross income of the owners thereof for federal income tax purposes under current law. Interest on the Bonds will not be treated as an item of tax preference for purposes of the federal individual or corporate alternative minimum tax. Failure by the Agency or the College to comply with their respective covenants to comply with the provisions of the Code regarding the use, expenditure, and investment of proceeds of the Bonds and the timely payment of certain investment earnings to the Treasury of the United States may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their date of issuance. The covenant of the Agency does not require the Agency to make any financial contribution for which it does not receive funds from the College. The opinions expressed in this paragraph may not be relied upon to the extent that the exclusion from gross income of the interest on the Bonds for federal income tax purposes is adversely affected as a result of any action taken, or not taken, in reliance on the advice or opinion of counsel other than this firm. Other than as described herein, we have not addressed and we are not opining on the tax consequences to any investor of the investment in, the ownership or disposition of, or receipt of any interest on, the Bonds.

The Act provides that bonds of the Agency and the income therefrom shall at all times be exempt from taxation in the State of Vermont, except for transfer and estate taxes.

The enforceability of the Trust Agreement and the Loan Agreement and the obligations of the aforementioned parties with respect to such documents are subject to bankruptcy, insolvency and other laws affecting creditors' rights generally. To the extent that the remedies under the Trust Agreement and the Loan Agreement require enforcement by a court of equity, the enforceability thereof may be limited by such principles of equity as the court having jurisdiction may impose.

In rendering the opinions in paragraph 6 above, we have relied upon the representations made by the College with respect to certain material facts within its knowledge, which facts and representations we have not independently verified, and the opinions of Dinse, Knapp & McAndrew, P.C., Burlington, Vermont, counsel to the College, that the College is an organization described in Section 501(c)(3) of the Code and exempt from tax under section 501(a) of the Code, or corresponding provisions of prior law, and that to such counsel's knowledge, the College has done nothing to impair such status or cause the use of property financed or refinanced with the proceeds of the Bonds to constitute an unrelated trade or business under Section 513(a) of the Code in excess of any allowable amount permitted by Section 145(a) of the Code.

In rendering the above opinions we have also relied, without independent investigation, upon the opinions of Dinse, Knapp & McAndrew, P.C., Burlington, Vermont, counsel to the College, with respect to the due organization and valid existence of the College, its power and authority with respect to the transactions contemplated by, and its due authorization, execution and delivery of, the Note and the Loan Agreement.

Respectfully submitted,

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered, effective November 10, 2015[1], by Saint Michael's College, Inc. (the "College") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), in connection with the issuance and sale by Vermont Educational and Health Buildings Financing Agency (the "Agency") of its $18,465,000 Revenue Bonds (Saint Michael's College Project) Series 2015 (Green Bonds) (the "Bonds"). The Bonds were issued pursuant to a Trust Agreement, dated as of November 1, 2015 (the "Trust Agreement"), between the Agency and the Trustee. The proceeds of the Bonds are being loaned by the Agency to the College pursuant to a Loan Agreement, dated as of November 1, 2015 (the "Loan Agreement"), between the College and the Agency.

In consideration of the mutual promises and agreements made herein and in the Trust Agreement and the Loan Agreement, the receipt and sufficiency of which consideration are hereby mutually acknowledged, the parties hereto agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the College and the Trustee for the benefit of the Beneficial Owners (defined below) and in order to assist each Participating Underwriter (defined below) in complying with the Rule (defined below). The College and the Trustee acknowledge that the Agency has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and the Agency has no liability to any person, including any Beneficial Owner, with respect to any such reports, notices or disclosures. The College and the Agency acknowledge that the Trustee has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Bondholder, with respect to any such reports, notices or disclosures.

SECTION 2. Definitions. In addition to the definitions set forth in the Trust Agreement, which definitions apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the College pursuant to, and as described in, Section 3(a) of this Disclosure Agreement.

"Beneficial Owner" shall mean, while the Bonds are held in a book-entry only system, the actual purchaser of each Bond, the ownership interest of which is to be recorded on the records of the direct and indirect participants of DTC or its nominee, and otherwise shall mean the Holder.

"Commission" shall mean the Securities and Exchange Commission, or any successor body thereto.

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[1] Agreement to be effective dated the date of delivery of the Bonds.

"Dissemination Agent" shall mean the Trustee, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the College and which has filed with the College and the Trustee a written acceptance of such designation.

"Fiscal Year" shall mean the twelve-month period, at the end of which the College's financial position and the results of its operations for the preceding twelve months are determined. Currently the College's Fiscal Year begins July 1 and continues through June 30 of the next calendar year.

"Listed Events" shall mean any of the events listed in subsection (b)(5)(i)(C) of the Rule, which events are as follows:

(i) principal and interest payment delinquencies;

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

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

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

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

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

(vii) modifications to rights of security holders, if material;

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

(ix) defeasances;

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

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the College;[2]

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[2] For the purposes of the event specified in (xii), the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the College 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 College, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the College.

(xiii) the consummation of a merger, consolidation, or acquisition involving the College or the sale of all or substantially all of the assets of the College, 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

(xiv) appointment of a successor or additional paying agent or the change of name of a paying agent, if material.

"MSRB" shall mean the Municipal Securities Rulemaking Board, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Agreement.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of such Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The College covenants, for the benefit of the Beneficial Owners of the Bonds, to file, or cause the Dissemination Agent to file, within 180 days after the end of each of its Fiscal Years (the "**Filing Deadline**"), beginning with its Fiscal Year ending June 30, 2015, with the MSRB, an Annual Report containing core financial information for the prior Fiscal Year, including (i) the College's audited financial statements, prepared in accordance with generally accepted accounting principles in effect from time to time, and (ii) material historical quantitative data concerning the College of the type generally found in Appendix A to the Official Statement, dated October 22, 2015, relating to the Bonds, including but not limited to information of the type set forth under the headings "Undergraduate Student Body", "Tuition and Fees", "Financial Aid" and "Employee Relations and Pension Plan".

(b) If the College elects to have the Dissemination Agent file the Annual Report, the College will provide the Dissemination Agent with the Annual Report at least fifteen (15) days prior to the Filing Deadline, together with a letter authorizing the Dissemination Agent to file the Annual Report with the MSRB.

(c) The College shall, in a timely manner, provide or cause the Dissemination Agent to provide to the MSRB notice of failure by the College to file any Annual Report by the Filing Deadline. If the College elects to have the Dissemination Agent file the foregoing, the College will provide the Dissemination Agent with the notice, together with a letter authorizing the Dissemination Agent to file the notice with the MSRB.

(d) The Dissemination Agent shall not be under any obligation to verify the content or correctness of, and shall not be responsible for the sufficiency of, the Annual Report or for compliance of the contents of any Annual Report with the Rule or with this Disclosure Agreement.

SECTION 4. Reporting of Listed Events. The College shall provide, or cause the Dissemination Agent to provide, in a timely manner, not in excess of ten business days after the occurrence of the event, to the MSRB notice of any of the Listed Events with respect to the Bonds. If the College elects to have the Dissemination Agent file notice of any Listed Event, the College will provide the notice to the Dissemination Agent within seven business days after the occurrence of the Listed Event, along with an instruction to file the notice with the MSRB.

SECTION 5. Dissemination Agent. The College may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Trustee. If at any time there is not any other designated Dissemination Agent, the College shall be the Dissemination Agent. The Dissemination Agent, or any successor thereof, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days written notice to the Agency, the College and the Beneficial Owner of the Bonds, specifying the date when such resignation shall take effect. Such resignation shall take effect upon the date a successor shall have been appointed by the College or by a court upon the application of the Dissemination Agent.

SECTION 6. Format of Filings. Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the MSRB's Electronic Municipal Market Access (EMMA) system, the current Internet address of which is www.emma.msrb.org. All notices, documents and information provided to the MSRB shall be provided in an electronic format prescribed by the MSRB (currently, portable document format (pdf), which must be word-searchable except for non-textual elements) and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The College's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Amendment. Any amendment to the Disclosure Agreement may only take effect if:

(a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the College, or type of business conducted; this Section, as amended, would have complied with the requirements of Rule at the time of issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and the amendment does not materially impair the interests of Beneficial Owners, as determined by parties unaffiliated with the College or the Agency; or

(b) all or any part of the Rule, as interpreted by the staff of the Commission at the date of the Closing, ceases to be in effect for any reason, and the College elects that this Section shall be deemed amended accordingly.

In the event of any amendment to the type of financial or operating data provided in an Annual Report provided pursuant to Section 3(a) hereof, or any change in accounting principles reflected in such Annual Report, the College agrees that the Annual Report will explain, in narrative form, the reasons for the amendment or change and the effect of such change, including comparative information, where appropriate. To the extent not otherwise included in such Annual Report, the College will also provide or cause to be provided timely notice of any change in accounting principles to the MSRB.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the College from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the College chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the College shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. No Beneficial Owner may institute any suit, action or proceeding at law or in equity ("Proceeding") for the enforcement of any provision of this Disclosure Agreement or for any remedy for breach thereof, unless such owner shall have filed with the College and Trustee written notice of and request to cure such breach, and the College shall have refused to comply within a reasonable time. All Proceedings shall be for the equal benefit of all Beneficial Owners of the outstanding Bonds benefited by the same or a substantially similar covenant, and no remedy shall be sought or granted other than specific performance of the provision of this Disclosure Agreement at issue. In no event shall the Dissemination Agent be liable for monetary damages in the event of a default by the College under this Disclosure Agreement. In no event shall the Dissemination Agent be liable for incidental, indirect, special, consequential or punitive damages (including, but not limited to, lost profits), even if the Dissemination Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

SECTION 11. Duties, Immunities and Liabilities of Trustee; Assignment by Trustee. Solely for the purpose of (a) defining the standards of care and performance applicable to the Trustee in the performance of its obligations under this Disclosure Agreement, (b) the manner of execution by the Trustee of those obligations; (c) defining the manner in which, and the conditions under which, the Trustee may be required to take action at the direction of Beneficial Owners, including the condition that indemnification satisfactory to the Trustee be provided, and (d) matters of removal, resignation and succession of the Trustee under this Disclosure Agreement, Article IX and Article X of the Trust Agreement are hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Trust Agreement; provided that the Trustee shall have only such duties under this Disclosure Agreement as are specifically set forth in this Disclosure Agreement. Anything herein to the contrary notwithstanding, the Trustee shall have no duty to investigate or monitor compliance by the College with the terms of this Disclosure Agreement, including without limitation, reviewing the accuracy or completeness of any information or notices filed by the College hereunder. Anything herein to the contrary notwithstanding, the Trustee shall not be construed as having any duty to the Participating Underwriters, except to the extent that a Participating Underwriter is a Beneficial Owner. The Trustee shall assign this Disclosure Agreement to any successor Trustee appointed pursuant to the terms of the Trust Agreement.

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

The Trustee is a party to this Disclosure 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 College when performing any actions required to be taken by the Trustee under this Disclosure Agreement. Nothing in this Disclosure Agreement prevents the College from designating the Trustee to act as agent on its behalf in performing its obligations under this Disclosure Agreement.

None of the provisions contained in this Disclosure Agreement shall require the Dissemination Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers. The obligations of the College hereunder to compensate the Dissemination Agent, to pay or reimburse the Dissemination Agent for expenses, disbursements, charges and counsel fees and to indemnify and hold harmless the Dissemination Agent shall survive the termination of this Disclosure Agreement.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Agency, the College, the Trustee, the Participating Underwriters, and Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Disclosure Agreement to be executed as of the date first above written.

SAINT MICHAEL'S COLLEGE, INC.

By:________________________________
Authorized Officer

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A,
as Trustee

By:________________________________
Authorized Officer

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