NEW ISSUE
BOOK-ENTRY-ONLY

Ratings: S&P: "A"
Outlook: Stable
See "RATING" herein

In the opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel, interest on the Bonds is includible in gross income for purposes of federal income tax. Bond Counsel is also of the opinion that, under existing law, interest on, and any profit made on the sale, exchange or other disposition of, the Bonds are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes in Ohio. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

$19,750,000
DEVELOPMENT FINANCE AUTHORITY OF SUMMIT COUNTY
Taxable Higher Educational Facilities Revenue Refunding Bonds
(Franciscan University of Steubenville Project)
consisting of

$14,000,000 Series 2018A **$5,750,000 Series 2018B**

Dated: Date of Delivery **Due:** November 1, as Shown on the Inside Cover

The Development Finance Authority of Summit County $14,000,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville Project) (the "Series A Bonds") and $5,750,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018B (Franciscan University of Steubenville Project) (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"), when, as and if issued, will be special obligations of the Development Finance Authority of Summit County (the "Authority") issued pursuant to a Trust Agreement, dated as of December 1, 2018 (the "Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds are issued to finance and refinance the costs of certain educational facilities of Franciscan University of Steubenville (the "University"), as described herein. The Bonds will be payable from the Revenues pledged by the Authority under the Trust Agreement, which include the Loan Payments required to be made by the University under a Loan Agreement between the Authority and

FRANCISCAN UNIVERSITY OF STEUBENVILLE

The Bonds are issuable as registered bonds without coupons and initially will be registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. The Bonds will be issuable only under the book-entry system maintained by DTC through brokers and dealers who are, or act through, DTC Participants or Indirect Participants, and purchasers of the Bonds will not receive physical delivery of bond certificates. See "THE BONDS –Book-Entry-Only System" herein. Principal of and premium, if any, on the Bonds will be payable to the registered owner upon presentation and surrender at the designated corporate trust office of the Trustee in Cleveland, Ohio, and interest will be transmitted by the Trustee on each Interest Payment Date to the registered owner as of the record date preceding that interest payment date, all as more fully described herein.

Interest on the Bonds is payable on May 1 and November 1, commencing May 1, 2019. The Bonds will be issued in denominations of $5,000 and any integral multiple thereof.

The Bonds are subject to optional and extraordinary optional redemption prior to maturity as described herein. See "THE BONDS – Redemption Provisions" herein.

THE BONDS, WHEN, AS AND IF ISSUED, WILL BE SPECIAL OBLIGATIONS OF THE AUTHORITY AND WILL NOT REPRESENT OR CONSTITUTE A GENERAL OBLIGATION, BONDED INDEBTEDNESS, OR A PLEDGE OF THE GENERAL CREDIT OR TAXING POWER OF THE AUTHORITY, THE STATE OF OHIO OR ANY POLITICAL SUBDIVISION, MUNICIPALITY OR OTHER LOCAL AGENCY THEREOF. THE HOLDERS OF THE BONDS WILL NOT HAVE THE RIGHT TO HAVE EXCISES OR TAXES LEVIED BY THE AUTHORITY, THE STATE OF OHIO OR THE TAXING AUTHORITY OF ANY OTHER POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF BOND SERVICE CHARGES.

An investment in the Bonds involves certain risks. Prospective purchasers should evaluate the risks and merits of an investment in the Bonds before considering a purchase of the Bonds. See "CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS" herein.

The Bonds have not been registered under the Securities Act of 1933, as amended (the "Securities Act") or any other applicable securities law. The Series A Bonds are considered "restricted securities" within the meaning of Rule 144 promulgated under the Securities Act. The Series A Bonds are being offered for resale in transactions not requiring registration under the Securities Act or any other securities laws in reliance on Rule 144A promulgated under the Securities Act ("Rule 144A"). The Series A Bonds are being offered for sale only to "qualified institutional buyers" as defined in Rule 144A, and may be subsequently resold by the holders thereof only in accordance with the transfer restrictions set forth herein under the caption "RESTRICTIONS ON TRANSFERS OF SERIES A BONDS". Each initial purchaser of the Series A Bonds must execute and deliver an investor letter in the form attached hereto as APPENDIX G.

The Bonds are offered when, as and if issued by the Authority and accepted by the Initial Purchaser, subject to the receipt of the approving legal opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel. Roetzel & Andress, A Legal Professional Association, will also pass upon certain legal matters for the Authority. Certain legal matters will be passed upon for the University by Spilman Thomas & Battle, PLLC; and for the Initial Purchaser by Ballard Spahr LLP. It is expected that the Bonds will be available for delivery through DTC on or about December 6, 2018.

GEORGE K. BAUM & COMPANY

This cover page contains certain information for quick reference only. It is not a summary of this Limited Offering Circular. Investors must read the entire Limited Offering Circular to obtain information essential to the making of an informed investment decision.

November 30, 2018

$19,750,000
DEVELOPMENT FINANCE AUTHORITY OF SUMMIT COUNTY
Taxable Higher Educational Facilities Revenue Refunding Bonds
(Franciscan University of Steubenville Project)
consisting of

$14,000,000 Series 2018A $5,750,000 Series 2018B

PRINCIPAL MATURITY SCHEDULE

SERIES A BONDS

Maturity (November 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP No. (86607G)**
2048	$14,000,000	6.000%	103.772%*	5.500%	AA8

SERIES B BONDS

Maturity (November 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP No. (86607G)**
2019	$ 150,000	3.250%	100.000%	3.250%	AB6
2020	170,000	3.500	100.000	3.500	AC4
2028	1,620,000	4.375	100.000	4.375	AL4
2036	1,310,000	4.875	100.000	4.875	AM2
2048	2,500,000	5.125	100.962*	5.000	AN0

* Priced to the first call date of November 1, 2028

** CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. Copyright © 2018 CUSIP Global Services. CUSIP numbers are included solely for the convenience of the holders of the Bonds. The Authority is not responsible for the selection or use of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement or secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

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DEVELOPMENT FINANCE AUTHORITY OF SUMMIT COUNTY

$14,000,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville Project)

$5,750,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018B (Franciscan University of Steubenville Project)

INTRODUCTION

This Introduction is subject in all respects to the more complete information contained elsewhere in this Limited Offering Circular. The offering of the Bonds to potential investors is made only by means of this entire Limited Offering Circular. The order and placement of materials in this Limited Offering Circular, including appendices, are not to be deemed to be a determination of relevance, materiality, or relative importance. All capitalized terms used in this Limited Offering Circular that are not defined herein shall have the meanings ascribed to them in APPENDIX C – "CERTAIN DEFINED TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE LOAN AGREEMENT."

This Limited Offering Circular, including the cover page, the table of contents and the Appendices, is provided to furnish information in connection with the issuance by the Development Finance Authority of Summit County (the "Authority") of its $14,000,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville Project) (the "Series A Bonds") and its $5,750,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018B (Franciscan University of Steubenville Project) (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"). The Bonds are being issued pursuant to a Trust Agreement, dated as of December 1, 2018 (the "Trust Agreement"), between the Authority and U.S. Bank National Association (the "Trustee"). The Bonds will be issued for the purpose of financing and refinancing the costs of acquiring, constructing, improving and equipping certain facilities of Franciscan University of Steubenville (the "Project") and for such other uses as are permitted under the Loan Agreement (as defined below) and Sections 4582.21 through 4582.59 and 9.98 through 9.983 of the Ohio Revised Code (the "Act"). See "THE PROJECT AND USE OF PROCEEDS" herein for a more complete description of the Project. The proceeds of the Bonds will be loaned to Franciscan University of Steubenville (the "University") pursuant to a Loan Agreement, dated as of December 1, 2018 (the "Loan Agreement"), between the Authority and the University.

The Bonds will be dated the date of delivery and will mature on the dates and bear interest at the rates set forth on the inside cover page of this Limited Offering Circular. The Bonds will be subject to redemption prior to maturity as described herein under "THE BONDS – Redemption Provisions."

THE SERIES A BONDS ARE BEING OFFERED FOR RESALE ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A ("RULE 144A") PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY BE SUBSEQUENTLY RESOLD BY THE HOLDERS THEREOF ONLY IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS SET FORTH HEREIN UNDER THE CAPTION "RESTRICTIONS ON TRANSFER OF SERIES A BONDS". SEE "SALE AND PURCHASE OF THE SERIES A BONDS" AND "RESTRICTIONS ON TRANSFER OF SERIES A BONDS" HEREIN.

Payments equal to the principal of and premium, if any, and interest on the Bonds, whether at maturity, upon acceleration or upon prior redemption (the "Bond Service Charges") are required to be made under the Trust Agreement. Bond Service Charges due on the Bonds will be required to be paid by the University as loan payments (the "Loan Payments") under the Loan Agreement.

The Bonds are special obligations of the Authority and the Bond Service Charges on the Bonds will be payable from the Revenues, including the Loan Payments to be made by the University under the Loan Agreement and moneys held by the Trustee in the Special Funds under the Trust Agreement, as hereinafter described under "SECURITY AND SOURCES OF PAYMENT."

The Bonds are secured by the Trust Agreement, which grants to the Trustee a security interest in the Revenues as described herein under "SECURITY AND SOURCES OF PAYMENT."

An investment in the Bonds involves certain risks. Prospective purchasers should evaluate the risks and merits of an investment in the Bonds before considering a purchase of the Bonds. See "CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS" for a discussion of certain of those risks.

Brief descriptions of the Authority, the University, the Project, the Bonds, the Loan Agreement, the Note and the Trust Agreement are included in this Limited Offering Circular. The descriptions herein of the Bonds, the Loan Agreement, the Note and the Trust Agreement are qualified in their entirety by reference to each such document. The description of the University and its affiliates consists of certain information provided by it (as set forth in APPENDIX A) and certain of its audited financial statements (as set forth in APPENDIX B). All descriptions are further qualified in their entirety by reference to laws and principles of equity relating to or affecting generally the enforcement of creditors' rights. Copies of the above described documents are available for inspection during the initial offering period at the office of George K. Baum & Company in Pittsburgh, Pennsylvania and thereafter at the corporate trust office of the Trustee.

SALE AND PURCHASE OF THE SERIES A BONDS

Limitation on Sale and Purchase of Bonds

The Bonds have not been registered under the Securities Act or any other applicable securities law. The Series A Bonds are considered "restricted securities" within the meaning of Rule 144 promulgated under the Securities Act. The Series A Bonds are being offered only to "qualified institutional buyers" ("Qualified Institutional Buyers") within the meaning of Rule 144A, and may be subsequently resold by the Holders thereof only in accordance with the transfer restrictions set forth herein under the caption "RESTRICTIONS ON TRANSFER OF SERIES A BONDS". Each initial purchaser of a Series A Bond is required, as a condition to the initial sale and to any permitted transfer or exchange during the during the one-year period following the date of issuance and delivery of the Series A Bonds (the "Restricted Period"), to execute and deliver an Investor Letter in a form set forth in APPENDIX G hereto. See APPENDIX G – "FORM OF INVESTOR LETTER" herein.

Each Series A Bond will be designated on the book-entry records of DTC as being subject to the restrictions on transferability as referenced above prior to the end of the Restricted Period. Any sale or transfer of a Bond during the Restricted Period to any person or entity which does not qualify as a Qualified Institutional Buyer is strictly prohibited. See "RESTRICTIONS ON TRANSFERS OF SERIES A BONDS".

The Series B Bonds are not "restricted securities" within the meaning of Rule 144.

THE AUTHORITY

The Development Finance Authority of Summit County (the "Authority") is a body politic and corporate, organized and existing under the laws of the State of Ohio (the "State"), including Sections 4582.21 through 4582.59, Ohio Revised Code, as amended (the "Act"). Pursuant to the Act, the Authority

is authorized to undertake activities that promote, among other things, industry, commerce, distribution, research, economic development and government operations. In connection with such activities, the Authority may, among other things, acquire real property and interests therein, and purchase, construct, equip, furnish, develop, improve, sell, lease and operate facilities and issue revenue bonds for such purposes. Additionally, the Authority is authorized to finance educational and cultural facilities under the Act.

THE UNIVERSITY

The University is a private, not-for-profit coeducational institution of higher education offering undergraduate and graduate curricula. Its campus is located in Steubenville, Ohio, and it also conducts a study abroad program in Gaming, Austria.

Good Ventures Enterprises, LLC, an Ohio limited liability company ("Good Ventures"), a wholly owned subsidiary of the University, was established in 1999 to operate certain enterprises whose activities promote the University's mission. Good Ventures, through several separate wholly owned subsidiaries, owns and operates two hotels located near the University's core campus and additional real estate which is either vacant or leased to and operated by unrelated third parties as commercial facilities.

See APPENDIX A – "CERTAIN INFORMATION REGARDING FRANCISCAN UNIVERSITY OF STEUBENVILLE" for a more complete description of the University and Good Ventures.

THE PROJECT AND USE OF PROCEEDS

The Bonds are being issued for the purpose of providing funds to pay the costs of, or to refund or refinance certain Outstanding Obligations (as defined below) previously incurred to pay the costs of, "port authority facilities," as defined in Sections 4582.21 through 4582.59 of the Revised Code (the "Act"), and to pay certain issuance costs related to the Bonds.

The Outstanding Obligations consist of (a) certain indebtedness of Good Venture Properties, LLC, an Ohio limited liability company (a wholly owned subsidiary of Good Ventures) in the aggregate outstanding amount of $14,316,262 (the "Good Ventures Obligations") and (b) certain indebtedness of a subsidiary of Good Ventures in the aggregate outstanding amount of $1,213,602, incurred with respect to a facility now used by the University as student housing (the "St. Junipero Serra Hall Loan") and certain indebtedness incurred by the University primarily for the renovation of the Finnegan Fieldhouse, the University's health and wellness activity center, in the aggregate outstanding amount of $2,631,154 (the "Finnegan Fieldhouse Loan," and together with the St. Junipero Serra Hall Loan, the "University Obligations"). The Good Ventures Obligations and the University Obligations are referred to herein collectively as the "Outstanding Obligations". Proceeds of the Bonds will also be applied to pay or reimburse the University for the payment of costs related to the renovation of a former Best Western hotel (closed in 2016) to St. Junipero Serra Hall student residence (the "Capital Project").

The proceeds of the Series A Bonds will be applied to the refinancing of the Good Ventures Obligations and the payment of costs of issuance allocable to the Series A Bonds and the proceeds of the Series B Bonds will be applied to the refinancing of the University Obligations, the reimbursement of costs associated with the Capital Project and the payment of costs of issuance allocable to the Series B Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The following are the estimated sources and uses of funds to be derived from the sale of the Bonds, as provided by the University:

Sources of Funds	Series A Bonds	Series B Bonds	Total
Par Amount of Bonds	$14,000,000.00	$5,750,000.00	$19,750,000.00
Original Issue Premium	528,080.00	24,050.00	552,130.00
Funds Provided by University	120,000.00	—	120,000.00
Total	$14,648,080.00	$5,774,050.00	$20,422,130.00
Uses of Funds			
Refinancing of Good Ventures Obligations	$14,399,481.38	—	$14,399,481.38
Refinancing of University Obligations	—	$3,858,536.35	3,858,536.35
Reimbursement of Capital Project Costs	4,259.86	1,815,160.21	1,819,420.07
Financing Costs[(1)]	244,338.76	100,353.44	344,692.20
Total	$14,648,080.00	$5,774,050.00	$20,422.130.00

[(1)] Includes Initial Purchaser's discount, Authority's fees, trustee fees, legal fees, rating agency fees, printing and other costs of issuance.

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Trust Agreement and the Loan Agreement for the detailed terms and provisions thereof.

Description of the Bonds

The Series A Bonds will be issued in the aggregate principal amount of $14,000,000 and the Series B Bonds will be issued in the aggregate principal amount of $5,750,000. The Bonds will be dated the date of the initial issuance and delivery thereof, and will mature as shown on the inside cover page hereof, subject to prior redemption as provided in the Trust Agreement and as described below. The Bonds will bear interest at the rates shown on the inside cover page hereof from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, then from the dated date of the Bonds, until payment of the principal is made or provided for, whether at maturity, upon prior redemption, acceleration or otherwise. Interest on the Bonds will be paid each May 1 and November 1, commencing May 1, 2019 (the "Interest Payment Dates"). Interest on the Bonds will be calculated on the basis of a 30-day month and a 360-day year.

Denomination; Payment

The Bonds will be issued as fully registered bonds without coupons in denominations of $5,000 and any integral multiple thereof. Interest is to be paid by check or draft mailed to the person in whose name that Bond is registered (the "Holder" or "Bondholder") on the registration books (the "Register") maintained by the Trustee as registrar (the "Registrar") at the close of business on the fifteenth day of the calendar month next preceding each Interest Payment Date (the "Record Date"). Principal of and premium,

if any, on the Bonds will be payable when due upon presentation and surrender of the Bonds at the designated corporate trust office of the Trustee.

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

The Depository Trust Company, New York, New York (DTC), will act as securities depository for the Bonds. The Bonds will be initially issued and issuable only as one fully registered Bond for each maturity registered in the name of Cede & Co., as partnership nominee of DTC, or such other name as may be requested by an authorized representative of DTC. Payment of the principal of and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., by the Trustee. See "Book-Entry-Only System" under this section and "APPENDIX D — BOOK ENTRY SYSTEM" herein.

Redemption Provisions

The Bonds are subject to redemption, as described below:

Mandatory Redemption of Series A Bonds. The Series A Bonds are subject to mandatory redemption prior to maturity on the applicable Mandatory Redemption Dates pursuant to the Mandatory Sinking Fund Requirements, at a redemption price of 100% of the principal amount redeemed plus interest accrued to the applicable Mandatory Redemption Date in the principal amounts set forth below:

Mandatory Redemption Date (November 1)	Mandatory Sinking Fund Requirement
2042	$1,665,000
2043	1,780,000
2044	1,875,000
2045	1,980,000
2046	2,105,000
2047	2,235,000

The remaining principal amount of $2,360,000 is payable at maturity on November 1, 2048 (unless redeemed earlier by optional redemption).

Mandatory Redemption of Series B Bonds. The Series B Bonds maturing November 1, 2028 are subject to mandatory redemption prior to maturity on the applicable Mandatory Redemption Dates pursuant to the Mandatory Sinking Fund Requirements, at a redemption price of 100% of the principal amount redeemed plus interest accrued to the applicable Mandatory Redemption Date in the principal amounts set forth below:

Mandatory Redemption Date (November 1)	Mandatory Sinking Fund Requirement
2021	$ 170,000
2022	180,000
2023	195,000
2024	195,000
2025	210,000
2026	220,000
2027	225,000

The remaining principal amount of $225,000 is payable at maturity on November 1, 2028 (unless redeemed earlier by optional redemption).

The Series B Bonds maturing November 1, 2036 are subject to mandatory redemption prior to maturity on the applicable Mandatory Redemption Dates pursuant to the Mandatory Sinking Fund Requirements, at a redemption price of 100% of the principal amount redeemed plus interest accrued to the applicable Mandatory Redemption Date in the principal amounts set forth below:

Mandatory Redemption Date (November 1)	Mandatory Sinking Fund Requirement
2029	$ 265,000
2030	130,000
2031	135,000
2032	140,000
2033	150,000
2034	155,000
2035	165,000

The remaining principal amount of $170,000 is payable at maturity on November 1, 2036 (unless redeemed earlier by optional redemption).

The Series B Bonds maturing November 1, 2048 are subject to mandatory redemption prior to maturity on the applicable Mandatory Redemption Dates pursuant to the Mandatory Sinking Fund Requirements, at a redemption price of 100% of the principal amount redeemed plus interest accrued to the applicable Mandatory Redemption Date in the principal amounts set forth below:

Mandatory Redemption Date (November 1)	Mandatory Sinking Fund Requirement
2037	$115,000
2038	125,000
2039	135,000
2040	145,000
2041	150,000
2042	215,000
2043	215,000
2044	245,000
2045	265,000
2046	280,000
2047	290,000

The remaining principal amount of $320,000 is payable at maturity on November 1, 2048 (unless redeemed earlier by optional redemption).

The Authority shall have the option to deliver to the Registrar for cancellation Bonds acquired in any manner whatsoever in any aggregate principal amount and to receive a credit (except to the extent otherwise hereinafter provided in this paragraph) against the then current Mandatory Sinking Fund Requirement with (and corresponding mandatory redemption obligation) of the Authority with respect to the Bonds of the same series and maturing on the same date as the Bonds surrendered for cancellation as described above, in accordance with procedures set forth in the Trust Agreement To the extent not applied theretofore as a credit against any Mandatory Sinking Fund Requirement, a credit against the Mandatory Sinking Fund Requirement (and the corresponding mandatory redemption obligation) shall be received also by the Authority for Bonds of the same series and maturing on the same date which have been purchased or redeemed other than through the operation of the Mandatory Sinking Fund Requirements or have been purchased for cancellation and cancelled by the Trustee, as set forth in the Trust Agreement.

Each Bond so delivered, redeemed previously, or purchased and cancelled, shall be credited by the Trustee at 100% of the principal amount thereof against the Mandatory Sinking Fund Requirements described above, subject to compliance with the procedures set forth in the Trust Agreement.

Optional Redemption. The Bonds maturing on or after November 1, 2029 are subject to redemption prior to maturity by and at the option of the Authority, at the direction of the University, in whole or in part on any date, on or after November 1, 2028 (the "Par Call Date"), at a redemption price of 100% of the principal amount redeemed, plus interest accrued to the redemption date.

Optional Make-Whole Redemption. The Bonds are subject to optional redemption at the option of the Authority, in whole or in part on any Business Day prior to the Par Call Date, at the price equal to the greater of (in each case as applicable to the Bonds to be redeemed): (i) 100% of the principal amount of the Bonds to be redeemed; or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the earlier of the Par Call Date or the maturity date of the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed (the "Redemption Date"), discounted to the Redemption Date on a semi-annual basis, assuming a 360-day year consisting of twelve, 30-day months, at the Treasury Rate (defined below), plus 25 basis points; plus, in each case, accrued interest to the Redemption Date on the Bonds to be redeemed. The Authority agrees that the Trustee shall not be responsible for calculating the redemption price of the Bonds and the Trustee may conclusively rely on the calculation of the redemption price for the Bonds provided by the Authority to the Trustee.

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

Notice of Redemption. The Trustee will mail by first class mail, postage prepaid, to the Holders of all Bonds to be redeemed, at the address shown on the Register at the close of business 15 days preceding such notice, notice of redemption at least 30 days prior to the redemption date. Each notice of redemption

of the Bonds will identify the Bonds or portions thereof to be redeemed and will state, among other things, the redemption price, the redemption date, the place or places where the redemption price is payable and that on the redemption date such Bonds called for redemption will cease to bear interest. The failure of a Holder to receive notice by mailing or any defect in that notice regarding any Bond will not affect the validity of the proceedings for the redemption of the Bonds.

Conditional Notice of Redemption. Any notice of redemption may, at the direction of the University, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of sufficient and legally available funds to pay the redemption price of the Bonds to be redeemed and that if such funds are not so received or are not so legally available 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 sufficient funds to pay the redemption price of such Bonds shall not be 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 shall have been given, that such funds were not so received.

Book-Entry-Only System

Payment of principal of and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., by the Trustee. The ownership of one fully registered Bond for each maturity in the aggregate principal amount of such maturity will be registered in the name of Cede & Co., as nominee for DTC.

The description (set forth in APPENDIX D herein) of the procedures and recordkeeping with respect to beneficial ownership interests in the Bonds, payments of principal, premium, if any, and interest on the Bonds to DTC, its nominee, Participants, defined in APPENDIX D, or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Bonds and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC.

The foregoing information in this section and in APPENDIX D concerning DTC and DTC's book-entry system has been obtained from DTC and neither the Authority, the University nor the Initial Purchaser takes any responsibility for the accuracy thereof.

None of the Authority, the University, the Registrar, the Paying Agent or the Trustee will have responsibility or obligations to the Participants or the Beneficial Owners with respect to (1) the accuracy of any records maintained by DTC or any Participant, (2) the payment by DTC to any Participant, or by any Participant or Indirect Participant of any amount due to any Beneficial Owner, in respect of the principal of, premium, if any, or interest on the Bonds, (3) the delivery or timeliness of delivery by DTC to any Participant, or by any Participant or Indirect Participant of any notice to any Beneficial Owner, that is required or permitted under the terms of the Trust Agreement, (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds, or (5) any consent given or other action taken by DTC as the registered bondholder, including the effectiveness of any action taken pursuant to an Omnibus Proxy.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references in this Limited Offering Circular to the Holders of the Bonds or the Bondholders shall mean Cede & Co. and do not mean the Beneficial Owners. The Trustee will treat Cede & Co. as the only Holder of Bonds for all purposes under the Trust Agreement.

The Authority may enter into amendments to the agreement with DTC, or successor agreements with a successor securities depository, relating to the book-entry system to be maintained with respect to the Bonds without the consent of Beneficial Owners or Bondholders.

Replacement Bonds

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book entry system or the Authority at the request of the University determines to terminate the services of any Depository (after determining that the continuation of such book entry system services by such Depository is not in the best interests of the Authority, the University or the beneficial owners of the Bonds), the Authority, at the request of the University, may attempt to have established a securities depository/book entry system relationship with another qualified Depository under the Trust Agreement. If the Authority does not or is unable to do so, the Authority and the Trustee, after the Trustee has made provision for notification of the owners of beneficial interests in the Bonds by appropriate notice to the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form to the assignees of the Depository or its nominee. Such withdrawal, preparation, signing, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Bonds), of the University.

Books

The Authority shall cause books for the registration of the Bonds as provided in the Trust Agreement to be maintained by and kept at the designated office of the Registrar. The Trustee is designated under the Trust Agreement as the initial Registrar. The Registrar shall maintain and keep, at the designated office of the Registrar, books for the registration and registration of transfer of the Bonds, which at all reasonable times shall be open for inspection by the Authority, the Trustee and the University. Upon presentation of any Bond entitled to registration or registration of transfer at the designated office of the Registrar, the Registrar shall register or register the transfer of the Bond in the registration books. The Registrar shall make all necessary provisions to permit the exchange, surrender or registration of transfer of Bonds at the designated office of the Registrar.

Transfer and Exchange

The Bonds shall be transferred and exchanged as provided in the Trust Agreement, provided that the Trustee and Registrar shall not register the transfer or exchange of any Bonds subject to redemption during the 15 days prior to the selection of such Bonds to be redeemed or those Bonds as to which notice of redemption has been given in accordance with the Trust Agreement.

Nonpresentment of Bonds

In the event that any Bond is not presented for payment when the principal thereof becomes due in whole or in part, either at stated maturity or by redemption, or check or draft for interest is uncashed, if money sufficient to pay the principal then due of that Bond or if such check or draft has been made available to the Trustee for the benefit of its Holder, all liability of the Authority to that Holder for such payment of the principal then due on the Bonds or of such check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold that money, without liability for interest thereon, in a separate account in the Bond Fund for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to that money for any claim of whatever nature on its part under the Trust Agreement or on, or with respect to, the principal then due of that Bond or of such check or draft. Any money that shall be so held by the Trustee and that remains unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period of four years after the due date thereof shall be paid to the University free of any trust or lien upon a request in writing by the University. Thereafter, the Holder of that Bond shall look only to the University for payment and then only to the amounts so received by the University without any interest thereon, and the Trustee shall not have any responsibility with respect to that money.

Limitations on Sale and Transferability

The Series A Bonds are being offered and sold to "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act as set forth herein under the caption "SALE AND PURCHASE OF THE SERIES A BONDS", and may only be resold in accordance with the transfer restrictions set forth herein under the caption "RESTRICTIONS ON TRANSFER OF SERIES A BONDS".

SECURITY AND SOURCES OF PAYMENT

The Bond Service Charges due on the Bonds are payable solely from the Loan Payments to be derived by the Authority under the Loan Agreement, all other moneys received or to be received by the Authority or the Trustee in respect of repayment of the Loan, including without limitation, all moneys and investments in the Bond Fund, any money and investments in the Improvement Fund and all income and profit from the investment of the foregoing moneys (the "Revenues"). The payment of Bond Service Charges shall be secured equally and ratably by the assignment to the Trustee by the Authority of all of the Authority's rights, to, and interest in, the Revenues, the Loan Agreement (except for the Unassigned Rights) and the Note.

To secure the payment of the Loan Payments payable by the University under the Loan Agreement, the University will pledge, assign and grant to the Trustee, as assignee of the Authority, a lien on and a security interest in its Pledged Revenues. The existence of such pledge and security interest shall not prevent the expenditure, deposit or commingling of the Pledged Revenues by the University so long as all required payments under the Loan Agreement are made when due. If any required payment is not made when due or an Event of Default shall have occurred and is continuing, any Pledged Revenues that are then on hand and not yet commingled with other funds of the University, and any Pledged Revenues thereafter received, shall not be commingled or deposited but shall immediately be paid over to the Trustee. Such lien is on a parity with a lien on the Pledged Revenues granted to secure the State of Ohio Higher Educational Facility Revenue Bonds (Franciscan University of Steubenville 2016 Project) (the "2016 Bonds") and the University is permitted to grant a parity lien on the Pledged Revenues to secure future indebtedness of the University.

"Pledged Revenues" means all receipts, revenues, income and other money received by or on behalf of the University from the operation, ownership or leasing of the University's Core Campus, all gifts, grants, bequests, donations and contributions received by the University, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the University; provided, however, that there shall be excluded from Pledged Revenues: gifts, grants, bequests, donations and contributions heretofore or hereafter made, the application of the proceeds of which is designated or restricted at the time of making thereof by the donor, payor or maker as being for certain specified purposes inconsistent with the application thereof to the payment of Loan Payments under the Loan Agreement or not subject to pledge, or subsequent to the receipt thereof, so designated or restricted by the University in order to meet the requirements of any challenge grant received by the University, and the income derived therefrom to the extent that it is permanently restricted in or by such designation or restriction or by law.

There is no debt service reserve fund securing the Bonds and no mortgage has been granted with respect to any property of the University as security for the Bonds.

The Bonds, when, as and if issued, will be special obligations of the Authority and will not represent or constitute a general obligation, bonded indebtedness, or a pledge of the general credit or taxing power of the Authority, the State or any political subdivision, municipality or other local agency thereof. The Holders of the Bonds will not have the right to have excises or taxes levied by the Authority, the State or the taxing authority of any other political subdivision thereof for the payment of Bond Service Charges.

ENFORCEABILITY OF REMEDIES

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

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

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ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth the annual debt service requirements on the 2016 Bonds and the Bonds. Upon the issuance of the Bonds and the refunding of the Outstanding Obligations, the University will have no other outstanding long-term indebtedness.

Year Ending	2016 Bonds	The Bonds			Total
May 31	Debt Service	Principal	Interest	Total	Debt Service
2019	$1,216,650	-	$448,569	$448,569	$1,665,219
2020	1,566,950	$150,000	1,111,250	1,261,250	2,828,200
2021	1,549,850	170,000	1,105,838	1,275,838	2,825,688
2022	1,557,050	170,000	1,099,144	1,269,144	2,826,194
2023	1,555,100	180,000	1,091,488	1,271,488	2,826,588
2024	1,548,975	195,000	1,083,284	1,278,284	2,827,259
2025	1,556,225	195,000	1,074,753	1,269,753	2,825,978
2026	1,553,850	210,000	1,065,894	1,275,894	2,829,744
2027	1,552,550	220,000	1,056,488	1,276,488	2,829,038
2028	1,553,000	225,000	1,046,753	1,271,753	2,824,753
2029	1,564,250	225,000	1,036,909	1,261,909	2,826,159
2030	1,538,050	265,000	1,025,528	1,290,528	2,828,578
2031	1,681,975	130,000	1,015,900	1,145,900	2,827,875
2032	1,680,975	135,000	1,009,441	1,144,441	2,825,416
2033	1,682,950	140,000	1,002,738	1,142,738	2,825,688
2034	1,683,250	150,000	995,669	1,145,669	2,828,919
2035	1,681,750	155,000	988,234	1,143,234	2,824,984
2036	1,683,350	165,000	980,434	1,145,434	2,828,784
2037	1,682,950	170,000	972,269	1,142,269	2,825,219
2038	1,683,625	115,000	965,178	1,080,178	2,763,803
2039	1,684,625	125,000	959,028	1,084,028	2,768,653
2040	1,682,125	135,000	952,366	1,087,366	2,769,491
2041	1,681,000	145,000	945,191	1,090,191	2,771,191
2042	1,681,000	150,000	937,631	1,087,631	2,768,631
2043	-	1,880,000	878,328	2,758,328	2,758,328
2044	-	1,995,000	763,959	2,758,959	2,758,959
2045	-	2,120,000	642,522	2,762,522	2,762,522
2046	-	2,245,000	513,803	2,758,803	2,758,803
2047	-	2,385,000	377,288	2,762,288	2,762,288
2048	-	2,525,000	232,481	2,757,481	2,757,481
2049	-	2,680,000	79,000	2,759,000	2,759,000
Total	$38,502,075	$19,750,000	$27,457,356	$47,207,356	$85,709,431

RESTRICTIONS ON TRANSFERS OF SERIES A BONDS

THE SERIES A BONDS ARE BEING OFFERED FOR SALE ONLY TO QUALIFIED INSTITUTIONAL BUYERS WHO HAVE SUBMITTED AN EXECUTED INVESTOR LETTER IN THE FORM OF APPENDIX G HERETO TO THE AUTHORITY, THE UNIVERSITY AND THE INITIAL PURCHASER. ANY SUBSEQUENT TRANSFER OR SALE OF A SERIES A BOND MAY ONLY BE MADE (1) TO A QUALIFIED INSTITUTIONAL BUYER IN ACCORDANCE WITH RULE 144A OR (2) FOLLOWING THE RESTRICTED PERIOD IN ACCORDANCE WITH RULE 144 PROMULGATED UNDER THE SECURITIES ACT ("RULE 144").

Each purchaser of the Series A Bonds from the Authority or the Initial Purchaser will be deemed to have acknowledged, represented to and agreed with the Authority, the University, the Trustee and the Initial Purchaser as follows:

- It is an Qualified Institutional Buyer as defined in Rule 144A and that such acquisition will be for its own account or for an account with respect to which it exercised discretion required by Rule 144A.

- It acknowledges that the Series A Bonds have not been registered under the Securities Act and may not be offered or sold except as set forth herein.

- If it should resell or otherwise transfer any of the Series A Bonds prior to the end of the Restricted Period, it will do so only to a Qualified Institutional Buyer in compliance with Rule 144A and in compliance with applicable state securities laws and the securities laws of any other applicable jurisdiction.

- It will deliver to each person to whom it transfers any of the Series A Bonds prior to the end of the Restricted Period a notice of the restrictions on transfer of the Series A Bonds.

Each purchaser or transferee of the Series A Bonds further acknowledges that the Series A Bonds will contain a legend substantially to the following effect:

"EACH HOLDER OF THIS BOND (A) WILL NOT SELL OR OTHERWISE TRANSFER THIS BOND OTHER THAN TO (1) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A OF THE SECURITIES ACT), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER, OR (2) IN A TRANSACTION COMPLETED MORE THAN ONE (1) YEAR AFTER THE DATE THE BOND WAS LAST ACQUIRED FROM THE ISSUER, THE UNIVERSITY OR AN AFFILIATE OF ANY OF THEM (THE "RESTRICTED PERIOD"), AND (B) WILL, AND EACH SUBSEQUENT HOLDER OF THIS BOND DURING THE RESTRICTED PERIOD IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS BOND DURING THE RESTRICTED PERIOD OF THE RESALE RESTRICTIONS REFERRED TO HEREIN. EACH HOLDER FURTHER ACKNOWLEDGES THAT BY REQUESTING A TRANSFER OF THIS BOND DURING THE RESTRICTED PERIOD, THE HOLDER UNDERSTANDS THAT THE AUTHORITY, THE UNIVERSITY AND THE TRUSTEE WILL CONCLUSIVELY RELY ON THE REPRESENTATION OF THE HOLDER THAT THE TRANSFEREE IS A QUALIFIED INSTITUTIONAL BUYER PURSUANT TO (A) ABOVE."

Each Series A Bond will be designated on the book-entry records of DTC as being subject to the restrictions on transferability as referenced above prior to the end of the Restricted Period. Any sale or transfer of a Series A Bond during the Restricted Period to any person or entity which does not qualify as a Qualified Institutional Buyer is strictly prohibited.

Each purchaser or transferee of the Series A Bonds acknowledges that the Authority, the University, the Trustee, the Initial Purchaser and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agree that, if any of the acknowledgments, representations or warranties deemed to have been made by it by its purchase of the Series A Bonds are no longer accurate or complete, it will promptly notify in writing the Authority, the University, the Trustee and the Initial Purchaser.

CERTAIN INVESTMENT CONSIDERATIONS AND RISK FACTORS

The following is a discussion of certain risks that could affect payments to be made by the University with respect to the Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Limited Offering Circular and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully the information contained in this Limited Offering Circular, including the appendices hereto, and additional information in the form of the complete documents summarized herein and in APPENDIX C, copies of which are available as described herein.

Limited Obligations

The Bonds are special obligations of the Authority, payable solely from the Revenues and the payment of Bond Service Charges shall be secured by the assignment to the Trustee by the Authority of all of the Authority's rights to, and interests in, the Revenues, the Loan Agreement (except for the Unassigned Rights) and the Note.

The Bonds do not and shall not pledge the general credit or taxing power of the Authority or of the State or of any political subdivision, municipality or other local agency thereof and shall not constitute a general obligation or bonded indebtedness of the Authority, the State or any political subdivision thereof. Except for the use of Revenues as provided in the Trust Agreement, neither the general resources of the Authority nor of those of the State shall be required to be used, nor the general credit or taxing power of the Authority pledged, for the performance of any duty under the Bonds or the Trust Agreement. The Holders of Bonds do not have the right to have excises or taxes levied by the Authority or by the State or by the taxing authority of any other political subdivision for the payment of Bond Service Charges.

University Revenues

No representation or assurance can be given to the effect that the University will generate sufficient revenues to meet its obligation to make Loan Payments under the Loan Agreement. Various factors could adversely affect the University's ability to pay its obligations under the Loan Agreement. The future financial condition of the University could be adversely affected by, among other things, economic conditions in the areas from which the University traditionally draws students, legislation, regulatory actions, increased competition from other educational institutions, changes in the demand for higher educational services, demographic changes and litigation. Some of such risk factors are described below.

Legislative and Regulatory Actions

The University and its operations are subject to regulation, certification and accreditation by various federal, state and local government agencies and by certain nongovernmental agencies. No assurance can be given as to the effect on future operations of existing laws, regulations and standards for certification or accreditation or of any future changes in such laws, regulations and standards.

Competition

The University could face additional competition in the future from both private and public educational institutions that offer comparable services and programs to the population which the University presently serves. This could include the establishment of new programs and the construction, renovation or expansion of competing educational institutions, as well as tuition discounting programs of competing educational institutions or governmental or other programs which provide free or reduced tuition to attend public educational institutions.

Tax-Exempt/Nonprofit Status

In recent years, the activities of tax-exempt organizations have been subjected to increasing scrutiny by federal, state, and local legislative and administrative agencies (including the United States Congress, the Internal Revenue Service (the "IRS"), and local taxing authorities). Various proposals either have been considered previously or are presently being considered at the federal, state, and local level which could restrict the definition of tax-exempt status, impose new restrictions on the activities of tax-exempt corporations and/or tax or otherwise burden the activities of such corporations (including proposals to broaden or strengthen federal tax provisions respecting unrelated business income of nonprofit, tax-exempt corporations). There can be no assurance that future changes in the laws, rules, regulations, interpretations and policies relating to the definition, activities and/or taxation of tax-exempt corporations will not have material adverse effects on the future operations of the University.

Compliance with current and future regulations and rulings of the IRS could adversely affect the ability of the University to charge and collect revenues, finance or incur indebtedness on a tax-exempt basis or otherwise generate revenues necessary to provide for payment of the Bonds. Although the University has covenanted to maintain its tax-exempt status, loss of tax-exempt status by the University would likely have a significant adverse effect on the University.

Bond Rating

There is no assurance that the rating or outlook assigned to the Bonds at the time of issuance will not be lowered or withdrawn at any time. A downward revision or withdrawal of such rating or change in outlook may have a substantial adverse effect on the market price for, and marketability of, the Bonds in secondary market trading of such Bonds in particular.

Financial Assistance

The amount of available financial assistance is a significant factor in the decision of many students to attend a particular college or university. The level of financial assistance is directly affected by funding levels of federal, state and other financial aid programs, such as institutionally funded aid to students by the University. During the 2018 fiscal year, the University's tuition discount rate (related to all students) measured 37%. Any significant reduction in the level of financial assistance offered to prospective students could reduce the number of students enrolling at the University.

Investment Income; Unrestricted Net Assets

The University's endowment funds are professionally managed by outside asset management firms. A committee of the Board of Trustees periodically reviews the asset allocation of the investment pool in the context of the primary financial objective to provide funds for the current and future operations of the University, including its programs and affiliates. An equally important objective is the financial goal of preserving and enhancing the endowment fund's inflation-adjusted purchasing power, while providing a relatively predictable, stable and continuous stream of income. Although the unrestricted portion of the University's endowment funds and the payout therefrom are available for debt service payments on the Bonds, no assurance can be given that unforeseen developments in the securities markets will not have an adverse effect on the market value of those investments and the income generated therefrom.

Certain Matters Relating to Enforceability of Obligations

The remedies available to Bondholders upon an Event of Default under the Trust Agreement or the Loan Agreement are in many respects dependent upon judicial action which is subject to discretion or delay. Under existing law and judicial decisions, including specifically the United States Bankruptcy Code (the "Bankruptcy Code"), the remedies specified in the Trust Agreement and the Loan Agreement may not be readily available or may be limited. A court may decide not to order specific performance.

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

Potential Effects of Bankruptcy

If the University were to file a petition for relief under the Bankruptcy Code (or if such a petition were filed against the University), its revenues and certain of its accounts receivable and other property acquired after the filing would not be subject to the security interest granted under the Loan Agreement. The filing would operate as an automatic stay of the commencement or continuation of most judicial or other proceedings against the University and its property, and as an automatic stay of any act or proceeding to enforce a lien on its property. If the bankruptcy court so ordered, the University's property, including its Pledged Revenues, could be used for the benefit of the University despite the claims of its creditors (including the Trustee acting on behalf of the Bondholders).

In the event of a bankruptcy proceeding involving the University, the Trustee could be treated under the Bankruptcy Code as the holder of a secured claim to the extent provided in the Trust Agreement. Among other things, the potential effects of a bankruptcy of the University could be to delay substantially the enforcement of remedies otherwise available to the Trustee and to allow the bankruptcy court, under certain circumstances (a) to substitute other assets of the University for Pledged Revenues under the Loan Agreement, (b) to sell all or part of the Pledged Revenues without application of the proceeds thereof to the payment of the Bonds, (c) to subordinate the rights and liens securing the Bonds to any borrowing approved by the bankruptcy court, (d) to permit the University to cure defaults under the Loan Agreement, (e) to compel termination of the Loan Agreement by payment of an amount determined by the bankruptcy court to be the value of the Pledged Revenues (even though less than the principal amount of the Bonds outstanding) or (f) to modify the terms of or payments due under the Loan Agreement and the Note.

In a bankruptcy proceeding, the University could file a plan for the adjustment of its debts which modifies, under certain circumstances, the rights of creditors generally or the rights of any class of creditors, secured or unsecured. The plan, when confirmed by the court, binds all creditors who had notice or

knowledge of the plan and discharges all claims against the debtor provided for in the plan. Except as described below, 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 so accepted, it may be confirmed if the court finds, among other things, that the plan is fair and equitable with respect to each class of non accepting creditors impaired thereunder and does not discriminate unfairly. Such an approved plan could limit recoveries by the Bondholders and/or reduce the collateral pledged as security therefor.

Limitations on Security Interest

The security interest in the Pledged Revenues may not be perfected with respect to items which are in the form of cash and negotiable instruments not in the possession of the Trustee. In addition, there may be other interests and claims on a parity with or prior to such security interests, and certain statutes and other provisions may limit the right of the University to grant such security interests. Examples of such claims, interests and provisions include, without limitation (a) statutory liens, (b) rights arising in favor of the United States of America or any agency thereof, (c) prohibitions against assignment contained in federal statutes, (d) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction, (e) federal bankruptcy laws affecting amounts earned by the University after institution of bankruptcy proceedings by the University, (f) rights of third parties in revenues not in the possession of the Trustee, including those converted to cash, where a security interest in those revenues can only be perfected by possession and (g) the requirement that appropriate continuation statements be filed in accordance with the Ohio Uniform Commercial Code from time to time in effect. In addition, the Loan Agreement allows the University to incur additional indebtedness in the future that may be secured by a lien on the Pledged Revenues on a parity basis with the pledge and security interest granted pursuant to the Loan Agreement. See *APPENDIX C – "CERTAIN DEFINED TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE LOAN AGREEMENT."*

Limited Secondary Market for Series A Bonds

The Series A Bonds are being sold only to Qualified Institutional Buyers within the meaning of Rule 144A, and during the Restricted Period may be resold only to Qualified Institutional Buyers. There can be no guarantee that there will be a secondary market for the Series A Bonds or, if a secondary market exists, that such Series A Bonds can be sold for any particular price. Occasionally, because of general market conditions or lack of current information, or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Other Factors

Additional factors may affect future operations of the University and, in certain instances, Good Ventures or other subsidiaries of the University, to an extent that cannot be determined at this time. These factors include, among others, the following:

(i) Loss of accreditation for the University or key academic programs, or changes in accreditation standards which could adversely affect the University's ability to maintain accreditation for itself or key academic programs.

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

(iii) Litigation resulting in required payments by the University which could exceed insurance coverages.

(iv) Increased costs and decreased availability of public liability insurance.

(v) Changes in the demand for higher education in general or for programs offered by the University in particular.

(vi) Cost and availability of energy.

(vii) High interest rates, which could prevent borrowing for needed capital expenditures.

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

(ix) An increase in the costs of health care benefits, retirement plan, or other benefit packages offered by the University to its employees and retirees.

(x) A significant decrease in the value of the University's investments caused by market or other external factors and/or withdrawals to fulfill its obligations, or changes in the unrestricted portion of the University's long term investments.

(xi) Claims presently unknown to the University.

(xii) Withdrawal of any current exemptions from local real estate taxes, business privilege taxes and similar impositions.

(xiii) Reduced future University revenues as a result of a need to increase tuition discounting to attract students.

(xiv) Poor financial operating performance by the University in the future and future deficits as a result of increased future expenses.

(xv) Increased competition from other institutions of higher learning, particularly Roman Catholic sponsored institutions, which may offer similar academic programs or may recruit similar students, and that may result in reduced enrollments and reduced University revenues.

(xvi) Reduced ability to attract future annual or capital campaign contributions due to factors including general economic conditions or tax law changes affecting the deductibility of charitable contributions, that may limit future projects, institutionally funded scholarships, the ability to address deferred maintenance and/or the support of expenses related to faculty salaries, tuition discounting or additional programs.

(xvii) Reduced availability of qualified faculty to teach the programs offered by the University.

(xviii) A downgrade in the University's bond rating or rating outlook to a level which prevents the University from being able to borrow at affordable rates in the future.

(xix) Legislation and regulation by governmental authorities, including developments affecting tax-exempt status of educational institutions like the University and changes in immigration laws limiting the University's ability to admit foreign students or hire foreign faculty and administrators.

(xx) Natural disasters or effects of any climate change which might damage the University's or Good Ventures' facilities, interrupt service to its facilities or otherwise impair the operation of the University's facilities.

(xxi) An inability to retain students, resulting in enrollment losses and reduced revenues, which may be due to reduced financial aid available to students from the University or from Federal or state sources.

(xxii) The inability to achieve net income from any new programs.

(xxiii) The inability to supplement student recruitment efforts as a result of a decline in the University's summer conference attendees.

(xxiv) Any future decisions by the University to support the activities of any current or future subsidiaries.

(xxv) With respect to the two hotels operated by Good Ventures, factors including the adequacy of the company providing management services to the hotels, the attractiveness of competing hotel properties within close proximity to the University, increases in operating expenses associated with the operation of the hotels and in relation to competing properties, an increase in vacancy rates at the hotels and local real estate conditions, such as an oversupply of competing hotel properties.

ABSENCE OF MATERIAL LITIGATION

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

The University from time to time may be a party to various legal proceedings seeking damages or injunctive relief which are generally incidental to its operations, and unrelated to the Bonds, the security for the Bonds, or the Project. The University administration does not believe that the outcome of any such litigation will materially adversely affect the financial position, operations or cash flows of the University.

ELIGIBILITY UNDER OHIO LAW FOR INVESTMENT

Under the authority of Section 4582.18 of the Ohio Revised Code and to the extent investments of the following are subject to Ohio law, the Bonds are lawful investments of banks and trust companies with approval of the superintendent of banks, of savings and loan associations, of the bond retirement funds or the sinking funds of municipal corporations, boards of education, port authorities, and counties, of the administrator of workers' compensation, of the retirement board of the State teachers retirement system, of

the retirement board of the State public school employees retirement system, of the retirement board of the public employees retirement system, and of domestic life insurance companies and domestic insurance companies other than life, an shall be acceptable as security for the deposit of public money.

TAX MATTERS

In the opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel, under existing law:

- Interest on the Series Bonds is not excluded from gross income for federal income tax purposes under Code Section 103.

- The interest on, and any profit made on the sale, exchange, or other disposition of, the Bonds are exempt from the Ohio personal income tax, the net income base of the Ohio corporate franchise tax, the Ohio commercial activity tax, and municipal, school district, and joint economic development district income taxes in Ohio.

An opinion to those effects will be included in the legal opinion. See APPENDIX E. Bond Counsel will express no opinion as to any other tax consequences regarding the Bonds.

Prospective purchasers of the Bonds should consult with their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, and prospective purchasers of the at other than their original issuance at the price indicated on the inside cover of this Official Statement should consult with their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the issuance of the Bonds are subject to the legal opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel. A signed copy of that opinion, dated and speaking only as of the date of the original delivery of the Bonds, will be delivered to the Initial Purchaser.

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

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

Roetzel & Andress, A Legal Professional Association, will also pass upon certain legal matters in connection with the issuance of the Bonds for the Authority. Certain legal matters in connection with the Bonds will be passed upon for the University by Spilman Thomas & Battle, PLLC, and for the Initial Purchaser by Ballard Spahr LLP.

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

CONTINUING DISCLOSURE

Agreement with Respect to the Bonds

The Authority has determined that no financial or operating data concerning the Authority is material to an evaluation of the offering of the Bonds or to any decision to purchase, hold or sell the Bonds and the Authority will not provide any such information. The University has undertaken all responsibilities for continuing disclosure to owners of the Bonds as described below and in the Continuing Disclosure Agreement, and the Authority shall not have any liability to the owners of the Bonds or any other person with respect to Securities and Exchange Commission Rule 15c2-12 (the "Rule") adopted under the Securities Exchange Act of 1934, as amended.

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

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

The University may from time to time appoint or engage an agent to act on its behalf in performing its obligations under the Continuing Disclosure Agreement and may discharge any such agent, with or without appointing a successor; provided that the University will not be relieved in any respect by appointment of an agent from primary liability for the performance of its obligations under the Continuing Disclosure Agreement. An agent may resign by providing 30 days' written notice to the University and the Trustee. The University has initially appointed U.S. Bank National Association, as its dissemination agent in accordance with the provisions of the Continuing Disclosure Agreement described in this paragraph.

A failure by the University to comply with the Continuing Disclosure Agreement will not constitute an event of default under the Trust Agreement or the Loan Agreement, and beneficial owners of the Bonds are limited to the remedies described in the Continuing Disclosure Agreement.

Prior Compliance

In connection with the issuance of the 2016 Bonds and certain prior bonds that were refunded with proceeds of the 2016 Bonds, the University executed continuing disclosure agreements (the "Undertakings"), similar to the Continuing Disclosure Certificate, which required the University to file with the MSRB its annual audited financial statements and an update of certain financial and operating data (the "Annual Report") within 270 days of the University's fiscal year-end and also to file notice of certain enumerated events. During the last five years, certain required filings were not made within the required

time period. For the fiscal year ended May 31, 2013, the Annual Report was filed on EMMA three days after the applicable deadline and no notice was filed of the failure to file such Annual Report in a timely manner. In addition, the University failed to file event notices with respect to various changes in the rating assigned to the Refunded Bonds related to changes in the credit quality of the bond insurer for the Refunded Bonds. All required filings have now been posted on EMMA.

The University intends to fully comply with all current and future continuing disclosure undertakings and has put in place internal procedures to ensure all future filings are completed on a timely basis in accordance with the Rule.

RATING

The Bonds have been assigned a rating of "A" and stable outlook by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC. The University furnished to such rating agency the information contained in this Limited Offering Circular and certain other materials and information about the University. Generally, rating agencies base their ratings and outlooks on such materials and information, as well as separate investigations, studies and assumptions.

A rating reflects only the view of the agency giving such rating and is not a recommendation to buy, sell or hold the Bonds. An explanation of the significance of such rating may only be obtained from the rating agency. Such rating or outlook may be changed at any time, and no assurance can be given that a rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating or change in the related outlook may have an adverse effect on the market price of the Bonds.

The University undertakes no responsibility either to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

UNDERWRITING

George K. Baum & Company (the "Initial Purchaser") has agreed, subject to certain conditions, to purchase the Series A Bonds from the Authority at a purchase price of $14,388,080 (which includes original issue premium of $528,080) and to purchase the Series B Bonds from the Authority at a purchase price of $5,716,550 (which includes original issue premium of $24,050). The Initial Purchaser may offer and sell the Bonds to certain dealers (including dealers depositing such Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover page hereof. The public offering price set forth on the inside cover page hereof may be changed after the initial offering by the Initial Purchaser. The Bond Purchase Agreement provides that the Initial Purchaser will purchase all the Bonds if any are purchased, and requires the University to indemnify the Initial Purchaser and the Authority against losses, claims, damages and liabilities arising out of any incorrect statements or information including the omission of material facts, contained in this Limited Offering Circular pertaining to the University and other specified matters.

INDEPENDENT AUDITORS

The financial statements of the University and Good Ventures Enterprises, LLC for the years ended May 31, 2017 and 2016, attached as APPENDIX B to this Limited Offering Circular, have been audited by Schneider Downs & Co., Inc, independent auditors, as stated in their report appearing in APPENDIX B.

MISCELLANEOUS

The University has furnished all information herein relating to the University. Any statements herein involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Limited Offering Circular nor any statement which may have been made orally or in writing is to be construed as a contract with the beneficial owner of any Bond.

All of the summaries of the provisions of the Bonds, the Trust Agreement, the Loan Agreement and the Note set forth herein, and all other summaries and references to such other materials not purporting to be quoted in full, are only brief outlines of certain provisions thereof and are made subject to all of the detailed provisions thereof, to which reference is hereby made for further information, and do not purport to be complete statements of any or all such provisions of such documents.

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

The information set forth herein, or in the Appendices, should not be construed as representing all of the conditions affecting the University.

U.S. Bank National Association, by acceptance of its duties as Trustee under the Trust Agreement (as described herein), has not reviewed this Limited Offering Circular and makes no representations as to the information contained herein, including but not limited to, any representations as to the financial feasibility of the University, the Project or related activities.

A complete transcript of proceedings and no-litigation certificate (as described above) will be delivered by the Authority upon delivery of the Bonds to the original purchaser. At that time, the University will furnish to the original purchaser a certificate relating to the accuracy and completeness of this Limited Offering Circular (including matters set forth in or contemplated by it), and to its being a "final Limited Offering Circular" in the University's judgment for purposes of SEC Rule 15c2-12(b)(3).

The use of this Limited Offering Circular has been authorized by the Authority and approved by the University.

FRANCISCAN UNIVERSITY OF STEUBENVILLE

By: /s/ Richard S. Rollino
Vice President of Finance

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APPENDIX A

CERTAIN INFORMATION REGARDING
FRANCISCAN UNIVERSITY OF STEUBENVILLE

The information contained herein as APPENDIX A to the Official Statement has been obtained from Franciscan University of Steubenville (the "University"). Neither the Authority nor the Initial Purchaser make any representations as to the accuracy or completeness of such information.

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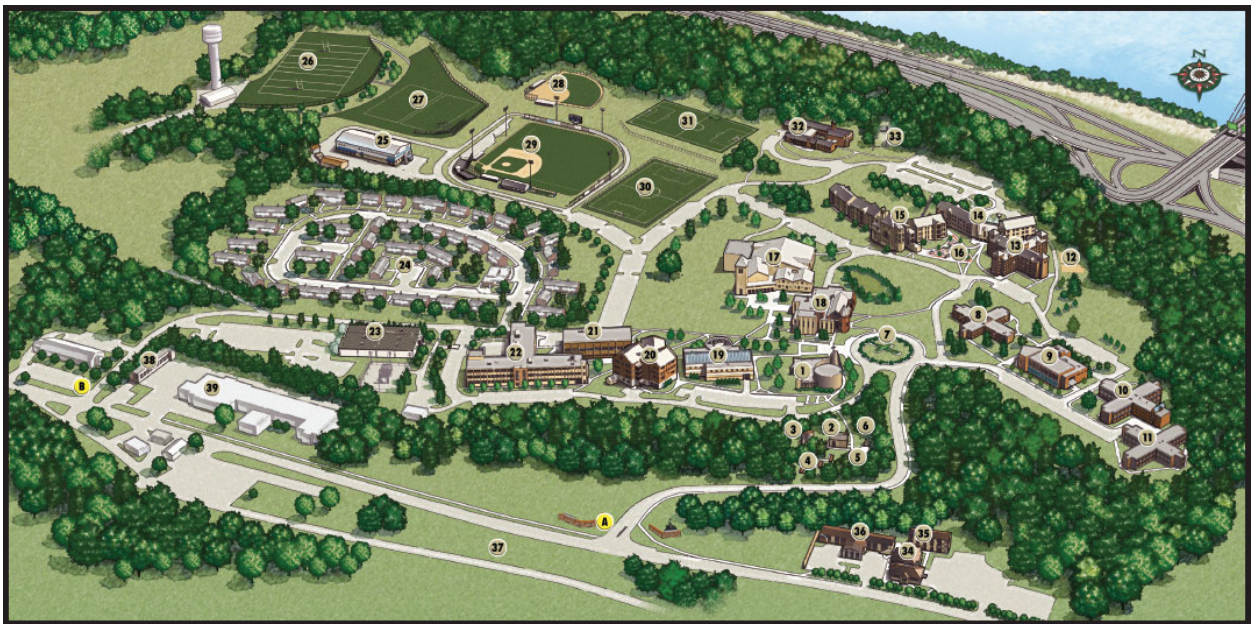
FRANCISCAN UNIVERSITY OF STEUBENVILLE

Introduction

Franciscan University of Steubenville (the "University" or "Franciscan") located in Steubenville, Ohio, embraces the rigorous academic demands of the Catholic intellectual tradition for which it is nationally recognized, "consecrating itself without reserve to the cause of truth" (Ex corde Ecclesiae).

As of Fall 2018, Franciscan educates more than 2,300 students on campus who come from all 50 states and 11 countries, and over 600 students in distance education and online courses. Only 22% of current undergraduate students originate from the state of Ohio. The significant geographic diversity of the University's domestic students stems in part from the unique culture and delivery of Catholicism embraced by the University. More than 56,000 other Catholics are also exposed to the University through its 33 annual conferences held on campus and in other locations nationally for adults and youth.

Franciscan University Core Campus



1. Christ the King Chapel
2. Portiuncula Chapel
3. Marian Grotto
4. Stations of the Cross
5. Créche
6. Tomb of the Unborn Child
7. Rosary Circle
8. St. Francis Hall
9. Antonian Hall
10. Marian Hall
11. Trinity Hall
12. Sand Volleyball Courts
13. St. Thomas More Hall
14. SS. Kolbe and Clare Halls
15. SS. Louis and Elizabeth Halls
16. Piazza dei Santi
17. Finnegan Fieldhouse
18. J.C. Williams Center
19. St. John Paul II Library
20. SS. Cosmas and Damian Hall
21. Starvaggi Hall
22. Egan Hall
23. St. Joseph Center
24. Assisi Heights
25. Physical Plant Services
26. Memorial Field
27. Intramural Fields
28. Softball Field
29. Vaccaro Field
30. Practice Soccer Field
31. Game Soccer Field
32. Holy Spirit Friary
33. Steel Cross
34. Scotus Hall
35. Vianney Hall
36. St. Bonaventure Hall
37. Franciscan Square*
38. Padua Hall
39. St. Junipero Serra Hall*

A. Main Entrance
B. West Entrance

* See – Use of Proceeds: 2018 Series A & B Bonds herein

University Recognition

Franciscan is ranked and/or recognized by the following:

- ***U.S. News & World Report***'s "America's Best Colleges" guidebook, which has ranked the University in the elite "top tier" of Midwestern universities since 1998. In the 2019 guide, Franciscan ranked 11th – its highest ranking ever.

- Since July 2014, ***FORBES Magazine*** has named Franciscan University to its list of America's Top Colleges, which put Franciscan in the top 10 percent of the 4,500-plus colleges in the United States.

- ***The Newman Guide to Choosing a Catholic College*** recommends the University as one of only 17 U.S. Catholic colleges and universities that provide a faithful Catholic education.

- Franciscan is cited in ***Money Magazine's*** "Best Colleges for Your Money".

- ***Barron's Best Buys in College Education*** lists the University as a best buy.

- Ranked in top 15 schools nationwide by ***U.S. News & World Report*** in percentage of students who study abroad.

- In a separate ***U.S. News & World Report*** ranking of "Best Value" schools in the Midwest, Franciscan University ranked 15th, meaning Franciscan is an excellent value when factoring in the costs and benefits received from its educational mission.

- Since 2011, ***Kiplinger's Personal Finance*** has ranked Franciscan in the top 100 four-year private institutions that combine outstanding academics with affordable cost.

History

Though the University enjoys a strong international reputation, its beginnings were as unassuming as its patron saint, Francis of Assisi. The simple life of St. Francis, particularly his self-sacrifice and service to others, has inspired many believers throughout the centuries – especially the founders, faculty, and staff of the University, who are guided by his example and teaching.

In 1946, soon after the end of World War II, Steubenville's first bishop, John King Mussio, invited the Franciscan Friars of the Third Order Regular ("TOR") to establish a college to serve the needs of local students, especially veterans of World War II. In June of 1946, the friars purchased the Knights of Pythias Building in downtown Steubenville and began as the College of Steubenville with 258 students.

As the College of Steubenville's enrollment grew, other buildings were purchased or leased, until it became evident that proper expansion required enough land for a permanent campus. In 1954, the friars purchased a 40-acre tract on a site overlooking the city of Steubenville and in 1960, the North Central Association of Colleges and Schools granted formal accreditation.

In 1980, university status was achieved which in 1986 evolved into a new name: Franciscan University of Steubenville. During its 72 years of existence, the University has grown to a 241-acre campus with 26 buildings and its proprietary study abroad program site in Gaming, Austria.

Six presidents have shaped the University into an internationally recognized, Christ-centered institution. On October 10, 2013, the University's current President, Father Sean O. Sheridan, TOR, was inaugurated.

Mission

The purpose of the University is to further the higher education of men and women through programs of liberal, professional, and pre-professional studies leading to the conferral of the baccalaureate and master's degrees in the arts and sciences.

It is the further purpose of the University, publicly identified as a Catholic and a Franciscan institution, to promote the moral, spiritual, and religious values of its students. The University is guided by the example and teaching of St. Francis of Assisi.

St. John Paul II Library

Board of Trustees

The Board of Trustees of the University (the "Board") consists of up to twenty-five (25) members, seven (7) of whom must be members of the Province of the Most Sacred Heart of Jesus of the Third Order Regular of St. Francis (the "Province").

The Minister Provincial of the Province serves as the Chairman of the Board; the President of the University is the Secretary. A Vice Chairman is elected by the Board. Members of the Board are nominated by the Nominating Committee and voted on by the full membership of the Board. Vacancies among the elected members are filled in like manner. Board members are practicing Roman Catholics who are faithful to the Magisterium of the Catholic Church. Trustees, other than ex officio members, are elected for a term of four (4) years. No member of the Board is eligible to be reelected for more than two (2) consecutive terms, or a total of twelve (12) consecutive years. The Board meets three times each year.

The Chairman of the Board appoints an Executive Committee, at least five (5) in number, all of whom are members of the Board, and at least two (2) of whom are lay members. The Chairman of the Board and the President of the University are two (2) of the members of the Executive Committee, and the Chairman and Secretary, respectively. Other Board committees include Finance, Academic, Audit, Development, Student Life, Evangelization and Outreach, and Compensation. The President is an ex-officio member of each committee. The current members of the Board are as follows:

Board Member	Occupation
Very Rev. Richard Davis, TOR - CHAIRMAN	Minister Provincial, Franciscan Friars of the Third Order Regular, Province of the Most Sacred Heart of Jesus, Ex-Officio
Mr. David DeWolf '00 - VICE CHAIR	CEO/President, 3Pillar Global
Rev. Sean O. Sheridan, TOR - SECRETARY	President, Franciscan University of Steubenville, Ex-Officio
Most Rev. Roger J. Foys '69	Bishop, Diocese of Covington (KY)
Mr. John Goetz	Partner, Jones Day
Mr. Phillip Howard	Founder and President of Meridian Business Centers
Mr. Christopher Irvin ’90	Owner, Irvin Insurance Services
Mr. W. Paul Jones	Retired CEO, Payless ShoeSource
Rev. John Mark Klaus, TOR	Parochial Vicar, St. Andrew Parish (TX)
Mr. Albert Langsenkamp	Retired CEO, former Owner, Sigma Holdings Inc
Dr. Laura Meeks	Retired President, Eastern Gateway Community College
Fr. James Puglis, TOR	Parochial Vicar, St. Joseph Catholic Church
Mr. Richard Riederer	Retired CEO, Weirton Steel
Dr. Deborah Savage	Clinical Faculty, Philosophy & Pastoral Ministry, St. Paul Seminary School of Divinity
Fr. Jonathan St. André	Director of Novices, Franciscan Friars of the Third Order, Regular Province of the Most Sacred Heart of Jesus
Mr. Mark Thomas	CEO, Thomas Automotive
Mr. Michael Tobin	CEO, Continent 8
Dr. Paula Trzepacz	Neuropsychiatrist Physician/Researcher
Fr. Larry Uhlman, TOR	Provincial Econome, Franciscan Friars of the Third Order, Regular Province of the Most Sacred Heart of Jesus
Rev. Malachi Van Tassell, TOR '93	President, Saint Francis University

Senior Leadership of the University

The University's senior leadership team is comprised of the following individuals:

Rev. Sean O. Sheridan, TOR, JD, JCD	President
William Gorman	Chief Operating Officer
Daniel Kempton, Ph.D.	Chief Academic Officer
Rev. Nathan Malavolti, TOR	Chief Evangelization Officer
Richard Rollino	Vice President of Finance

Rev. Sean O. Sheridan, TOR, JD, JCD, *President.* Father Sean Sheridan was inaugurated in 2013. Prior to his presidency, Father Sheridan was a member of the faculty in the School of Canon Law at The Catholic University of America from 2009 until he joined Franciscan's Theology Department as a professor in fall 2012, teaching graduate and undergraduate courses. Since 2010, he has been a member of the Board of Saint Francis University in Loretto, Pennsylvania. He also held a position on Franciscan's Board from 2007-2012 and chaired the Academic Affairs Committee from 2011-2012.

Before he entered the Franciscan Third Order Regular, he graduated in 1985 with a bachelor of science in pharmacy from the University of Pittsburgh School of Pharmacy, working in the pharmaceutical field from 1984-1990. In 1990, he earned his juris doctor from the University of Pittsburgh School of Law and spent the next 10 years as a practicing attorney in Sacramento, California and Pittsburgh, Pennsylvania. A native of Cresson, Pennsylvania, Father Sheridan made a decision to enter the priesthood, joining the Franciscan Third Order Regular in 2000 and made his solemn profession of vows in 2005. He was ordained to the priesthood in December 2006.

In 2007, Father Sheridan graduated from Washington Theological Union with a master of divinity. He obtained a doctorate in canon law from The Catholic University of America School of Canon Law in 2009. His dissertation, "Ex Corde Ecclesiae: A Canonical Commentary on Catholic Universities 'From the Heart of the Church' to Catholic Universities," addresses seven challenges to the implementation of Pope John Paul II's Apostolic Constitution on Catholic Universities and suggests solutions to those issues.

Father Sheridan has served on the Editorial Board and, since 2011, as book review editor for *The Jurist* (CUA Press), the only canon law journal published in the United States. His scholarly articles have been published in *The Jurist*, *Journal of Catholic Higher Education*, and other academic journals.

William Gorman, *Chief Operating Officer.* On January 22, 2018, the University announced the addition of William Gorman as Chief Operating Officer. Mr. Gorman's position was created as part of Father Sheridan's larger reorganization of the administrative structure designed to give Franciscan University new opportunities and resources to advance its vision and mission in the

Catholic Church and the world. In 2016, Mr. Gorman became the founding managing director of GP Catholic Services, a division of Graham-Pelton Consulting. In this role, he led the growth of this multi-discipline practice focused on the needs of the Catholic Church in the areas of strategic planning, fundraising, and communications. Under his leadership, the firm conducted work for dioceses and the United States Conference of Catholic Bishops, the National Catholic Education Association, and the First Amendment Partnership. For 14 years, Mr. Gorman served in the Archdiocese of Washington, D.C., in a number of positions. Mr. Gorman holds a diploma in management and a master of business administration, both from the University of Leicester, United Kingdom. He has been honored with the Benemerenti Medal conferred by His Holiness, Pope Benedict XVI, and as a Knight of the Order of Saint Gregory the Great, conferred by His Holiness, Pope Francis.

Daniel Kempton, Ph.D., *Chief Academic Officer.* Dr. Kempton became the Chief Academic Officer in 2017. Dr. Kempton joined Franciscan in 2011. Prior to his employment at Franciscan he spent two years in South Africa on a Fulbright Scholarship, followed by 21 years at the University of Northern Illinois teaching political science. He has published extensively, writing two books as well as dozens of reviews, essays, journal articles, and more. In 2008, his work on the politics of post-communist Russia helped him earn a second Fulbright Scholarship to Tver State University in Russia. Dr. Kempton received his undergraduate degree from the University of Notre Dame and his doctoral degree from the University of Illinois at Urbana-Champaign.

Rev. Nathan Malavolti, TOR, *Chief Evangelization Officer.* Fr. Nathan Malavolti, TOR became the Chief Evangelization Officer in 2017. Prior to his current role, he served as Vice President for Pastoral Care and Evangelization since 2014. He was previously appointed Vice President of Community Relations in 2013. A native of central Illinois, Father Malavolti received his Ph.D. in analytical chemistry from the University of Illinois at Urbana-Champaign in 1986. His undergraduate degree was earned at Milliken University in Decatur, Illinois. After working in various assignments as a research chemist, predominantly in the pharmaceutical industry, he discerned a call to the priesthood and the Franciscan Third Order Regular. He was ordained to the priesthood in 2005 and served as a chemistry professor at Saint Francis University in Loretto, Pennsylvania, where he also was chaplain for the men's and women's volleyball teams and the Omega Zeta Nu sorority, among other assignments. He also served as a chaplain for an outreach program for mentally challenged adults. Previously, Father Malavolti served as a member of the Board of Franciscan.

Richard Rollino, *Vice President of Finance.* On January 25, 2018, the University announced Richard Rollino as its next Vice President of Finance. He began work on February 14, 2018 assuming the stewardship of the University's financial resources from David Skiviat, Vice President of Finance and Administration, who retired following a period of transition during the first quarter of 2018. Mr. Rollino came to Franciscan University from Wyoming Catholic College in Lander, Wyoming, where he worked as Executive Vice President and Treasurer from 2011-2018. For 25 years, Mr. Rollino worked for media and advertising companies as Senior Vice President and Chief Financial Officer. Mr. Rollino began his career as a senior auditor for Arthur Andersen & Company and manager of SEC reporting for Beverly Enterprises. Originally from California, Mr. Rollino earned a bachelor's degree in business administration with an accounting emphasis from the University of Southern California. He is a member of the Knights of Columbus

and a past member of community organizations such as the Rotary Club of Lander and the Lander Economic Development Association for which he served as president.

Curriculum

Franciscan University offers 6 Associate Degrees, 37 Minor Degrees, 35 Bachelor Degrees, and 9 Masters Degrees.

Associate of Arts Majors
Accounting
Business Administration
Child Development
Philosophy
Theology
General Studies

Bachelor of Arts Majors
Biology
Catechetics (Youth Ministry)
Chemistry
Classics
Communications Arts (Journalism, Multimedia or Radio/Television)
Drama (Dramatic Literature or Performance)
Economics
English (British & American Literature, Writing or Western & World Literature)
French
German
History
Humanities & Catholic Culture
Philosophy
Political Science
Psychology (General, Clinical or Experimental)
Sacred Music (Organ or Voice)
Sociology
Spanish
Theology

Bachelor of Science Majors
Accounting
Anthropology
Biology
Business Administration
Chemistry
Computer Information Science
Computer Science
Economics
Education (Elementary, Middle & HS) (14 different programs for licensure)
Finance
International Business
Management
Marketing
Mathematical Science
Nursing
Social Work

Optional Undergraduate Minors
Accounting
Anthropology
Biology
British & American Literature
Catechetics (Youth Ministry)
Chemistry
Communication Arts
Computer Science
Drama
Economics
Exercise Science
Film Studies
Finance
Franciscan Studies
French
German
Greek
History
Human Life Studies
International Business
Latin: Classical
Latin: Ecclesiastical
Legal Studies
Management
Marketing
Mathematical Science
Music Ministry
Narrative Arts
Philosophy
Political Science
Psychology
Sacred Music
Sociology
Spanish
Theology
Western & World Literature
Writing

Masters Degrees
Master of Arts in Catechetics and Evangelization
Master of Arts in Clinical Mental Health Counseling
Master of Arts in Philosophy
Master of Arts in Theology & Christian Ministry

Master of Business Administration
Master of Catholic Leadership
Master of Science in Education
Master of Science in Educational Administration
Master of Science in Nursing

Accreditations

- Commission on Collegiate Nursing Education
- Council for the Accreditation of Counseling & Related Educational Programs
- Council for the Accreditation of Educator Preparation
- Council on Social Work Education
- Higher Learning Commission
- Ohio Department of Higher Education
- Ohio Board of Nursing
- Ohio Department of Education

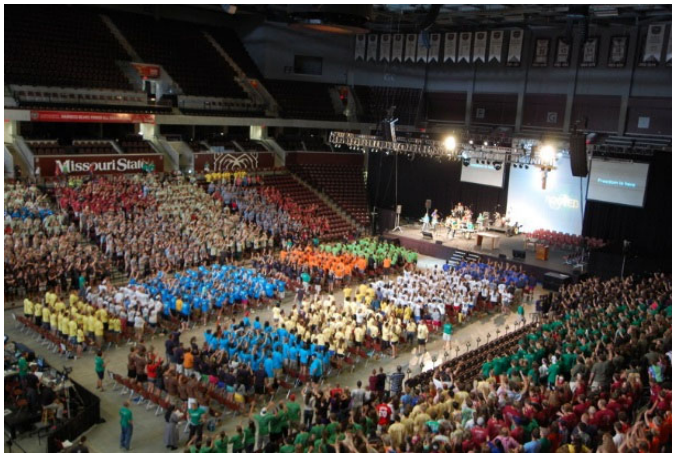
Memberships

- Association of College and Research Libraries
- Association of Franciscan Colleges and Universities
- Association of Governing Boards of Universities and Colleges
- Association of Independent Colleges and Universities of Ohio
- Association of Catholic Colleges and Universities
- Council for Christian Colleges and Universities
- Council for Higher Education Accreditation
- Council of Independent Colleges
- Franciscan Federation
- Hispanic Association of Colleges and Universities
- The National Association of Independent Colleges and Universities
- The National Catholic Education Association
- The National Education Association
- The Ohio Foundation of Independent Colleges
- Society for College and University Planning
- University Professional Continuing Education Association

University Summer Conferences

Fifty percent of undergraduate students of the University in recent years have attended a Steubenville summer conference prior to enrolling at the University. During the summer of 2018, 12,794 youth, young adults, and adults came to Steubenville, Ohio and participated in a Franciscan University summer conference. 42,012 youth also attended a Franciscan University summer conference at one of the regional conference locations, which have been held in San Diego, Saint Louis, Orlando, New York, Denver, Fort Worth, Minneapolis / St. Paul, Tucson, and Atlanta. In summer 2017, the University expanded its summer youth conferences into Orange County, California and Northern California.

In 2018, 11% of all newly ordained priests in the United States had attended a Steubenville summer conference (either on-campus in Ohio or at a remote site).



Regional Summer Conference

Austria Study Abroad Program

In fall 1991, the University launched its Austrian Study Abroad Program in Gaming, Austria. These pioneers made their home in a beautifully renovated 14th-century Carthusian monastery, Kartause Maria Thronus Iesu ("Monastery of Our Lady, Throne of Jesus"), which is situated in the foothills of the Austrian Alps.

University Austrian Study Abroad Location

In the first 25 years, over 7,000 students have lived and studied there in the heart of Christendom and traveled to Rome, Assisi, Paris, Lourdes, Geneva, Madrid, Fatima and to many of the historic sites and Catholic shrines of Europe.

Faculty and Staff

As of fall 2018, the University had 124 full-time and 143 part-time faculty for a grand total of 267 faculty members. The student / faculty ratio is 14 to 1. Seventy-nine percent of the full-time faculty hold a Doctorate or other terminal degree and 66% hold tenure.

Enrollment

The following table shows the total enrollment at the University for the years indicated below.

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Undergraduate					
Full-time	2,002	2,007	1,995	2,013	2,039
Part-time	133	96	95	187	202
Total	2,135	2,103	2,090	2,200	2,241
Graduate	579	613	669	729	787
Total Students	2,714	2,716	2,759	2,929	3,028

The following table shows the number of applications, acceptances, and matriculations associated with entering freshmen for the years indicated below.

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Applications	1,816	1,736	1,752	1,629	2,042
Acceptances	1,415	1,367	1,383	1,355	1,584
Selectivity Rate	78%	79%	79%	83%	78%
Matriculations	463	456	453	475	562
Matriculation Rate	33%	33%	33%	35%	36%

Note: While enrollment is open to any qualified student, due to its orthodox Catholic culture, many students self-select the University, which the University believes contributed to its historically solid matriculation rates.

The following table shows the number of freshman applications received as of the preceding year on November 11 for the years indicated below.

	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019
Applications	978	903	966	1,261	1,266

The following table shows the number of applications, acceptances, and matriculations for transfer students for the years indicated below.

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Applications	475	382	339	421	354
Acceptances	343	265	234	308	242
Matriculations	130	132	122	165	125

The following table shows SAT and ACT performance of entering freshmen for the years indicated below.

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
SAT	1186	1167	1165	1191	1176
ACT	26.1	25.7	25.5	25.7	25.3

Student Housing

The following table shows residence hall capacity, occupancy, and occupancy rates for the years indicated below.

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Capacity	1,440	1,428	1,394	1,431	1,533
Occupancy	1,505	1,456	1,443	1,460	1,486
Occupancy Rate	105%	102%	103%	102%	97%

Student Tuition & Fees and Room & Board

The following table shows tuition & fees and room & board rates for the academic years indicated.

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Tuition & Fees	$23,930	$24,780	$25,680	$26,430	$27,630
Room & Board	$8,000	$8,300	$8,300	$8,400	$8,500
Total	$31,930	$33,080	$33,980	$34,830	$36,130
% Increase	3.5%	3.6%	2.7%	2.5%	3.7%

Financial Aid

Financial aid packages consist of federal and state grants and loans, institutional grants and scholarships, work-study opportunities, and outside grants and scholarships. In addition, the University offers a deferred tuition payment plan administered by a third-party along with private loans. Financial aid is awarded on a need basis, utilizing federal guidelines. The composition of each financial aid package varies according to financial need.

Primary Competitors – Fall 2018 Tuition & Fees and Room & Board

The following table lists the tuition & fees and room & board rates for the colleges and universities that, in the view of the administration of the University, primarily compete with the University for qualified students. Each institution is recommended in the Cardinal Newman Society *Newman Guide*, a distinction among Catholic sponsored institutions.

Institution	Annual Tuition & Fees	Annual Room & Board	Total
Belmont Abbey College (NC)	$18,500	$10,355	$28,855
Ave Maria University (FL)	$20,850	$11,436	$32,286
Franciscan University (OH)	**$27,630**	**$8,500**	**$36,130**
Christendom College (VA)	$26,360	$10,280	$36,640
Benedictine College (KS)	$29,530	$10,300	$39,830
University of Dallas (TX)	$40,652	$12,400	$53,052
Mt. St. Mary's University (MD)	$41,350	$13,075	$54,425
Catholic University (DC)	$45,804	$14,650	$60,454

Source: collegeboard.org

Fund-Raising

Total fundraising over the past five years ending May 31, 2018 equaled $32.4 million, of which approximately $7.2 million was raised in fiscal year 2017 and $6.0 million in fiscal year 2018. The University is currently planning a newly defined capital campaign as part of its strategic planning activities.

Litigation

The University, like other similar institutions, is subject to a variety of suits and proceedings arising in the ordinary course of business. In the opinion of the University, there is no litigation of any nature pending or threatened wherein an unfavorable decision would have a material adverse impact on the financial condition of the University.

Long Term Investment Spending Policy

It is the belief of the University that a moderate spending policy avoids excessive deterioration of real principal. The Investment Committee recommended a spending value, which was adopted by the Board of Trustees to support the annual financial needs of the Institution. This spending value is not to exceed 5% of the average 12-quarter rolling fair market value as of November 30 for the subsequent academic year. The University did not draw its allowable spending rate in any of the past 5 years, as indicated below.

Long Term Investments: Spending Draws & Percentages

	FY 2013	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Total Investment Value (5/31)	$77,233,986	$80,740,343	$86,476,681	$82,420,821	$92,527,379
Endowment Spending Draw	$668,241	$767,105	$868,773	$910,648	$912,425
Spending % of Total Investments	0.87%	0.95%	1.00%	1.10%	0.99%

Debt Service Coverage

The following table reflects the debt service coverage ratios for the University for the years indicated. Debt service coverage ratio is defined as the change in unrestricted net assets plus interest expense, plus depreciation and amortization expense, plus (less) net realized and unrealized losses (gains) on operating and endowment investments, as reflected in the University's audited financial statements, divided by estimated annual debt service requirements. The pro forma fiscal year 2018 calculation includes all existing and pro forma debt after the issuance of the Series 2018 Series A and B Bonds

	FY 2014	FY 2015	FY 2016	FY 2017	(unaudited) FY 2018	(pro forma unaudited) FY 2018
Debt Service Coverage Ratio	3.92x	4.87x	3.11x	2.87x	2.67x	2.03x*

* No projected Franciscan Square Hotel revenues have been used in the pro forma fiscal year 2018 calculation of debt service coverage. Debt service associated with this calculation is based upon fiscal year 2020 debt service, post issuance of the Bonds.

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Financial Matters

The summaries of financial matters shown below should be read in conjunction with the consolidated financial statements of the University and Good Venture Enterprises, LLC, for the years ended May 31, 2017 and 2016, related notes, and independent auditors' report included in Appendix B to this Official Statement (2018 audited financial statements not available). The financial statements for fiscal years 2014 through 2017 have been audited by Schneider Downs & Co., Inc.

Franciscan University of Steubenville and Good Venture Enterprises, LLC
Consolidated Statements of Financial Position
For Years Ended May 31, 2014 – 2018

	2014	2015	2016	2017	*Unaudited* 2018
ASSETS					
Cash and cash equivalents	$ 5,109,370	$ 11,664,154	$ 5,352,518	$ 12,193,827	$ 10,302,544
Restricted cash	234,647	234,999	235,352	305,030	737,070
Student accounts receivable, less allowance for doubtful accounts	311,997	567,361	594,469	917,469	1,052,495
Contributions receivable, less allowance for doubtful accounts	1,105,001	2,000,959	1,645,842	798,758	817,305
Other accounts receivable	532,170	547,167	358,356	1,059,726	369,364
Loans to students, less allowance for doubtful loans	896,394	884,476	929,795	892,919	950,805
Inventories	675,157	558,216	540,278	559,160	625,008
Prepaid expenses	1,221,399	1,214,023	782,188	981,859	1,159,074
Investments	80,740,343	86,476,681	82,420,821	92,527,379	96,929,553
Net property, plant, and equipment	81,387,807	80,384,626	93,946,232	101,474,738	105,263,324
TOTAL ASSETS	$ 172,214,285	$ 184,532,662	$ 186,805,851	$ 211,710,865	$ 218,206,542
LIABILITIES					
Accounts payable and other accrued liabilities	$ 2,530,452	$ 2,272,796	$ 4,123,940	$ 2,822,333	$ 5,251,923
Accrued compensation	3,601,527	3,625,837	3,743,697	4,016,397	4,346,961
Present value of annuities payable	1,074,229	1,130,772	1,093,914	997,666	902,457
Student and other deposits	1,486,958	1,867,346	1,075,684	1,020,775	1,043,201
Deferred revenue	2,644,022	2,637,163	3,566,350	4,295,395	4,571,991
Long-term debt	18,292,115	20,895,795	18,855,975	42,408,123	41,746,373
Line of credit	-	-	4,000,000	-	-
Government advances for student loans	727,808	731,841	732,454	739,747	744,071
TOTAL LIABILITIES	$ 30,357,111	$ 33,161,550	$ 37,192,014	$ 56,300,436	$ 58,606,977
NET ASSETS					
Unrestricted	$ 102,102,055	$ 108,625,633	$ 108,256,913	$ 111,369,830	$ 112,548,431
Temporarily Restricted	21,081,191	22,803,588	20,145,139	21,849,847	24,423,782
Permanently Restricted	18,673,928	19,941,891	21,211,785	22,190,752	22,627,352
TOTAL NET ASSETS	$ 141,857,174	$ 151,371,112	$ 149,613,837	$ 155,410,429	$ 159,599,565
TOTAL LIABILITIES AND NET ASSETS	$ 172,214,285	$ 184,532,662	$ 186,805,851	$ 211,710,865	$ 218,206,542

Franciscan University of Steubenville and Good Venture Enterprises, LLC
Consolidated Statements of Activities
For Years Ended May 31, 2014 – 2018

	2014	2015	2016	2017	*Unaudited* 2018
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT					
Tuition and fees	$ 49,703,758	$ 52,462,211	$ 54,686,720	$ 56,643,904	$ 59,345,041
Less student aid	(14,264,437)	(15,609,624)	(17,397,790)	(19,602,499)	(22,005,723)
Net tuition and fees	35,439,321	36,852,587	37,288,930	37,041,405	37,339,318
Sales and service of educational activities	620,963	522,004	345,743	193,156	78,452
Private gifts and grants	3,510,568	4,183,753	2,745,888	3,689,040	3,640,454
Investment income	593,803	725,253	462,929	361,002	565,102
Endowment income	369,932	401,024	350,657	293,751	435,122
Net realized gains (losses) on operating and endowment investments	1,380,746	809,098	601,821	1,597,494	1,782,403
Net unrealized gains (losses) on operating and endowment investments	1,350,956	244,938	(3,654,525)	2,159,352	580,002
(Losses) gains on foreign currency transactions	79,143	(575,193)	49,524	-	-
Other revenue	1,217,593	1,132,004	1,146,458	903,864	1,038,505
Auxiliary activities	17,301,653	18,492,330	18,767,402	18,411,318	18,955,080
Hotel and restaurant services	3,416,440	3,555,191	3,034,832	3,185,928	3,331,280
Net assets released from restrictions	2,568,152	3,242,626	4,294,944	4,934,095	3,582,481
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	67,849,270	69,585,615	65,434,603	72,770,405	71,328,199
UNRESTRICTED EXPENSES AND OTHER DEDUCTIONS					
Instruction	21,035,971	21,874,940	22,462,518	24,122,648	24,483,725
Student services	9,183,092	9,310,492	9,668,062	10,176,154	10,697,669
Institutional support	7,949,278	8,399,339	9,261,163	9,673,335	9,340,575
Plant operation and maintenance	3,763,213	4,202,130	4,473,548	4,441,220	4,466,041
Renewal and replacement facilities	61,527	108,073	156,627	176,922	295,093
Impairment/disoposal of long-lived assets	-	-	619,895	-	250,296
Other expense	527,987	22,368	-	-	-
Auxiliary activities	17,013,124	16,844,970	16,888,819	17,552,600	17,739,838
Cost of sales from hotel and restaurant services	2,291,781	2,299,725	2,272,691	3,514,609	2,876,361
TOTAL EXPENSES AND OTHER DEDUCTIONS	61,825,973	63,062,037	65,803,323	69,657,488	70,149,598
CHANGE IN UNRESTRICTED NET ASSETS	6,023,297	6,523,578	(368,720)	3,112,917	1,178,601
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	2,187,683	1,722,397	(2,658,449)	1,704,708	2,573,935
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS	1,681,635	1,267,963	1,269,894	978,967	436,600
NET ASSETS, BEGINNING	131,964,559	141,857,174	151,371,112	149,613,837	155,410,429
NET ASSETS, ENDING	$ 141,857,174	$ 151,371,112	$ 149,613,837	$ 155,410,429	$ 159,599,565

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Good Venture Properties and The Hotel Project: The Inn at Franciscan Square

Motivated by the geographic diversity of Franciscan students who originate from 50 states and 11 countries, as well as the significant number of prospective undergraduate students and adults who annually attend Franciscan conferences in Steubenville, Ohio, the Board approved a plan to create what has since assumed the name of Franciscan Square in 2015. The plan for Franciscan Square includes:

Franciscan Hotel: In October of 2016, the Inn at Franciscan Square (the "Inn" or "Hotel Project") was opened. The Inn is owned by Good Venture Properties, LLC ("Good Venture Properties"), an Ohio limited liability company. Good Venture Properties is a wholly-owned subsidiary of Good Venture Enterprises, LLC ("Good Venture Enterprises"), an Ohio limited liability company and wholly-owned subsidiary of the University. Nestled against the Ohio River's soaring bluffs and situated across from the University's tranquil, tree-lined campus, the newly built Inn at Franciscan Square contains 113 guest rooms, eight suites, meeting rooms, and an indoor pool.

The Inn is patronized by parents and prospective students visiting throughout the U.S. and foreign locations. It also houses many of the University's conference attendees and is open to the public.

The Hotel Project was financed with equity from the University and two loans from Huntington National Bank (the "2016 Real Estate Loans") to Good Venture Properties.

Restaurants, Retail & Other Enterprises: Since 2016, several restaurants and an insurance company's branch office have been developed on parcels of Franciscan Square. In all such instances, Good Venture Properties is the lessor of land while buildings and improvements are the responsibility of the lessee. In each case there is an agreement between Good Venture Properties and each lessee related to University approved activities which have been or will be developed. Good Venture Properties expects continued development of Franciscan Square in the future.

Use of Proceeds: 2018 Series A & B Bonds

Series A Proceeds

Due to rising rates since the 2016 Real Estate Loans were incurred, the Board determined that it was in the best interest of the University to refinance the 2016 Real Estate Loans through the issuance of the 2018 Series A Bonds. The proceeds of the 2018 Series A Bonds will be loaned to the University to achieve: (a) long term fixed rates with a predictable amortization schedule and (b) the elimination of interest rate related refinancing risk in 2021. While the University is the borrower of the Series 2018 A Bonds, the Hotel Project will continue to be owned by Good Venture Properties.

Series B Proceeds

The proceeds of the 2018 Series B Bonds will be loaned to the University to (a) reimburse the University for a portion of the costs incurred by the University to renovate and repurpose a former hotel, now St. Junipero Serra Hall to house University students and (b) to refinance the following loans: (i) 2010 WesBanco Mortgage Taxable Loan to Good Venture HIH, LLC an Ohio limited liability company and wholly-owned subsidiary of Good Venture Enterprises, and the University and (ii) 2015 Citizens Bank, N.A. Variable Rate Taxable Loan to the University.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF FRANCISCAN UNIVERSITY OF STEUBENVILLE FOR THE FISCAL YEARS ENDED MAY 31, 2017 AND 2016

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FRANCISCAN UNIVERSITY OF STEUBENVILLE
AND GOOD VENTURE ENTERPRISES, LLC
Steubenville, Ohio

Consolidated Financial Statements
For the years ended May 31, 2017 and 2016

and Independent Auditors' Report Thereon

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C O N T E N T S

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Franciscan University of Steubenville
and Good Venture Enterprises, LLC
Steubenville, Ohio

We have audited the accompanying consolidated financial statements of Franciscan University of Steubenville and Good Venture Enterprises, LLC (collectively, the University), which comprise the consolidated statements of financial position as of May 31, 2017 and 2016, and the related consolidated statements of activities and 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 accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of 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 auditor's 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.

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An Association of Independent Accounting Firms

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Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the University as of May 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
October 25, 2017

FRANCISCAN UNIVERSITY OF STEUBENVILLE
AND GOOD VENTURE ENTERPRISES, LLC

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	May 31	
	2017	2016
ASSETS		
Cash and cash equivalents	$ 12,193,827	$ 5,352,518
Restricted cash	305,030	235,352
Student accounts receivable, less allowance for doubtful accounts of $340,000 and $165,000 in 2017 and 2016, respectively	917,469	594,469
Contributions receivable, less allowance for doubtful pledges of approximately $89,000 and $183,000 in 2017 and 2016, respectively	798,758	1,645,842
Other accounts receivable	1,059,726	358,356
Loans to students, less allowance for doubtful loans of $125,000 in 2017 and 2016	892,919	929,795
Inventories	559,160	540,278
Prepaid expenses and other assets	981,859	782,188
Investments	92,527,379	82,420,821
Property, plant and equipment:		
Land and improvements	13,052,178	13,052,178
Buildings	134,548,579	113,373,922
Equipment	19,374,821	16,062,433
Construction in progress	1,008,440	13,087,142
	167,984,018	155,575,675
Less - Accumulated depreciation on property, plant and equipment	66,509,280	61,629,443
	101,474,738	93,946,232
Total Assets	$ 211,710,865	$ 186,805,851
LIABILITIES		
Accounts payable and other accrued liabilities	$ 2,822,333	$ 4,123,940
Accrued compensation	4,016,397	3,743,697
Present value of annuities payable	997,666	1,093,914
Student and other deposits	1,020,775	1,075,684
Deferred revenue	4,295,395	3,566,350
Long-term debt:		
Interest-bearing	26,858,780	16,910,236
Noninterest-bearing	348,000	348,000
Non-recourse long-term debt	15,201,343	1,597,739
Line of credit	-	4,000,000
Government advances for student loans	739,747	732,454
Total Liabilities	56,300,436	37,192,014
NET ASSETS		
Unrestricted:		
Unrestricted and undesignated	92,888,197	88,545,289
Board designated	18,481,633	19,711,624
Total Unrestricted Net Assets	111,369,830	108,256,913
Temporarily restricted	21,849,847	20,145,139
Permanently restricted	22,190,752	21,211,785
Total Net Assets	155,410,429	149,613,837
Total Liabilities And Net Assets	$ 211,710,865	$ 186,805,851

See notes to combined financial statements.

FRANCISCAN UNIVERSITY OF STEUBENVILLE
AND GOOD VENTURE ENTERPRISES, LLC

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED MAY 31, 2017 AND 2016

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT				
Tuition and fees	$ 56,643,904	$ -	$ -	$ 56,643,904
Less - Student aid	(19,602,499)	-	-	(19,602,499)
	37,041,405	-	-	37,041,405
Sales and service of educational activities	193,156			193,156
Government grants	-	487,405	-	487,405
Private gifts and grants	3,689,040	1,643,966	978,967	6,311,973
Investment income	361,002	93,601	-	454,603
Endowment income	293,751	498,120	-	791,871
Net realized gains on operating and endowment investments	1,597,494	2,161,024	-	3,758,518
Net unrealized gains (losses) on operating and endowment investments	2,159,352	1,423,582	-	3,582,934
Gain (loss) on foreign currency transactions	(15,889)	-	-	(15,889)
Other revenue	919,753	331,105	-	1,250,858
Auxiliary activities:				
Student Center	351,226	-	-	351,226
Bookstore	1,604,518	-	-	1,604,518
Food Service	5,149,590	-	-	5,149,590
Residence Halls	7,708,462	-	-	7,708,462
Christian Outreach	3,597,522	-	-	3,597,522
Total Auxiliary Activities	18,411,318	-	-	18,411,318
Hotel and restaurant services	3,185,928	-	-	3,185,928
	67,836,310	6,638,803	978,967	75,454,080
NET ASSETS RELEASED FROM RESTRICTIONS	4,934,095	(4,934,095)		-
Total Revenues, Gains And Other Support	72,770,405	1,704,708	978,967	75,454,080
EXPENSES AND OTHER DEDUCTIONS				
Instruction	24,122,648	-	-	24,122,648
Student services	10,176,154	-	-	10,176,154
Institutional support	9,673,335	-	-	9,673,335
Plant operation and maintenance	4,441,220	-	-	4,441,220
Renewal and replacement facilities	176,922	-	-	176,922
Impairment on long-lived assets	-	-	-	-
Auxiliary activities:				
Student Center	534,372	-	-	534,372
Bookstore	1,681,027	-	-	1,681,027
Food Service	4,524,610	-	-	4,524,610
Residence Halls	6,148,934	-	-	6,148,934
Christian Outreach	4,663,657	-	-	4,663,657
Total Auxiliary Activities	17,552,600	-	-	17,552,600
Cost of sales from hotel and restaurant services	3,514,609	-	-	3,514,609
	69,657,488	-	-	69,657,488
Changes In Net Assets	3,112,917	1,704,708	978,967	5,796,592
NET ASSETS				
Beginning of year	108,256,913	20,145,139	21,211,785	149,613,837
End of year	$ 111,369,830	$ 21,849,847	$ 22,190,752	$ 155,410,429

2016			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
$ 54,686,720	$ -	$ -	$ 54,686,720
(17,397,790)	-	-	(17,397,790)
37,288,930	-	-	37,288,930
345,743			345,743
-	454,554	-	454,554
2,745,888	1,780,328	1,165,639	5,691,855
462,929	137,903	-	600,832
350,657	460,452	-	811,109
601,821	147,683	-	749,504
(3,654,525)	(1,541,083)	-	(5,195,608)
49,524	-	-	49,524
1,146,458	196,658	104,255	1,447,371
346,747	-	-	346,747
1,715,748	-	-	1,715,748
5,329,820	-	-	5,329,820
7,836,051	-	-	7,836,051
3,539,036	-	-	3,539,036
18,767,402	-	-	18,767,402
3,034,832	-	-	3,034,832
61,139,659	1,636,495	1,269,894	64,046,048
4,294,944	(4,294,944)	-	-
65,434,603	(2,658,449)	1,269,894	64,046,048
22,462,518	-	-	22,462,518
9,668,062	-	-	9,668,062
9,261,163	-	-	9,261,163
4,473,548	-	-	4,473,548
156,627	-	-	156,627
619,895	-	-	619,895
506,047	-	-	506,047
1,741,967	-	-	1,741,967
4,561,861	-	-	4,561,861
6,058,012	-	-	6,058,012
4,020,932	-	-	4,020,932
16,888,819	-	-	16,888,819
2,272,691	-	-	2,272,691
65,803,323	-	-	65,803,323
(368,720)	(2,658,449)	1,269,894	(1,757,275)
108,625,633	22,803,588	19,941,891	151,371,112
$ 108,256,913	$ 20,145,139	$ 21,211,785	$ 149,613,837

See notes to combined financial statements.

FRANCISCAN UNIVERSITY OF STEUBENVILLE
AND GOOD VENTURE ENTERPRISES, LLC

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 5,796,592	$ (1,757,275)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	4,948,018	4,565,044
Gifts and private grants restricted for long-term investment	(978,967)	(1,165,639)
Loss on disposal and impairment of long-lived assets	32,083	619,895
Realized and unrealized (gain) loss on investments, net	(7,341,451)	4,446,104
Realized (gain) loss from foreign exchange	15,889	(49,524)
Change in provision for receivables	251,326	171,824
Changes in assets and liabilities:	-	
Student accounts receivable	(663,515)	(185,338)
Contributions receivable	941,204	341,524
Prepaid expenses and other assets	(995,774)	193,564
Accounts payable and other accrued liabilities	(1,200,569)	(133,175)
Accrued compensation	272,700	117,860
Other liabilities	412,023	67,294
Net Cash Provided By Operating Activities	1,489,559	7,232,158
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of investments	15,598,978	5,678,962
Purchases of investments	(18,206,818)	(5,985,697)
Increase (decrease) in accounts payable for property, plant and equipment	(250,946)	2,038,237
Purchases of property, plant and equipment	(12,508,608)	(18,732,414)
Increase in restricted cash	(69,678)	(353)
Disbursements of loans to students	(132,000)	(192,500)
Repayments of loans from students	168,875	147,181
Net Cash Used In Investing Activities	(15,400,197)	(17,046,584)
CASH FLOWS FROM FINANCING ACTIVITIES		
Gifts and private grants restricted for long-term investment	978,967	1,165,639
Proceeds from borrowings	38,019,583	4,094,975
Debt financing costs	(215,163)	-
Repayments of long-term debt	(18,031,440)	(1,757,824)
Net Cash Provided By Financing Activities	20,751,947	3,502,790
Net Increase (Decrease) In Cash And Cash Equivalents	6,841,309	(6,311,636)
CASH AND CASH EQUIVALENTS		
Beginning of year	5,352,518	11,664,154
End of year	$ 12,193,827	$ 5,352,518
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ 1,538,036	$ 943,540

See notes to combined financial statements.

NOTE 1 - ORGANIZATION/PRINCIPLES OF CONSOLIDATION

Franciscan University of Steubenville (Franciscan) is a private, not-for-profit university offering undergraduate and graduate curricula. Its campus is located in Steubenville, Ohio, and it also conducts a study abroad program in Gaming, Austria. Good Venture Enterprises, LLC (Good Venture), a wholly owned subsidiary of Franciscan, was established in September 1999 to operate certain enterprises whose activities promote Franciscan University of Steubenville's tax-exempt purpose. Those activities may include, but are not limited to, purchasing, constructing, renovating and providing dormitory and social space for students and guests of Franciscan University of Steubenville.

Good Venture HIH, LLC (HIH) is a wholly owned subsidiary of Good Venture, which was created to own and operate the Best Western Hotel and Damon's Clubhouse Restaurant located at 1401 University Boulevard in Steubenville, Ohio. On October 31, 2016, the Best Western hotel was closed and will be repurposed for student housing. Under the terms of a management agreement dated March 22, 2010, operations are outsourced to a third party (Operator). This agreement is automatically renewed annually. The Operator has been engaged to direct the day-to-day operations and activities of the property and is entitled to a base fee equal to 3% of gross revenues per month. The management agreement specifies that the Operator is to act as an agent of HIH and that the operations of the property be under the ultimate control and supervision of HIH.

During 2016, Good Venture S-8 LLC (S-8), a wholly owned subsidiary of Good Venture, was created for the purpose of purchasing the land and hotel building and other assets adjacent to the University. The location operates as a Super 8 Hotel. The oversight of the day-to-day operations are outsourced to the same Operator as HIH for a base fee equal to 3% of the gross revenues per month. S-8 purchased the land, hotel building and other assets on September 28, 2015 for approximately $4,600,000, which was subsequently funded by a $4,000,000 line of credit.

During 2016, Good Venture Properties (GVP), a wholly owned subsidiary of Good Venture, was created for the purpose of construction and operation of a new Best Western Plus and development of retail and restaurant facilities of Franciscan Square. Terms of the management agreement are consistent with the agreement with HIH and S-8, disclosed above. The Best Western Plus opened on October 31, 2016. GVP anticipates a restaurant opening in Franciscan Square during the 2018 fiscal year.

The financial statements of Franciscan University of Steubenville and Good Venture have been consolidated and are hereinafter referred to as the "University" because of ownership held in Good Venture by the University. HIH, S-8 and GVP's financial statements are consolidated into Good Venture. All material intercompany transactions have been eliminated in the consolidation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying consolidated financial statements follows:

Basis of Accounting - The consolidated financial statements of the University have been prepared on the accrual basis. In order to ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained in accordance with the principles of fund accounting. This is the process by which resources for various purposes are classified into funds that are in accordance with activities or objectives specified. These financial statements, however, have been prepared to focus on the entity as a whole and to present transactions according to the existence or absence of donor-imposed restrictions in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of Consolidation - The University consolidates other not-for-profit organizations in which it has an economic interest and control. The University does have control of another not-for-profit organization, however, does not have an economic interest, and therefore the organization will not be consolidated into the University's consolidated financial statements for the years ended May 31, 2017 and 2016.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires the administration 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 in the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents - The University considers all liquid investments with a maturity date of 90 days or less when purchased to be cash equivalents. The University maintains, at various financial institutions, cash that may at times exceed federally insured amounts.

Restricted Cash - Restricted cash consists of deposits with financial institutions as required by debt covenants.

Loans to Students - Loans to students are reported at their outstanding principal adjusted for any charge-offs and net of the allowance for loan losses. The allowance for loan losses is increased by charges to expenses and decreased by charge-offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the University's loan loss experience, adverse situations that may affect the borrower's ability to repay, and current economic conditions.

Inventories - Inventories are stated at the lower of cost or net realizable value; cost being determined principally by use of the average-cost method. Net realizable value is defined as the estimated selling price in the ordinary course of business, less reasonable costs of completion. Inventories consist of books and materials held within the bookstore. HIH's inventories, consisting primarily of food and beverages, are stated at the lower of cost or market on the first-in, first-out (FIFO) basis.

Prepaid Expenses and Other Assets - Prepaid expenses are stated at cost and amortized over the useful life of the asset.

Investments - The University's investments are composed of the endowment and other investments held for general operating purposes. The University reports these investments at market value in accordance with the provisions of the Not-for-Profit Entities Organizations topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (Codification). The market value of debt and equity securities is based on quoted market prices of public securities markets. Alternative investment funds, which include absolute return and hedge funds, are carried at the estimated market value provided by the management of the alternative investment partnerships or funds. Limited partnership investments are valued initially at their transaction value, and subsequently adjusted to reflect expected exit values at the measurement date by utilizing assumptions that market participants would normally use in estimating a fair market value. These valuation adjustments include, but are not limited to, material changes in an organization's operations and or financial performance subsequent to anticipated rounds of equity financings, specific rights or terms associated with the investment (e.g., conversion features, liquidation preferences or restrictions), expected exit timing and strategy, industry valuations or comparable public companies, changes in economic conditions, and changes in legal or regulatory environments.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The University's alternative investment funds, which are not readily marketable, are carried at net asset value (NAV) as provided by the investment managers. The University reviews and evaluates the values and agrees with the valuation methods and assumptions used in determining the NAVs of the alternative investments. Those estimated NAVs may differ from the fair values that would have been used had a ready market for these securities existed.

Due to the level of risk associated with investment securities, changes in values of investment securities may occur in the near term, and it is reasonably possible that such changes could materially affect the amounts reported in the statements of financial position.

Investment Management Fees - The University was charged management fees by third-party investment managers for portfolio management and advisory services. Investment management fees are netted with investment income and were approximately $260,000 and $240,000 for the years ended May 31, 2017 and 2016, respectively.

Property, Plant and Equipment - Land and improvements, buildings and equipment are stated at the lower of cost or approximate market value at date of receipt, if acquired by gift. The provision for depreciation has been computed by the straight-line method based upon estimated useful lives. Buildings are typically depreciated over periods between 20 and 50 years, while equipment is depreciated over periods between 5 and 15 years.

Management reviews the carrying amount of property, plant and equipment for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of an asset to future net undiscounted pre-tax cash flows expected to be generated by the asset. If these comparisons indicate that an asset is not recoverable, the impairment loss recognized is the amount by which the carrying amount of the asset exceeds the related estimated fair value. Management has determined that there was no impairment for the year ended May 31, 2017. Due to losses from operations incurred by S-8 during the year ended May 31, 2016, management completed an impairment analysis and concluded that a charge of approximately $620,000 was necessary to reduce the carrying value of certain assets to their fair value.

Collections and Religious Artifacts - The University's collections include paintings, prints, photographs, sculptures, drawings and watercolors and decorative arts. These items are held for educational, research, scientific, curatorial and other religious purposes. Each of the items is cataloged, preserved and cared for, and activities verifying their existence and assessing their condition are performed continuously. Items are reflected in equipment in the financial statements at appraised value on the date purchased or contributed.

Construction in Progress - Capitalizable costs incurred on projects that are not in use or ready for use are held in construction in progress. When the asset is ready for use, costs relating thereto are transferred to property and equipment and begin to be depreciated. At May 31, 2016, construction in progress was primarily made up of the development and construction related to a multiuse real estate development owned by GVP consisting of a new Best Western Plus hotel and future retail and restaurant parcels. At May 31, 2016, construction in progress relating to this project was approximately $12,000,000. During 2017, all of the construction in progress relating to this project was placed into service.

Annuities - Annuities represent the University's obligation to pay a donor an annual amount, based on the donor's original contribution, over the remaining life of the donor. These annuities are stated at the net present value of the projected future cash flows assuming discount rates of 2.4% and 1.8% in 2017 and 2016, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue - Deferred revenue primarily relates to money received by the University related to conferences, which will be presented over the summer after year-end and tuition deposits received from students for future terms. Deposits related to these summer conference amounted to $2,785,500 and $2,460,300 for the years ended May 31, 2017 and 2016, respectively. Tuition deposits amounted to $1,294,223 and $1,038,055 for the years ended May 31, 2017 and 2016, respectively.

Deferred Financing Costs - Debt issuance costs related to a recognized debt liability are presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with discounts on debt. Amortization of such costs will be reported as interest expense.

Net Assets - Revenues, expenses and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the University and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed or legal restrictions that will be met either by actions of the University and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed restrictions that they be maintained permanently by the University. Generally, the donors of these assets permit the University to use all or a portion of the income earned on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are 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 use is restricted by explicit donor restrictions or by law. Expirations of temporary restrictions on net assets are reported as reclassifications between the applicable classes of net assets.

Income and realized net gains and losses on investments of the endowment are reported as follows:

- For permanently restricted endowed assets with restrictions on income by the donor, they are recorded within temporarily restricted net assets;
- As changes in temporarily restricted net assets if the terms of the gift or relevant state law impose restrictions on the use of the income or gains and losses; and
- As changes in unrestricted net assets in all other cases.

Contributions With Restrictions Met in the Same Year - Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the temporarily restricted net asset class, and a release to unrestricted net assets is made to reflect the satisfaction or expiration of such restrictions.

Advertising Costs - Advertising costs are charged in the period incurred and were approximately $433,000 and $473,000 for the years ended May 31, 2017 and 2016, respectively.

Hotel and Restaurant Services - Hotel and restaurant services include all revenue and costs of sales associated with operating the Best Western University Inn, Best Western Plus, the Super 8 Motel and Damon's Restaurant.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Study Abroad Program - The University pays an Austrian entity for lodging, meals and other services on a per-student basis and may provide the organization additional support payments at the discretion of the University. The University paid approximately $1,449,000 and $1,441,000 for lodging and meals and $1,525,000 and $1,523,000 as other support payments related to the operation of its study abroad program for the years ended May 31, 2017 and 2016, respectively. These amounts are included in residence halls expense on the statements of activities and changes in net assets for the University.

Income Taxes - The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is, therefore, exempt from federal income taxes on related income pursuant to Section 501(a) of the IRC. The University is also exempt from state income tax under applicable state statutes.

HIH, S-8 and GVP have been organized as LLCs, which are not subject to federal or state income taxes. However, the taxable income or loss from these entities is included in the income tax return of the University. Accordingly, any income that is unrelated to the exempt purposes of the University is treated as unrelated business income on the University's tax return.

The University follows the relevant accounting guidance relative to uncertainty in income taxes, which prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in financial statements. The University files information and income tax returns in the U.S. federal jurisdiction, and various states and foreign jurisdictions. With few exceptions, the University is no longer subject to U.S. federal, state and local or non-U.S. examinations by tax authorities for years before 2013.

Recent Accounting Pronouncements - In August 2016, the FASB completed Phase I of its Presentation of Financial Statements of Not-for-Profit Entities and issued ASU No. 2016-14 Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14), which is intended to simplify and improve not-for-profit financial reporting.

Specifically, the new guidance:

- Revises the net asset classification scheme to two classes (net assets with donor restrictions and net assets without donor restrictions) instead of the previous three, while maintaining the requirement to report total net assets and changes in the classes of and total net assets.

- Continues to allow for a choice between the direct and indirect method of reporting operating cash flows; however, presentation of the indirect reconciliation is no longer required if using the direct method.

- Enhances disclosures for:

    - Self-imposed limits on the use of resources without donor-imposed restrictions
    - Composition of net assets with donor restrictions, and how the restrictions affect the use of resources
    - Qualitative disclosures on how a not-for-profit manages its available liquid resources, to meet cash needs for general expenditures within one year of the balance sheet date
    - Quantitative disclosures that communicate the availability of financial assets to meet cash needs for general expenditures within one year of the balance sheet date.
    - Methods used to allocate costs among program and support functions

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Requires the presentation of expenses by nature as well as function, including an analysis of expenses showing the relationship between functional and natural classification for all expenses.
- Updates the accounting and disclosure requirements for underwater endowment funds, which include required disclosure of (1) policy concerning appropriation from underwater endowment funds, (2) the aggregate fair value of such funds, (3) the aggregate original gift amount (or level required by donor or law) to be maintained, and (4) the aggregate amount by which funds are underwater, which are to be classified as part of net assets with donor restrictions.
- Requires net presentation of investment expenses against investment return on the statement of activities and eliminates the requirement to disclose investment expenses that have been netted.
- Requires the use of, in the absence of explicit donor stipulations, the placed-in-service approach for reporting expiration of restrictions on gifts of cash or other assets to be used to acquire or construct a long-lived asset and reclassification of amounts from net assets with donor restrictions to net assets without donor restrictions for such long-lived assets that have been placed in service as of the beginning of the period of adoption (thus eliminating the current option to release the donor-imposed restrictions over the estimated useful life of the acquired asset.)

ASU 2016-14 is effective for fiscal years beginning after December 15, 2017 with early application permitted. The University is currently evaluating the impact this standard will have on its consolidated financial statements.

The FASB issued Accounting Standards Update (ASU) No. 2014-09 to the Revenue from Contracts with Customers (Topic 606) (ASU 2014-09), which is the result of a joint project of FASB and the International Accounting Standards Board (IASB) to clarify the principles for recognizing revenue and to develop a common revenue standard for use in the United States and internationally. ASU 2014-09 supersedes the revenue recognition requirements in Topic 605 of the Codification and most industry-specific guidance throughout the Industry Topics of the Codification. ASU 2014-09 enhances comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets, reduces the number of requirements an entity must consider for recognizing revenue, and requires improved disclosures to help users of financial statements better understand the nature, amount, timing, and uncertainty of revenue that is recognized. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2018. ASU 2014-09 requires either retrospective application by restating each prior period presented in the financial statements, or retrospective application by recording the cumulative effect on prior reporting periods to beginning retained earnings in the year that the standard becomes effective. The University is currently assessing the impact that ASU 2014-09 will have on its consolidated financial statements.

The FASB issued ASU No. 2016-02 - Leases (Topic 842) (ASU 2016-02), which is the result of a joint project of FASB and IASB to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments require a lessee to recognize a liability to make lease payments (lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term initially measured at the present value of the lease payments. The lessee should also include payments to be made on an optional lease extension if the company is reasonably certain that the extension will be exercised when measuring the asset and liability. The University will be permitted to make an accounting policy election to not recognize leases with a term of 12 months or less. ASU 2016-02 is effective for annual reporting periods beginning after December 15, 2019. Early application is permitted. The University is assessing the impact that ASU 2016-02 will have on its consolidated financial statements and related disclosures.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. This update addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice. The specific cash issues addressed include the following: debt prepayment or debt extinguishment costs, settlement of zero-coupon debt instruments, contingent consideration payments made after a business combination, proceeds from the settlement of insurance claims, proceeds from the settlement of corporate-owned life insurance policies, distributions received from equity method investees, beneficial interest in securitization transactions and separately identifiable cash flows and application of the predominance principle. ASU 2016-15 is effective for fiscal years beginning after December 15, 2018 and should be applied retrospectively. Early adoption is permitted. The University is currently in the process of evaluating the impact that the adoption of ASU 2016-15 will have on its consolidated financial statements.

The FASB issued ASU No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash (ASU 2016-18). This ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. U.S. GAAP currently does not include specific guidance on the cash flow classification and presentation of changes in restricted cash. The amendments are effective for fiscal years beginning after December 15, 2018, with early adoption permitted. ASU 2016-18 requires retrospective application to all prior periods presented upon adoption. The University is currently in the process of evaluating the impact that the adoption of ASU 2016-18 will have on its consolidated financial statements.

NOTE 3 - INVESTMENTS

Investments of the University at May 31 comprise the following:

	2017		2016	
	Market	Cost	Market	Cost
Cash and money markets	$ 2,586,862	$ 2,561,022	$ 2,275,707	$ 2,252,398
Domestic equities	37,718,662	24,285,352	33,994,592	22,585,024
International equities	12,657,139	11,303,184	10,306,458	10,484,698
Bonds, mortgage-backed securities and fixed-income funds	27,438,107	26,152,096	23,649,509	22,331,900
Alternative investment funds and partnerships	12,126,609	10,156,548	12,194,555	10,280,558
	$ 92,527,379	$ 74,458,202	$ 82,420,821	$ 67,934,578

The total investment performance for the years ended May 31 was as follows:

	2017	2016
Interest and dividends	1.42%	1.67%
Net realized gains	4.30%	0.89%
Net unrealized gains (losses)	4.10%	(6.15)%
Aggregate return on investments	9.82%	(3.59)%

NOTE 3 - INVESTMENTS (Continued)

Operating investments are those funds that are used to meet intermediate and long-term cash requirements for operations and funding of various projects. Accordingly, the University invests these funds with an allocation to optimize long-term total return relative to the level of risk appropriate for such operating fund investments. Operating investments at May 31 are comprised of the following:

	2017	2016
Composition of operating investments, at market value:		
Cash and money markets	$ 1,438,823	$ 1,462,261
Domestic equities	9,122,078	7,919,437
International equities	4,542,736	3,745,524
Bonds, mortgage-backed securities and fixed-income funds	15,592,191	9,803,310
Alternative investment funds and partnerships	4,621,346	4,994,627
	$ 35,317,174	$ 27,925,159

The policies and strategies employed in the management of the endowment are long-term by definition, since they are based on the expectation that the University will operate indefinitely, and, likewise, will continue to provide financial support in perpetuity. Accordingly, the University's investment policy is intended to optimize long-term total return -- income plus capital appreciation -- relative to the level of risk taken. The associated returns on investments held within the endowment funds were 11.21% and (3.13)% for the years ended May 31, 2017 and 2016, respectively.

Assets of certain endowment funds are maintained by banks and investment managers acting as agents and are pooled on a market value basis with each individual fund subscribing to or disposing of units on the basis of the market value per unit at the beginning of the month within which the transaction occurred. Investments at May 31 are comprised of the following:

	2017	2016
Composition of endowment investments, at market value:		
Cash and money markets	$ 1,148,039	$ 813,446
Domestic equities	28,596,584	26,075,155
International equities	8,114,403	6,560,934
Bonds, mortgage-backed securities and fixed-income funds	11,845,916	13,846,199
Alternative investment funds and partnerships	7,505,263	7,199,928
	$ 57,210,205	$ 54,495,662

NOTE 4 - CONTRIBUTIONS

As of May 31, 2017, the University has unconditional promises to receive contributions approximating $902,300, which is presented net of a discount for the present value of cash flows of $14,800 and net of allowance for uncollectible pledges of $88,751. The effective interest rate on the contribution for the year end May 31, 2017 approximates 1%. Several of these pledges are due over extended periods and are recorded at the net present value of future cash flows. Most unconditional promises are restricted by donors for scholarships and general operating support purposes and are due as follows:

NOTE 4 - CONTRIBUTIONS (Continued)

	Temporarily Restricted	Permanently Restricted	Total
Less than one year	$ 450,081	$ 23,500	$ 473,581
One to five years	398,730	30,000	428,730
	$ 848,811	$ 53,500	$ 902,311
Unamortized discounts			$ (14,802)
Allowance for doubtful pledges			(88,751)
			$ 798,758

Pledges outstanding from board members, administrators and vendors were approximately $255,000 and $961,000 at May 31, 2017 and 2016, respectively. Gifts with an aggregate value in excess of $5,000 received from these parties were approximately $687,000 and $604,000 for the years ended May 31, 2017 and 2016, respectively.

NOTE 5 - NOTES PAYABLE AND REVOLVING CREDIT FACILITY

Outstanding balances of long-term, interest-bearing notes payable at May 31 consist of the following:

	2017	2016
2016 Ohio Higher Education Bonds	$ 23,000,000	-
Citizen's Bank, N.A.	2,998,140	$ 3,352,716
The People's National Bank	132,111	214,878
Huntington National Bank Note Payable	54,872	78,106
2006 Ohio Higher Educational Revenue Bonds - Series A	-	13,640,000
	26,185,123	17,285,700
Unamortized bond premium (discount)	986,887	(15,025)
Debt financing costs	(313,230)	(360,439)
	$ 26,858,780	$ 16,910,236

a. 2016 Ohio Higher Education Revenue Bond

In December 2016, the University issued revenue bonds through the Ohio Higher Educational Facility Commission; $23,000,000, bearing an interest rate of 4%. There is no bond reserve requirement associated with this bond.

NOTE 5 - NOTES PAYABLE AND REVOLVING CREDIT FACILITY (Continued)

b. Citizens Bank, N.A.

In May 2015, the University entered into a note payable with a financial institution for $3,625,000. The note payable contains certain covenants, which among other things require the University to maintain a debt service coverage ratio of 1.25 to 1. The note payable accrues interest at a variable interest rate based upon the adjusted LIBOR rate (2.8% and 2.3% at May 31, 2017 and 2016, respectively) plus the LIBOR rate margin. Repayment of interest is due on the first day of each calendar month beginning in July 2016 and continuing until maturity. The maturity date of the note is May 1, 2025.

c. The People's National Bank

In November 2014, the University entered into a note payable with a financial institution for $331,650. The note bears an interest rate of 5% with a maturity date of November 25, 2018.

d. Huntington National Bank Note Payable

In July 2015, the University entered into a note payable with a financial institution for $94,974. Repayment terms are four years with monthly payments, bearing an interest rate of 2.99%. The maturity date of the note is August 13, 2019.

e. 2006 Ohio Higher Education Revenue Bonds - Series A

In 2006, the University issued revenue bonds through the Ohio Higher Educational Facility Commission; Series A for $20,585,000, bearing interest rates of 5%. The bonds were secured by a pledge of facility revenue, a bond reserve requirement equal to the lesser of 125% of the average bond service charges on outstanding principal or 10% of the proceeds from the original sale of bonds, and a bond insurance policy. The bond reserve funds for Series A held as of May 31, 2016 had a market value of $1,076,009 and were included within investments. These bonds were repaid in full during 2017.

Required principal payments on the long-term debt for each of the next five years ending May 31 and thereafter are:

Fiscal Years Ending May 31		Amount
2018	$	477,879
2019		634,641
2020		949,403
2021		713,396
2022		748,939
Thereafter		22,660,865
	$	26,185,123

In 1946, the University received a noninterest-bearing loan of $348,000 from the Province of the Most Sacred Heart of Jesus, the founder of the University. The loan has no stipulated repayment terms.

NOTE 5 - NOTES PAYABLE AND REVOLVING CREDIT FACILITY (Continued)

The University has a line-of-credit agreement secured by the University's assets in the amount of $4,000,000. Outstanding borrowings on the line were $0 and $4,000,000 at May 31, 2017 and 2016, respectively. The line of credit bears interest at 2.69%. The maturity date of the line of credit is March 15, 2018.

Revolving Credit Facility - The University has been extended a line of credit from a financial institution to finance corporate charge accounts. The maximum draw on this facility is $2,000,000, of which the University borrowed approximately $700,000 and $640,000 at May 31, 2017 and 2016, respectively, which is included in accounts payable and other accrued liabilities in the consolidated statements of financial position.

NOTE 6 - NONRECOURSE NOTES PAYABLE

Outstanding balances of nonrecourse long-term, interest-bearing notes payable at May 31 consist of the following:

	2017	2016
Huntington National Bank Construction Loan	$ 11,000,000	$ -
Huntington National Bank Mezzanine Loan	3,025,000	-
WesBanco Mortgage Note Payable	1,453,316	1,605,012
	15,478,316	1,605,012
Debt financing costs	(276,973)	(7,273)
	$ 15,201,343	$ 1,597,739

a. Huntington National Bank Construction Loan

In July 2016, GVP entered into a long-term mortgage agreement (Senior Loan) with the financial institution for $11,000,000. The mortgage contains covenants that require a service ratio of 1 to 1 commencing on the quarter ending March 31, 2018. The loan requires interest payments due the third of each month at an interest rate of LIBOR plus 2.75%. Principal payments begin September 2018. The loan has a maturity date of November 2041.

In connection with the Senior Loan, the University entered into two interest rate swap contracts with Huntington Bank. Under the swaps, the University pays a fixed rate of interest of LIBOR plus 2.75% and receives a variable rate based upon approximately $8,250,000 notional amount indebtedness. The contracts mature on May 1, 2021. The fair value of the swap was approximately $112,000 at May 31, 2017 and is recorded in prepaid expenses and other assets on the statement of financial position. The University also recorded a reduction to interest expense of approximately $112,000 for the year ended May 31, 2017, which is recorded within institutional support on the statement of activities and financial position.

b. Huntington National Bank Mezzanine Loan

NOTE 6 - NONRECOURSE NOTES PAYABLE (Continued)

In July 2016, GVP entered into a long-term mortgage agreement (Mezzanine) loan with the financial institution for $3,025,000. The mortgage contains covenants that require a progressive debt service ratio of 1 to 1 in the first 12 months after project completion to a ratio of 1.15 to 1 in year three of the term. The note bears a current interest rate of 8% and a deferred interest rate of 4.5% payable at maturity. Payment of interest is due the fifteenth of each month. Deferred interest is accrued, compounded monthly and added to the principal balance. A balloon payment of principal and deferred interest is due July 7, 2021. Accrued interest of approximately $181,000 is recorded in accounts payable and accrued liabilities on the statement of financial position at May 31, 2017.

c. WesBanco Mortgage Note Payable

In April 2010, HIH entered into a long-term mortgage agreement with the financial institution for $2,337,500. The mortgage contains covenants that require, among other things, HIH to have a debt service reserve equal to 12 monthly payments of principal and interest and to maintain a debt service ratio of 1.25 to 1. The note bears an interest rate of 4.38%. Restricted cash on deposit associated with the covenant as of May 31, 2016 approximated $235,352. The maturity date of the note is April 13, 2025. As of May 31, 2017, HIH was not in compliance with certain financial covenants due to the closure of the Best Western University Inn during October 2016, and has obtained a waiver for the violations from the lender.

Required principal payments on the long-term debt for each of the next five years ending May 31 and thereafter are:

Fiscal Years Ending May 31		Amount
2018	$	158,571
2019		316,508
2020		374,148
2021		382,118
2022		3,431,447
Thereafter		10,815,524
	$	15,478,316

NOTE 7 - SERVICES OF THE FRANCISCAN FRIARS

During the years ended May 31, 2017 and 2016, the University paid approximately $817,000 and $815,000, respectively, to the Holy Spirit Friary for the services rendered by the Franciscan Friars, who serve as administrators and instructors of the University. The aggregate amount paid for the services rendered is recorded within various expenditure line items.

NOTE 8 - RETIREMENT PLANS

The University's employees participate in a voluntary contributory retirement plan organized through the Teachers' Insurance and Annuity Association of America (TIAA). Employees electing to participate in the plan are eligible to contribute 5% of their gross salary through payroll deduction after one year of service. Additionally, the University will contribute between 2.5% and 10% based on the number of years of service. The University's contributions to the plan aggregated approximately $1,513,000 and $1,453,000 for the years ended May 31, 2017 and 2016, respectively.

NOTE 8 - RETIREMENT PLANS (Continued)

Additionally, employees can participate in a supplemental voluntary contributory retirement plan through TIAA. Employees electing to participate in this plan are eligible to contribute up to 100% of their gross salary, subject to Internal Revenue Service limitations, through payroll deduction immediately upon hire. There are no University contributions to this plan.

NOTE 9 - FAIR VALUE MEASUREMENT

The University implemented the Fair Value Measurement topic of the Codification, which, among other things, requires enhanced disclosures related to assets and liabilities measured at fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Valuations that reflect quoted prices for identical assets or liabilities in active markets.

Level 2 - Valuations that reflect:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Valuations are based upon unobservable inputs. Valuations reflect management's best estimate of what market participants would use in valuing the asset and liabilities at the measurement date.

A description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis is as follows:

Investments - Fair value of Level 1 investments is based upon quoted market prices for identical securities traded in active markets that are readily available to the University.

Alternative, hedge funds and partnerships are valued at NAV of the units invested in the hedge fund or partnership. The NAV as provided by the custodian or fund manager is the practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund or partnerships less its liabilities. This practical expedient is not used when it is determined to be probable that the investment will sell in an amount different than the reported NAV.

Annuities Payable - Annuities are valued based on the estimated annuity payment obligation discounted to present value at current market rates.

NOTE 9 - FAIR VALUE MEASUREMENT (Continued)

The carrying amount of cash and cash equivalents, student accounts receivable, contributions receivable, related-party receivables, other receivables and accounts payable and other liabilities approximates their fair value due to the short-term nature of such instruments. The fair value of long-term debt is calculated using discounted cash flows of debt service, based on the University's current incremental borrowing rate for similar types of borrowing arrangements. The estimated fair value based upon current market rates of the University's long-term debt at May 31, 2017 and 2016 was $43,385,393 and $18,524,231, respectively.

The preceding methods may produce a fair value calculation that is not indicative of net realizable value or reflective of future fair values. Furthermore, although the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. When available, the University measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

The University elected the Fair Value Option for Financial Assets and Financial Liabilities topic of the Codification. The fair value option permits entities to choose to measure eligible items at fair value at specified election dates. The University has selected this option for valuation of contributions receivable and pledges receivable.

Set forth by level within the fair value hierarchy, the University's financial assets and liabilities that are measured at fair value on a recurring basis as of May 31 are as follows:

	Assets and (Liabilities) at Fair Value at May 31, 2017			
	Level 1	Level 2	Level 3	Total
ASSETS				
Contributions receivable	$ -	$ 798,758	$ -	$ 798,758
Investments:				
Cash and money markets	1,400,508	-	-	1,400,508
Certificate of deposit	-	1,186,354	-	1,186,354
Domestic equities	22,288,908	664,998	-	22,953,906
International equities	11,840,466	816,673	-	12,657,139
Bonds, mortgage-backed securities, fixed-income funds	10,519,892	9,292,719	-	19,812,611
Total investments in the fair value hierarchy	46,049,774	11,960,744	-	58,010,518
Investments measured at net asset value (a):				34,516,861
Total investments				$ 92,527,379
LIABILITIES				
Annuities payable			$ (997,666)	$ (997,666)

(a) In accordance with FASB Codification Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the statements of financial position at May 31, 2017 and 2016.

NOTE 9 - FAIR VALUE MEASUREMENT (Continued)

	Assets and (Liabilities) at Fair Value at May 31, 2016			
	Level 1	Level 2	Level 3	Total
ASSETS				
Contributions receivable	$ -	$ 1,654,842	$ -	$ 1,654,842
Investments:				
Cash and money markets	1,093,652	-	-	1,093,652
Certificate of deposit	-	1,182,055	-	1,182,055
Domestic equities	18,853,767	613,011	-	19,466,778
International equities	9,587,859	718,599	-	10,306,458
Bonds, mortgage-backed securities, fixed-income funds	10,993,432	3,325,732	-	14,319,164
Total investments in the fair value hierarchy	40,528,710	5,839,398	-	46,368,108
Investments measured at net asset value (a):	-	-	-	36,052,713
Total investments				$ 82,420,821
LIABILITIES				
Annuities payable	-	-	$ (1,093,914)	$ (1,093,914)

(a) In accordance with FASB Codification Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the table above are intended to permit reconciliation of the fair value hierarchy to the statements of financial position at May 31, 2016 and 2015.

A summary of changes in the fair value of the University's Level 3 assets and liabilities for the years ended May 31 is as follows:

	Annuities Payable
Balance, May 31, 2015	$ (1,130,772)
Purchases	(12,151)
Interest and dividends	(35,072)
Annuity payments	131,077
Proceeds from sales	
Net realized gains (losses)	1,087
Net unrealized gains (losses)	(48,083)
Balance, May 31, 2016	$ (1,093,914)
Purchases	(6,385)
Interest and dividends	(22,284)
Annuity payments	124,770
Proceeds from sales	(3,570)
Net realized gains (losses)	(150,876)
Net unrealized gains (losses)	154,593
Balance, May 31, 2017	$ (997,666)

NOTE 9 - FAIR VALUE MEASUREMENT (Continued)

The following redemption table clarifies the nature and risk of the University's investments and liquidity for investments, including alternative investments, measured using net asset value:

Category	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investments in Limited Partnerships	$ 3,317,081	$ 2,607,146	Daily, 10 Years	Daily, 30 days
Investments in Hedge Funds	8,809,528	-	Quarterly, Annually	60-105 days
	$ 12,126,609	$ 2,607,146		

NOTE 10 - NATURE AND AMOUNT OF TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at May 31 are available for the following purposes:

	2017	2016
Instruction	$ 2,767,275	$ 1,928,958
Academic support	31,121	33,111
Student services	936,700	1,034,585
Institutional support	1,191,228	7,069,357
Plant operation and maintenance	672,902	146,397
Christian outreach	461,964	486,076
Scholarships and student aid	14,641,920	7,665,922
Student loans	47,366	71,596
Annuity payments	664,547	567,592
General purposes of the University	434,824	1,141,545
	$ 21,849,847	$ 20,145,139

Net assets released from temporary donor restrictions by satisfying the restricted purposes or time restrictions at May 31 are as follows:

	2017	2016
Scholarships and student aid	$ 2,333,136	$ 2,110,476
Instruction	368,759	299,413
Student services	580,238	710,925
Institutional support	1,389,747	940,004
Plant operation and maintenance	882	29,979
Christian outreach	261,333	204,147
	$ 4,394,095	$ 4,294,944

NOTE 11 - NATURE AND AMOUNT OF PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets, reflected below, are restricted to investment in perpetuity. The income from these assets is expendable to support the activities within each category, and at May 31, is as follows:

	2017	2016
Instruction	$ 3,841,843	$ 3,822,689
Institutional support	318,536	318,536
Scholarships	18,002,365	17,042,552
Student loans	28,008	28,008
	$ 22,190,752	$ 21,211,785

NOTE 12 - ENDOWMENT

The University adopted the provisions of the Endowments of Not-for-profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and Enhanced Disclosures for All Endowment Funds topic of the Codification. The topic provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that are subject to an enacted version of the UPMIFA and also required disclosures about endowment funds, both donor-restricted endowment funds and board-designated endowment funds.

The University's endowment consists of approximately 160 individual funds established for a variety of purposes, including donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees of the University has interpreted UPMIFA as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as 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 in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the University and the donor-restricted endowment fund
- Economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the University
- The investment policy of the University

NOTE 12 - ENDOWMENT (Continued)

Endowed net assets at May 31 consist of the following:

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 15,627,449	$ 22,190,752	$ 37,818,201
Board-designated endowment funds	18,481,633	-	-	18,481,633
Total endowed net assets	$ 18,481,633	$ 15,627,449	$ 22,190,752	$ 56,299,834

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 12,947,209	$ 21,211,785	$ 34,158,994
Board-designated endowment funds	19,711,624	-	-	19,711,624
Total endowed net assets	$ 19,711,624	$ 12,947,209	$ 21,211,785	$ 53,870,618

Changes in endowment net assets for the years ended May 31 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, May 31, 2015	$ 20,496,841	$ 14,828,417	$ 19,941,891	$ 55,267,149
Investment return:				
Investment income	350,657	416,198	104,255	871,110
Net realized gains	88,473	147,683	-	236,156
Net unrealized gains	(1,274,052)	(1,539,460)	-	(2,813,512)
Change in underwater endowed funds	49,705	(49,705)	-	-
Total investment return	(785,217)	(1,025,284)	104,255	(1,706,246)
Contributions	-	12,849	1,165,639	1,178,488
Appropriations of endowment assets for expenditure	-	(868,773)	-	(868,773)
Endowment net assets, May 31, 2016	19,711,624	12,947,209	21,211,785	53,870,618
Investment return:				
Investment income	293,751	452,263	-	746,014
Net realized gains	1,251,626	2,161,023	-	3,412,649
Net unrealized gains	1,224,632	969,920	-	2,194,551
Change in underwater endowed funds	-	-	-	
Total investment return	2,770,009	3,583,206		6,353,214
Contributions	-	7,682	978,967	986,649
Appropriations of endowment assets for expenditure	(4,000,000)	(910,648)	-	(4,910,648)
Endowment net assets, May 31, 2017	$ 18,481,633	$ 15,627,449	$ 22,190,752	$ 56,299,833

NOTE 12 - ENDOWMENT (Continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets approximated $0 as of May 31, 2017 and 2016. These deficiencies resulted from extraordinary market conditions that occurred shortly after the investment of new permanently restricted contributions. Subsequent gains that restore the fair value of the assets of the endowment fund to the required level will be classified as an increase in unrestricted net assets until such deficiency is fully restored.

Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include donor-restricted funds that the organizations must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that, net of spending, will grow the aggregate portfolio value at or above the rate of inflation over the funds' investment horizon.

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending Policy

The spending amount is calculated at the end of the second fiscal quarter, and scholarship awards are subsequently made for the following academic year. The spending amount will not exceed 5% of the rolling 12-quarter average market value of the fund. Accordingly, the University expects the policy to allow the endowment to maintain its purchasing power by growing at a rate equal to or greater than the annual rate of inflation over the funds' investment horizon. Additional real growth will be provided through new gifts and any excess investment return. In 2017 and 2016, the spendable return totaled $910,648 and $868,773, respectively.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The Guaranteed Access to Education Program (GATE) is a private subsidized educational loan program designed specifically to meet the educational costs of students attending participating accredited institutions. GATE loans must be repaid by borrowers over a period that typically extends 13 years after graduation. The loans are originated and underwritten by Bank of America. National Collegiate Trust (NCT) purchases the pool of promissory notes from the lender (Bank of America) and finances the loans through the issuance of bonds. Each participating school is required to be a member of NCT. State Street Bank and Trust Company holds legal title to the GATE notes as Indenture Trustee for NCT.

NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)

As a participating member of the trust, the University was required to make a noncash pledge to protect against student defaults. The University's maximum obligation cannot exceed between 30% and 40% of the total loans in repayment, depending on the specific GATE program. The University's maximum pledge obligation at May 31, 2017 and 2016 was $96,088 and $106,700, respectively. Therefore, the University has recorded a liability of $96,088 and $106,700 for loans classified as delinquent or in default status as of May 31, 2017 and 2016, respectively, which is included in accounts payable and other accrued liabilities on the University's consolidated statements of financial position.

As of May 31, 2017, the University is committed to pay approximately $6,000,000 to contractors and vendors in connection with open projects on campus. The University's major project is related to the renovation of Egan Hall and Plaza area, which is expected to be completed in October 2017. Subsequent to May 31, 2017, the University entered into $200,000 of additional contracts related to Phase 1 of the Franciscan Square project and student housing renovations.

Additionally, as of May 31, 2017, the University has committed to invest an additional $2,607,146 in a private equity type investment fund.

The University, from time to time in the ordinary course of business, is subject to, or a party to, pending or threatened litigation, assessments or claims. While it is not possible to predict with certainty the outcome of such matters individually, or in the aggregate, management believes that any ultimate result will not have a material, adverse effect on the consolidated financial position or consolidated activities or cash flows of the University. No amounts were accrued in the consolidated financial statements for such matters as of May 31, 2017 or 2016.

NOTE 14 - SUBSEQUENT EVENTS

Subsequent events are defined as events or transactions that occur after the balance sheet date, but before the financial statements are issued or are available to be issued. Management has evaluated subsequent events through October 25, 2017, the date on which the consolidated financial statements are available to be issued.

APPENDIX C

CERTAIN DEFINED TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE LOAN AGREEMENT

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APPENDIX C

CERTAIN DEFINED TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND THE LOAN AGREEMENT

The following are summaries of the Trust Agreement and the Loan Agreement. These summaries do not purport to set forth all of the provisions of such documents, to which reference is made for the complete and actual terms thereof.

Certain terms used in the Trust Agreement and the Loan Agreement are defined below unless otherwise defined herein or the context clearly indicates otherwise. When and if such terms are used in this Limited Offering Circular they shall have the meanings set forth below. Any capitalized term used in this Limited Offering Circular regarding the Trust Agreement and the Loan Agreement and not defined herein shall have the meaning given such term by the Trust Agreement and the Loan Agreement respectively.

"Act" means, collectively, Sections 4582.21 through 4582.59 and Sections 9.98 through 9.983 of the Revised Code.

"Additional Payments" means the amounts required to be paid by the University pursuant to the provisions of Section 4.2 of the Loan Agreement.

"Authenticating Agent" means the Trustee and the Registrar and any other bank, trust company or Person designated as an Authenticating Agent for the Bonds by or in accordance with Section 6.13 of the Trust Agreement, each of which shall be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934, as amended.

"Authority" means the Development Finance Authority of Summit County, a port authority and body corporate and politic, duly created and validly existing under the laws of the State of Ohio.

"Authorized Officer" means: (i) in the case of the Authority, the Executive, the Fiscal Officer or another person or persons designated to act on behalf of the Authority; (ii) in the case of the University, the University Representative or any other officer of the University duly authorized by the Board; and (iii) in the case of the Trustee, any Vice President, any Assistant Vice President, any Trust Officer and any other person authorized by or pursuant to the by-laws of the Trustee or a resolution of the Board of Directors of the Trustee.

"Bond Counsel" means any attorney or firm of attorneys of nationally recognized standing on the subject of municipal bonds selected by the University and acceptable to the Authority.

"Bond Documents" means the Loan Agreement, the Note, the Trust Agreement, the Cooperative Agreement and the Bond Purchase Agreement.

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

"Bond Legislation" means the resolution adopted by the Board of Directors of the Authority providing for the issuance of the Bonds and approving the Loan Agreement, the Bond Purchase Agreement, the Trust Agreement, the Cooperative Agreement and related matters, as that resolution may from time to time be amended or supplemented, together with the Certificate of Award authorized thereunder and delivered pursuant thereto.

"Bond Purchase Agreement" means the Bond Purchase Agreement, dated November 30, 2018, providing for the purchase of the Bonds among the Initial Purchaser, the University and the Authority.

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

"Bonds" or **"Bond"** means, collectively, the Series 2018A Bonds and the Series 2018B Bonds.

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

"Business Day" means any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in the city in which the designated office of the Trustee is located and authorized by law or executive order to close, (iii) any day on which the Federal Reserve Bank of Cleveland is closed or (iv) a day on which the Depository is closed.

"Capital Project" means the renovation and conversion of the former Best Western University Inn to St. Juniperno Hall student residence.

"Cooperative Agreement" means Cooperative Agreement dated as of December 1, 2018 between the Authority and the Jefferson Port.

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

"Defeasance Obligations" means

(a) Direct Obligations;

(b) certificates or receipts representing direct ownership of future interest or principal payments on direct obligations of, or obligations fully guaranteed by, the United States of America or any of its agencies or instrumentalities the obligations of which are

backed by the full faith and credit of the United States of America, which obligations (i) are held by a custodian in safekeeping on behalf of the holder of such receipts and (ii) are rated or assessed in the highest category for long-term debt by a Rating Service then maintaining a rating on the Bonds; or

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

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

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

"Electronically" or **"Electronic"** notice means notice transmitted through a time-sharing terminal or facsimile machine, if operative as between any two parties, or if not operative, by telephone (in any case, promptly confirmed in writing).

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

(a) Direct Obligations;

(b) direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; senior debt obligations of the Federal Home Loan Banks; certificates of beneficial ownership of the Rural Economic Community Development Administration (formerly the Farmers Home Administration ("FmHA")); participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation ("FHLMCs") rated, at the time of purchase, "Aaa" by Moody's and "AAA" by S&P; debentures of the Federal Housing Administration; mortgage-backed securities (except stripped mortgage securities that are valued greater than par on the portion of unpaid principal at the time of purchase) and senior debt obligations of the Federal National Mortgage Association ("FNMAs") rated, at the time of purchase, "Aaa" by Moody's and "AAA" by S&P; participation certificates of the General Services Administration; guaranteed mortgage-backed securities and guaranteed pass-through obligations of the Government National Mortgage Association ("GNMAs"); senior debt

obligations of the Student Loan Marketing Association; project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing & Urban Development; guaranteed Title XI financings of the U.S. Maritime Administration; and Resolution Funding Corporation obligations;

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

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

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

(f) deposits of any bank or savings and loan association (including the Trustee and its affiliates) that has combined capital, surplus and undivided profits of not less than $3,000,000, provided that such deposits are continuously and fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation ("FDIC");

(g) investments in money-market funds (including those for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from such funds for services rendered, (ii) the Trustee charges and collects fees for services rendered pursuant to the Trust Agreement, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to the Trust Agreement may at times duplicate those provided to such funds by the Trustee or its affiliates) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, rated, at the time of purchase, "AAAm," "AAAm-G" or "AAm" or the equivalent by Moody's or S&P;

(h) repurchase agreements collateralized by Direct Obligations, GNMAs, FNMAs or FHLMCs (the "Collateral Securities") with any registered broker/dealer

subject to the jurisdiction of the Securities Investors' Protection Corporation or any commercial bank whose deposits are insured by the FDIC (including the Trustee or any broker/dealer affiliated with the Trustee), if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation, at the time of purchase, rated "Prime-1" or "A3" or better by Moody's, and "A-1" or "A" or better by S&P, provided that:

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

(ii) the Collateral Securities are held free and clear of any lien by the Trustee (as may be evidenced by an opinion of counsel acceptable to the Trustee) or an independent third party acting solely as agent ("Agent") for the Trustee, and such third party is (1) a Federal Reserve Bank or (2) a bank that is a member of the FDIC and that has combined capital, surplus and undivided profits of not less than $50,000,000, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee; and

(iii) the Trustee receives an opinion of counsel acceptable to the Trustee that a perfected first security interest under the Uniform Commercial Code is created in, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are followed with respect to, the Collateral Securities for the benefit of the Trustee; and

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

(v) the fair market value of the Collateral Securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 102%;

(i) investment agreements with a bank, insurance company or other provider (including the Trustee or any affiliate of the Trustee) that has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated "A3" or better by Moody's and "A-" or better by S&P at the time of purchase, or is a lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting such rating requirements, provided that:

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

(ii) money invested thereunder may be withdrawn without any penalty, premium or charge upon not more than one day's notice (provided such notice may be amended or cancelled at any time prior to the withdrawal date),

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

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

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

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

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

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

"Executive" means the President of the Authority, the Chair of the Board of Directors of the Authority, or in the unavailability, absence or disability of the President and the Chair, the Vice Chair of that Board of Directors.

"Extraordinary Services" and **"Extraordinary Expenses"** mean all services rendered and all reasonable expenses (including reasonable counsel fees and expenses) properly incurred under the Trust Agreement by the Trustee, the Registrar and any Authenticating Agent and Paying Agent other than Ordinary Services and Ordinary Expenses, including, after the occurrence of an Event of Default, nonministerial services and counsel and other advisory fees incurred by the Trustee.

"Fiscal Officer" means the Secretary or the Assistant Secretary and Assistant Fiscal Officer of the Authority.

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

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

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

"Initial Purchaser" means George K. Baum & Company.

"Interest Payment Date" means May 1 and November 1 of each year, beginning May 1, 2019, or any other date on which any Bond Service Charges shall be due and payable, whether at maturity, upon acceleration, call for redemption or otherwise.

"Interest Rate for Advances" means a rate that is 1% per year in excess of the rate of interest designated as the "prime rate" as published each business day in *The Wall Street Journal* or, if *The Wall Street Journal* is no longer published, another financial publication of national circulation selected by the Trustee.

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

"Jefferson Port" means the Jefferson County Port Authority, a port authority and body corporate and politic, duly created and validly existing under the laws of the State of Ohio.

"Legal Requirements" means all laws, statutes, codes, acts, ordinances, resolutions, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements (including but not limited to zoning, planning, building and environmental) of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, that are applicable now or may be applicable at any time hereafter to the University or any part thereof.

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

"Loan" means the loan by the Authority to the University of the proceeds received from the sale of the Bonds.

"Loan Agreement" means the Loan Agreement dated as of December 1, 2018 between the Authority and the University, as amended or supplemented from time to time.

"Loan Payment Date" means each April 15 and October 15, commencing April 15, 2019.

"Loan Payments" means the amounts required to be paid by the University to the Trustee pursuant to the Loan Agreement evidenced by the Note.

"Note" means the promissory note delivered by the University to the Trustee pursuant to the Loan Agreement evidencing the University's payment obligations under the Loan Agreement.

"Ordinary Services" and **"Ordinary Expenses"** mean those services normally rendered, and those expenses (including counsel's fees and expenses) normally incurred, by a trustee, registrar, authenticating agent or paying agent, as applicable, under instruments similar to the Trust Agreement.

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

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

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

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

(d) Bonds in lieu of which others have been authenticated under Section 3.02 of the Trust Agreement.

"Outstanding Obligations" means (a) certain existing indebtedness of Good Venture Properties, LLC, an Ohio limited liability company (a wholly owned subsidiary of Good Venture Enterprises, LLC, an Ohio limited liability company and an owned subsidiary of the University ("Good Venture Enterprises")) in the aggregate outstanding amount of $14,316,262, (b) the University's indebtedness incurred primarily for the renovation of the Finnegan Fieldhouse, the University's health and wellness activity center, in the aggregate outstanding amount of $2,631,154 and (c) certain indebtedness incurred by a subsidiary of Good Ventures Enterprises for the renovation of the former Best Western University Inn (previously the Holiday Inn University Hotel) to St. Juniperno Serra Hall student residence in the aggregate outstanding amount of $1,213,602.

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

"Permitted Encumbrances" shall mean, with respect to the Pledged Revenues and the University's Core Campus as of any particular time, (i) liens arising by reason of good faith deposits by the University in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the University to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges; (ii) liens arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose as required by law or regulation (A) as a condition to the transaction of any business or the exercise of any privilege or license, or (B) to enable the University to maintain self-insurance or to participate in any funds

established to cover any insurance risks or in connection with worker's compensation, unemployment insurance, or pension or profit sharing plans or other social security plans or programs, or to share in the privileges or benefits required for companies participating in such arrangements; (iii) any judgment lien against the University, so long as the finality of such judgment is being contested and execution thereon is stayed and (A) provision for payment of the judgment has been made in accordance with applicable law or by the deposit of cash or investments with a commercial bank or trust company or (B) adequate insurance coverage is available to satisfy such judgment; (iv) such defects, irregularities, encumbrances, utility easements, access and other easements and rights of way, restrictions, exceptions and clouds on title which do not have a material and adverse effect on the interests of the Holders of Bonds and do not materially interfere with or impair the operations of the University; (v) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in good faith; (vi) such minor defects and irregularities of title as normally exist with respect to facilities similar in character to the University's Core Campus and which do not have a material and adverse effect on the value of, or materially impair, the University's Core Campus affected thereby for the purpose for which they were acquired or are held by the University; (vii) zoning laws and similar restrictions which are not violated by the University facilities affected thereby; (viii) all right, title and interest of the Commonwealth, municipalities and the public in and to tunnels, bridges and passageways over, under or upon a public way; (ix)liens on property received by the University through gifts, grants or bequests, such liens being due to restrictions on such gifts, grants or bequests or property or income thereon; (x) liens for taxes, special assessments, or other governmental charges not then delinquent or being contested in good faith; (xi) liens and encumbrances permitted pursuant to Section 5.5 of the Loan Agreement; and (xii) liens on goods and equipment as normally exist with respect to facilities similar in character to the University's Core Campus.

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

"Plans and Specifications" means the plans and specifications, including diagrams and descriptions, as now prepared and as they may be changed as provided in the Loan Agreement from time to time.

"Pledged Revenues" means all receipts, revenues, income and other money received by or on behalf of the University from the operation, ownership or leasing of all University's Core Campus, all gifts, grants, bequests, donations and contributions received by the University, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the University; provided, however, that there shall be excluded from Pledged Revenues: gifts, grants, bequests, donations and contributions heretofore or hereafter made, the application of the proceeds of which is designated or restricted at the time of making thereof by the donor, payor or maker as being for certain specified purposes inconsistent with the application thereof to the

payment of Loan Payments under the Loan Agreement or not subject to pledge, or subsequent to the receipt thereof, so designated or restricted by the University in order to meet the requirements of any challenge grant received by the University, and the income derived therefrom to the extent that it is permanently restricted in or by such designation or restriction or by law.

"Predecessor Bond" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by the particular Bond. For the purposes of this definition, any Bond authenticated and delivered under Section 3.02 of the Trust Agreement in lieu of a mutilated, lost, wrongfully taken or destroyed Bond shall be deemed to evidence the same debt as the mutilated, lost, wrongfully taken or destroyed Bond.

"Project" means the facilities financed with the proceeds of the Outstanding Obligations and comprising the Capital Project, such facilities constituting "port authority facilities" as defined in the Act.

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

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

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

"Registrar" means the Trustee, until a successor Registrar shall have become such pursuant to applicable provisions of the Trust Agreement; each Registrar shall be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934, as amended.

"Revenues" means (a) the Loan Payments, (b) all other moneys received or to be received by the Authority or the Trustee in respect of repayment of the Loan, including without limitation, all moneys and investments in the Bond Fund, (c) any moneys and investments in the Improvement Fund and (d) all income and profit from the investment of the foregoing moneys. The term "Revenues" does not include any moneys or investments in the Issuance Expenses Fund.

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

"Series 2016 Bonds" means the $23,000,000 State of Ohio Higher Educational Facility Revenue Bonds (Franciscan University of Steubenville 2016 Project) dated December 15, 2016 and issued under the Series 2016 Indenture.

"Series 2016 Indenture" means the Trust Indenture dated as of December 1, 2016 between the Ohio Higher Educational Facility Commission and the Series 2016 Trustee.

"Series 2016 Lease" means the Lease dated as of December 1, 2016 between the Ohio Higher Educational Facility Commission and the University.

"Series 2016 Trustee" means U.S. Bank National Association, as Trustee under the Series 2016 Indenture and any successor Series 2016 Trustee.

"**Series 2018A Bonds**" means the $14,000,000 Development Finance Authority of Summit County Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville), issued by the Authority pursuant to the Bond Legislation and the Trust Agreement, including any portion thereof or any beneficial interest therein, as applicable.

"**Series 2018B Bonds**" means the $5,750,000 Development Finance Authority of Summit County Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018B (Franciscan University of Steubenville), issued by the Authority pursuant to the Bond Legislation and the Trust Agreement, including any portion thereof or any beneficial interest therein, as applicable.

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

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

"State" means the State of Ohio.

"Termination Date" means the effective date of termination of the Loan Agreement pursuant to Section 8.1 of the Loan Agreement.

"Trust Agreement" means the Trust Agreement, dated as of December 1, 2018, securing the Bonds, between the Authority and the Trustee, as amended or supplemented from time to time.

"Trustee" means the Trustee under the Trust Agreement, originally U.S. Bank National Association, a national banking association duly organized and validly existing under the laws of the United States of America, and any successor Trustee, as determined or designated under the Trust Agreement.

"Unassigned Rights" means the rights of the Authority under the Loan Agreement that are not assigned to the Trustee, consisting of the rights of the Authority (i) to receive Additional Payments, (ii) to be held harmless and to be indemnified, (iii) to be reimbursed for attorney's fees and expenses, to the extent permitted by law, (iv) to give or withhold consent to amendments of the Loan Agreement and (v) to enforce those rights.

"University" means Franciscan University of Steubenville, an Ohio nonprofit corporation and cultural and educational institution, and its lawful successors and assigns,

including without limitation any surviving, resulting or transferee corporation or entity, as permitted under the Loan Agreement.

"**University's Core Campus"** means the buildings, structures, real estate and any appurtenant facilities currently owned directly by the University and located on the University's core hilltop campus, consisting of approximately 104 acres, used by the University in connection with its functioning as an institution of higher education.

"University Representative" means the individual designated from time to time as the representative of the University for purposes of the Loan Agreement.

THE TRUST AGREEMENT

The following is a summary of certain provisions of the Trust Agreement. Such summary does not purport to be complete or definitive and reference is made to the Trust Agreement for a full and complete statement of the terms and provisions and for the definition of capitalized terms used in this summary and not otherwise defined under "Certain Defined Terms and Summary of Certain Provisions of the Trust Agreement and the Loan Agreement."

Pledge and Assignment. In order to secure the payment when due of the principal of, and interest and premium, if any, on the Bonds issued under the Trust Agreement and to secure the performance and observance by the Authority of all the covenants and obligations expressed or implied in the Trust Agreement and in the Bonds, the Authority assigns to the Trustee all of the Authority's rights to, and interests in, the Revenues, the Loan Agreement (except for the Unassigned Rights) and the Note.

Creation of Funds; Deposit of and Use of Moneys. The Trust Agreement establishes the Bond Fund, the Improvement Fund and the Issuance Expenses Fund, each to be held in the custody of the Trustee and administered by the Trustee in accordance with the terms of the Trust Agreement.

The proceeds of the sale of the Bonds shall be deposited by the Trustee as follows: to the Issuance Expense Fund, an amount specified by the Authority in a certificate to the Trustee, which amount shall not exceed the amount of the Bond proceeds that may be allocated for issuance expenses under the Code; and to the Improvement Fund, the balance of the proceeds.

The Bond Fund and the money and Eligible Investments therein shall be used solely and exclusively for the payment of the Bond Service Charges, all as provided in the Trust Agreement and the Loan Agreement. Money in the Improvement Fund and the Issuance Expense Fund shall be disbursed by the Trustee in accordance with the provisions of the Loan Agreement. Pending disbursement pursuant to the Loan Agreement, the money and Eligible Investments to the credit of the Improvement Fund shall constitute a part of the Revenues.

Investments. Any moneys in the Bond Fund, Improvement Fund and Issuance Expense Fund created under the Trust Agreement shall, at the direction of the University, be invested and reinvested by the Trustee in Eligible Investments and such investments applied pursuant to and in accordance with the Trust Agreement.

Performance of Covenants of the Authority. The Authority will at all times faithfully perform any and all covenants, undertakings, stipulations and provisions contained in the Trust Agreement, in any and every Bond executed, authenticated and delivered under the Trust Agreement, and in all proceedings pertaining to the Bonds. The Authority will not have any pecuniary liability for the payment of the principal of or premium, if any, or interest on the Bonds, or performance of any pledge, mortgage, obligation or agreement created by or arising out of the Trust Agreement or the issuance of the Bonds. Neither the Bonds nor the interest on the Bonds nor any obligation or agreement of the Authority under the Trust Agreement or the other Bond Documents will be construed to constitute an indebtedness of the Authority within the meaning of any constitutional or statutory provision.

Except as permitted by the Trust Agreement or the other Bond Documents, the Authority will not sell or otherwise dispose of all or any part of its interest in the Project or assign or grant a security interest in the Revenues or create or suffer to create any debt, lien or charge thereon.

Removal of Trustee. The Authority, or the Authority at the written direction of the University (so long as there is no Event of Default under the Trust Agreement or the Loan Agreement and no condition exists that, with the giving of notice or passage of time, or both, would constitute such an Event of Default), may remove the Trustee at any time at the written direction of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding. The Trustee also may be removed at any time by any court of competent jurisdiction upon the application of the Authority or the Holders of not less than 25% in aggregate principal amount of then Outstanding Bond for any willful misconduct or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of the Trust Agreement with respect to the duties and obligations of the Trustee. The removal of a Trustee shall not become effective until the appointment of a successor Trustee.

Events of Default.

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

(a) The interest on any Bond is not paid when the same becomes due and payable.

(b) The principal of or premium, if any, on any Bond is not paid when the same becomes due and payable, whether at stated maturity or by acceleration.

(c) A failure by the Authority to observe or perform any covenant, agreement or obligation, other than as specified in clauses (a) or (b) above, contained in the Bonds or in the Trust Agreement which is to be observed or performed by the Authority, which failure continues for a period of sixty (60) days after written notice, specifying the failure or default and requiring that it be remedied, has been given to the Authority and the University which notice may be given by the Trustee in its discretion and which notice must be given by the Trustee at the written request of the

Holders of not less than 25% in aggregate principal amount of Bonds then outstanding.

(e) An Event of Default under the Loan Agreement subject to applicable waivers and cure periods as provided therein.

Acceleration of Maturity. Upon the occurrence of an Event of Default described in paragraphs (a) or (b) above, the Trustee may (but is not obligated to), and at the written request of the Holders of Bonds representing not less than 25% of the aggregate principal amount of Bonds then Outstanding shall, by written notice to the Authority, declare the principal of and any premium on all of the Bonds then outstanding and the interest accrued thereon to be immediately due and payable.

Rescission or Annulment of Acceleration. If, at any time after such principal of and premium, if any, and interest shall have been so declared due and payable and prior to the entry of a judgment in a court of law or equity for enforcement or the appointment, and the confirmation thereof, of a receiver after an opportunity for hearing by the Authority and the University, all amounts payable on the Bonds that have not reached their stated maturity dates and that are due and payable solely by reason of said declaration, except the principal of, and interest accrued after the next preceding Interest Payment Date, shall have been duly paid or provided for by deposit with the Trustee or Paying Agents and all existing Defaults shall have been made good, then and in every such case such payment or provisions for payment shall, ipso facto, constitute a waiver of such Default and Event of Default and its consequences. Any such automatic rescission shall not extend to or affect any subsequent Event of Default or impair any rights consequent thereon.

Bondholders' Right to Direct Proceedings. Anything to the contrary in the Trust Agreement notwithstanding, the Holders of a majority in aggregate principal amount of Outstanding Bonds shall have the right at any time to direct, by signed written instrument delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Trust Agreement; provided that (i) any direction shall not be other than in accordance with the provisions of law and of the Trust Agreement, (ii) the Trustee shall be indemnified as provided in the Trust Agreement, and (iii) the Trustee may take any other action that it deems to be proper and that is not inconsistent with the direction.

Limitation on Bondholders' Right to Institute Proceedings. No Bondholder has any right to institute any suit, action or proceeding in equity or at law for any remedy under the Trust Agreement unless (i) there has occurred and is continuing an Event of Default of which the Trustee has been notified or of which it is deemed to have notice, (ii) the Holders of not less than 25% of the aggregate principal amount of the Outstanding Bonds have made written request to the Trustee and have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Trust Agreement or to institute such action, suit or proceeding and have offered indemnity to the Trustee, and (iii) the Trustee thereafter shall have failed or refused to exercise its remedies, rights and powers granted by the Trust Agreement.

No Impairment of Right to Enforce Payment. Nothing in the Trust Agreement shall affect or impair the right of any Bondholder to enforce payment of the principal of and interest on a Bond owned by that Bondholder on or after the date such payment is due.

No Waiver of Remedies. No delay or omission of the Trustee or of any Bondholder to exercise any right or power accruing upon any default will impair any such right or power or be construed to be a waiver of any such default, or an acquiescence in the default. Every power and remedy given under the Trust Agreement to the Trustee and to the Bondholders may be exercised from time to time and as often as may be deemed expedient.

Supplemental Trust Agreements Without Bondholder Consent. The Authority and the Trustee may, from time to time and at any time, without the consent of or notice to the Bondholders, enter into Supplemental Trust Agreements to supplement and amend the Trust Agreement, as follows:

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

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

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

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

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

(f) to evidence any succession to the Authority and the assumption by its successor of the covenants, agreements and obligations of the Authority under the Trust Agreement, the Loan Agreement, the Note and the Bonds;

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

(h) to specify further the duties and responsibilities of, and to define further the relationship among, the Trustee, the Registrar and any Authenticating Agents or Paying Agents;

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

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

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

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

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

Supplemental Trust Agreements with Bondholder Consent. With the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, the Authority and the Trustee may enter into any Supplemental Trust Agreement deemed necessary or desirable by the Authority, at the direction of the University, for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in the Trust Agreement. However, the Trust Agreement does not permit (A) without the consent of the Holder of each Bond so affected, any amendment providing for (i) an extension of the maturity of the principal of or the interest on any Bond or (ii) a reduction in the principal amount of any Bond or the rate of interest or premium thereon or (B) without the consent of the Holders of all Bonds then outstanding, any amendment providing for (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a supplemental trust agreement or an amendment to the Loan Agreement.

If at any time the Authority requests the Trustee to enter into any Supplemental Trust Agreement requiring the consent of Bondholders, as described above, the Trustee shall cause notice of the proposed Supplemental Trust Agreement to be given by mail to all Holders of Outstanding Bonds. If Bondholders of not less than the percentage of Bonds required by the Trust Agreement consent to and approve the execution and delivery of the Supplemental Trust Agreement as provided in the Trust Agreement, no Bondholder will have any right to object to the execution and delivery of such Supplemental Trust Agreement, or to object to any of the terms and provisions contained in it or to its operation, or in any manner to question the propriety of its execution and delivery, or to enjoin or restrain the Authority or the Trustee from executing and delivering the same or from taking any action pursuant to its provisions.

Consent of the University Required. The Trustee and the Authority will not enter into any Supplemental Trust Agreement without the prior written consent of the University.

Release of Trust Agreement. If (i) the Authority shall pay all of the outstanding Bonds, or shall cause them to be deemed paid and discharged, or if there otherwise shall be paid to the

Holders of the outstanding Bonds, all Bond Service Charges due or to become due thereon, and (ii) provision also shall be made for the payment of all other amounts payable under the Trust Agreement or the Loan Agreement, then the Trust Agreement shall terminate and the covenants, agreements and obligations of the Authority thereunder shall be released, discharged and satisfied.

The Trustee shall release the Trust Agreement (except for certain provisions surviving in the event the Bonds are deemed paid and discharged as described below) and shall sign and deliver to the Authority any instruments or documents in writing as shall be requisite to evidence that release and discharge or as reasonably may be requested by the Authority. Upon release of the Trust Agreement the Trustee shall assign and deliver to the Authority any property subject at the time to the lien of the Trust Agreement that then may be in its possession, except amounts in the Bond Fund required (i) to be paid to the University as excess funds under Section 5.08 of the Trust Agreement, or (ii) to be held by the Trustee and the Paying Agents in the case of nonpresentment of Bonds or otherwise for the payment of Bond Service Charges.

Payment and Discharge of Bonds. All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of the Trust Agreement if:

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

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

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

Within 15 days after any Bonds are deemed paid and discharged by the provision of money or Defeasance Obligations as described above, the Trustee is to cause a written notice to be given to each Holder as shown on the Register on the date on which those Bonds are deemed paid and discharged. Such notice shall state the numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged, set forth a description of the Defeasance Obligations held and specify the date or dates on which any of the Bonds are to be called for redemption.

The Trustee, prior to the occurrence of an Event of Default under the Trust Agreement, and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Trust Agreement. In case an Event of Default under the Trust Agreement has occurred and is continuing, the Trustee will exercise the rights and powers

vested in it by the Trust Agreement as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The Trust Agreement provides that the Trustee is entitled to act upon opinions of counsel and will not be responsible for any loss or damage resulting from reliance thereon in good faith. In addition, the Trust Agreement provides that the Trustee is entitled to rely on certain other instruments, and it will not be liable for any action reasonably taken or omitted to be taken by it in good faith or be responsible other than for its own negligence or willful misconduct.

THE LOAN AGREEMENT

The following is a summary of certain provisions of the Loan Agreement. Such summary does not purport to be complete or definitive and reference is made to the Loan Agreement for a full and complete statement of the terms and provisions and for the definitions of capitalized terms used in this summary and not otherwise defined under "Certain Defined Terms and Summary of Certain Provisions of the Trust Agreement and the Loan Agreement."

Loan of Bond Proceeds. Under the Loan Agreement, the Authority will loan the proceeds of the Bonds to the University to assist the University with refunding the Outstanding Obligations and reimbursing the University for costs of the Project previously paid by the University.

Payments. Under the Loan Agreement, the University is obligated to make payments to the Trustee at such times and in such amounts as will be sufficient to provide funds for the payment, when due, whether at maturity, upon redemption, acceleration or otherwise, of the principal of, premium, if any, and interest on the Bonds. To evidence that obligation the University will deliver its Note to the Trustee. The University's obligations to make payments under the Note are absolute and unconditional without defense or set-off by reason of any default by the Authority under the Loan Agreement or under any other agreement between the University and the Authority or for any other reason, including any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, or failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Loan Agreement.

Covenants of the University. The University agrees in the Loan Agreement that it will use the Project during the term of the Loan Agreement for purposes consistent with the Act and knows of no reason why the Project will not be so used.

So long as any Bonds are outstanding within the meaning of the Trust Agreement, the University covenants and agrees to operate all its educational facilities upon a revenue-producing basis and to fix, revise as often as necessary (but not necessarily more often than annually), charge and collect such reasonable tuition fees, student fees, rates, other fees, rentals and charges for the use and occupancy of its educational facilities or any part thereof, and for any other facilities operated by the University, so that there shall inure to the University gross cash receipts in each fiscal year of the University that, together with other money legally available to the University, are sufficient (as determined in accordance with generally accepted accounting

principles then in effect and applicable to nonprofit educational institutions) to pay the following costs (without priority of any one clause over another):

(a) currently all of the University's expenses, payable during that fiscal year, for its operation, including those expenses incurred in carrying out its educational purposes, and for the operation, maintenance and repair of all its educational facilities and any other facilities operated by the University;

(b) all Loan Payments and Additional Payments under the Loan Agreement due in that fiscal year;

(c) all other obligations imposed by the Bond Documents upon the University payable during such fiscal year; and

(d) all indebtedness and other obligations of the University due in such fiscal year as the same become due and payable.

To secure the payment of the amounts payable by the University under the Loan Agreement, the University pledged, assigned and granted to the Trustee, a lien on and a security interest in its Pledged Revenues. The University has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Pledged Revenues that ranks on a parity with or prior to the security interest granted hereby and that will remain outstanding upon the issuance of the Bonds, except to secure the University's obligation to make payments under the Series 2016 Lease in connection with the issuance of the Series 2016 Bonds. The University has not described the Pledged Revenues in a Uniform Commercial Code financing statement that will remain effective when the Bonds are issued, except in connection with the foregoing pledges, assignments, liens and security interests. The University shall be permitted to grant a lien on or security interest in the Pledged Revenues that ranks on a parity with the security interest granted hereby in order to secure indebtedness or other obligations hereafter incurred by the University.

The University covenanted and agreed that it shall not grant any liens on the Pledged Revenues or the University's Core Campus (whether owned as of the date hereof or acquired thereafter) except for Permitted Encumbrances unless a parity lien on the same property is granted to the Trustee for the benefit of holders of the Bonds and the Series 2016 Trustee for the benefit of holders of the Series 2016 Bonds.

So long as the Bonds are Outstanding, the University covenanted and agreed to maintain a credit rating on the Bonds assigned by a Rating Service. If at any time the Bonds are not assigned a credit rating by a Rating Service, the University agreed to promptly submit an application to a Rating Service for a credit rating on the Bonds. If the University fails to submit an application to a Rating Service for a credit rating on the Bonds within thirty days after the Bonds are no longer assigned a credit rating by a Rating Service, the University agreed that it shall employ a consultant knowledgeable in municipal bond credit ratings to assist the University with its application to a Rating Service for a credit rating on the Bonds.

Indemnification. The University will indemnify the Authority against certain claims arising out of the operation of the Project, a breach or default by the University of covenants and

agreements and issuance of the Bonds. The University will also indemnify the Trustee against certain claims arising out of the Loan Agreement and the Trust Agreement.

Optional Redemption of Bonds. At any time and from time to time as long as no event of default shall have occurred and be subsisting, the University may deliver moneys to the Trustee in addition to Loan Payments and direct the Trustee to use such moneys to call the Bonds for optional redemption in accordance with the applicable provision of the Trust Agreement providing for optional redemption at the redemption price stated therein.

Events of Default. Each of the following shall be an Event of Default under the Loan Agreement:

The University shall fail to pay any Loan Payment representing interest on any Bond on or prior to the date on which such Loan Payment is due and payable.

- The University shall fail to pay any Loan Payment representing principal of or any premium on any Bond on or prior to the date on which such Loan Payment is due and payable.

- The University shall fail to observe and perform any other material agreement, term or condition contained in the Loan Agreement or the Note, if such failure continues for a period of 90 days after notice of such failure is given to the University by the Trustee, or for such longer period as the Trustee may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it cannot be corrected within the applicable period, such failure shall not constitute an event of default so long as the University institutes curative action within the applicable period and diligently pursues such action to completion.

- The University shall: (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (iii) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 consecutive days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

- Any representation or warranty made by the University in the Loan Agreement, or in any report, certificate, financial statement or other instrument furnished by the University in connection with the Loan Agreement or with the purchase of the Bonds shall at any time prove to have been false or misleading in any material respect when made or given.

Notwithstanding the foregoing, if, by reason of Force Majeure, the University is unable to perform or observe any agreement, term or condition which would give rise to an Event of Default under paragraph (c) above, the University shall not be deemed in default during the continuance of such inability. However, the University shall promptly give notice to the Trustee

and the Authority of the existence of an event of Force Majeure and shall use its best efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances shall be entirely within its discretion.

Remedies on Default. Upon an Event of Default, remedies available to the Authority and Trustee include calling all Loan Payments and Additional Payments immediately due; the examination of the books and records and any and all accounts, data and income tax and other tax returns of the University; and actions at law or in equity to collect Loan Payments and Additional Payments. No remedy conferred upon or reserved to the Authority or the Trustee by the Loan Agreement is intended to be exclusive.

Amendments, Changes and Modifications. Without the consent of or notice to the Holders, the Authority and the Trustee may consent to any amendment of the Loan Agreement or the Note as may be required (i) by the provisions of the Bond Documents, (ii) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Loan Agreement or the Note, (iii) in connection with an amendment or to effect any purpose for which there could be an amendment of the Trust Agreement without the consent of Bondholders, or (iv) in connection with any other change therein that does not materially, adversely affect the Trustee or the Holders of the Bonds, in the judgment of the Trustee. Except for those amendments, the Loan Agreement may not be amended without giving notice of the proposed amendment to the Holders and receipt of written consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

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APPENDIX D

BOOK-ENTRY SYSTEM

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BOOK-ENTRY SYSTEM

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

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participant's 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 (see **"THE BONDS - Replacement Bonds"** in the front portion of this Limited Offering Circular).

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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to

obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the University 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Debt service payments on the Bonds will be made by the Trustee 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 the University 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 Trustee, or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of debt service to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC is the responsibility of the University 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 University or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered. The University may decide to discontinue use of the book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC. See **"THE BONDS – Replacement Bonds"** in the front portion of this Limited Offering Circular.

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

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

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

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

The University cannot and does not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute to the Beneficial Owners payments of debt service on the Bonds made

to DTC as the registered owner, or any redemption or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants, Indirect Participants or others will serve and act in a manner described in this Limited Offering Circular.

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APPENDIX E

PROPOSED FORM OF OPINION OF BOND COUNSEL

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APPENDIX E

PROPOSED FORM OF APPROVING OPINION OF BOND COUNSEL

To: George K. Baum & Company

We have examined the transcript of proceedings (the "Transcript") relating to the issuance by the Development Finance Authority of Summit County (the "Authority") of its $14,000,000 Taxable Higher Educational Facility Revenue Bonds, Series 2018A (Franciscan University of Steubenville Project) (the "Series 2018A Bonds") and its $5,750,000 Taxable Higher Educational Facility Revenue Bonds, Series 2018B (Franciscan University of Steubenville Project) (the "Series 2018B Bonds," and together with the Series 2018A Bonds, collectively the "Bonds"), each dated December 6, 2018, for the purpose of making a loan to assist Franciscan University of Steubenville (the "University") to finance and refinance certain outstanding obligations previously incurred to pay the costs of acquiring, constructing, renovating, expanding, equipping and improving facilities, constituting "port authority facilities" under the Act, for the benefit of the University (the "Project"). The Project is more particularly described in the Loan Agreement dated as of December 1, 2018 between the Authority and the University (the "Loan Agreement"). The documents in the Transcript examined include signed counterparts of the following: (i) the Loan Agreement and (ii) the Trust Agreement (the "Trust Agreement") dated as of December 1, 2018 between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). We also have examined a copy of a signed Series 2018A Bond certificate of the first maturity and a signed Series 2018B Bond certificate of the first maturity.

Based on this examination we are of the opinion that, under existing law:

1. The Bonds, the Loan Agreement and the Trust Agreement are valid, binding and enforceable in accordance with their respective terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion.

2. The Bonds constitute special obligations of the Authority, and the principal of and interest (collectively, "debt service") on the Bonds are payable solely from the revenues and other moneys assigned by the Trust Agreement to secure that payment. The Bonds and the payment of debt service thereon are not secured by an obligation or pledge of any moneys raised by taxation, and the Bonds do not represent or constitute a debt or pledge of the faith and credit of the Authority.

3. The interest on the Bonds, and any profit made on their sale, exchange or disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes in Ohio. We express no opinion as to other tax consequences regarding the Bonds.

In rendering this opinion, we have relied upon certifications and representations of fact contained in the Transcript, which we have not independently verified. We have also relied upon the opinion, contained in the Transcript, of Spilman Thomas & Battle, PLLC, as counsel for the University, as to all matters concerning the due authorization, execution and delivery by, and the binding effect upon and the enforceability against, the University of the Loan Agreement. We express no opinion as to any matters of title with respect to the Project or its site. We have assumed the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Trust Agreement.

Respectfully submitted,

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APPENDIX F

PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is made and entered into as of December 1, 2018 by Franciscan University of Steubenville (the "University") in connection with the issuance by the Development Finance Authority of Summit County (the "Issuer") of its $14,000,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville Project) (the "Series A Bonds") and its $5,750,000 Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018B (Franciscan University of Steubenville Project) (the "Series B Bonds" and together with the Series A Bonds, the "2018 Bonds"). The 2018 Bonds are being issued pursuant to a Trust Agreement, dated as of December 1, 2018 (the "Trust Agreement"), between the Authority and U.S. Bank National Association (the "Trustee").

NOW THEREFORE, intending to be legally bound hereby, the University hereby covenants and agrees as follows for the benefit of the Bondholders (as defined below):

Section 1. Purpose of Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the University for the benefit of the Bondholders. The University acknowledges that the Issuer and the Trustee have undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Certificate, including their accuracy and completeness, and have no liability to any Person, including any Bondholder and the Underwriter, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in the first paragraph of this Disclosure Certificate or in this Section, the following capitalized terms shall have the meanings indicated below.

"Annual Report" means any Annual Report, as described in Section 3 hereof, provided by the University pursuant to Section 4(a) of this Disclosure Certificate.

"Bondholder" or "Holder" of a 2018 Bond means any registered owner of any of the 2018 Bonds or any Person which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the 2018 Bonds (including Persons holding through any nominee, securities depository or other intermediary, including any beneficial owner, or (ii) is treated as the holder of any of the 2018 Bonds for federal income tax purposes.

"EMMA" means the Electronic Municipal Market Access system of the MSRB as provided at http://www.emma.msrb.org, or any similar system that is acceptable to or as may be prescribed by the MSRB for purposes of the Rule and approved by the SEC from time to time. A current list of such systems may be obtained from the SEC at http://www.sec.gov/info/municipal/nrmsir.htm.

"Fiscal Year" means the fiscal year of the University ending on May 31 of each calendar year.

"Limited Offering Circular" means the Limited Offering Circular dated November 30, 2018 used in connection with the sale of the 2018 Bonds.

"Listed Events" means any of the events listed in Section 4(b) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15(B)(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor organization.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Underwriter" means George K. Baum & Company.

Section 3. Content of Annual Reports.

(a) Each Annual Report shall each contain:

(i) a copy of the annual financial statements with respect to the University, prepared in accordance with generally accepted accounting principles and audited by a certified public accountant; and

(ii) an update of the information of the type set forth in Appendix A to the Limited Offering Circular in the tables under the headings "Enrollment," "Student Housing" and "Student Tuition& Fees and Room & Board".

Section 4. Provision of Annual Reports, Annual Budget and Notices of Listed Events.

(a) Not later the last day of February of each year (or the next succeeding Business Day if that day is not a Business Day), commencing with February 28, 2019, the University shall file, or shall provide to the Dissemination Agent (if any) and cause the Dissemination Agent to file, an Annual Report with the MSRB with respect to the fiscal year ended on the preceding May 31. In each case, the Annual Report may be submitted by the University as a single document or as separate documents comprising a package, and may cross-reference other information to the extent permitted by the Rule. Notwithstanding the foregoing, the audited financial statements of the University may be submitted separately from the balance of the Annual Report when such audited financial statements are accepted by the Board of Trustees of the University, which may be later than the last day of February; provided that if the audited financial statements are not available by the last day of February, then the University shall file unaudited financial statements by the last day of February and shall file the audited financial statements as soon as available thereafter.

(b) In a timely manner not in excess of ten (10) Business Days after the occurrence of the event, the University shall file, or deliver to the Dissemination Agent for filing, with the MSRB notice of any of the following events with respect to the 2018 Bonds:

(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 2018 Bonds, or other material events affecting the tax status of the 2018 Bonds;

(vii) Modifications to rights of the Holders of the 2018 Bonds, if material;

(viii) Bond calls (other than mandatory sinking fund redemptions), if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property, if any, securing repayment of the 2018 Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the University;

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

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

(c) In a timely manner, the University or to the extent it has actual knowledge of such event, the Dissemination Agent (if any), shall give the MSRB notice of any failure by the University to provide any information required pursuant to subsection (a) or (b) above within the time limit specified therein.

Section 5. Report by Dissemination Agent. Concurrently with the delivery to the MSRB of any information required pursuant to Section 4(a), 4(b) or 4(c) above, the Dissemination

Agent (if any) shall file a certificate with the University stating that it has filed such information with the MSRB.

Section 6. Termination of Disclosure Certificate. The obligations of the University under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the 2018 Bonds. The University shall provide the Dissemination Agent (if any) with written notice that the obligations of the University under this Disclosure Certificate have terminated and a written request that the Dissemination Agent file a copy of such notice with the MSRB. If the obligations of the University under the Loan Agreement are assumed in full by another obligated person (as defined in the Rule), such Person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the University, and the University shall have no further responsibility hereunder.

Section 7. Amendment. The obligations of the University under this Disclosure Certificate may be amended, without notice to or consent of the Holders of the 2018 Bonds, to the extent required or permitted as a result of a change in the legal requirements, or in connection with a change in the identity, nature, corporate organization, or status of the University, or the type of business conducted by the University, or in connection with a corporate reorganization of the University; provided that any such modification of the obligations of the University under this Disclosure Certificate shall be done in a manner consistent with the Rule and either (i) does not, in the opinion of a nationally recognized bond counsel, materially impair the interests of Bondholders; or (ii) is approved by the Holders of a majority in aggregate principal amount of the 2018 Bonds.

Section 8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate 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 Certificate. If the University 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 Certificate, the University shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 9. Transmission of Information and Notices. Unless otherwise required by law, all documents provided to the MSRB in compliance with Section 4 shall be provided to the MSRB in an electronic format and shall be accompanied by identifying information, in each case as prescribed by the MSRB. As of the date of this Disclosure Certificate, the MSRB has established EMMA as its continuing disclosure service for purposes of the Rule, and unless and until otherwise prescribed by the MSRB, all documents provided to the MSRB in compliance with Section 4 shall be submitted through EMMA in the format prescribed by the MSRB.

Section 10. Default. Any Bondholder may enforce the obligations of the University and the Dissemination Agent (if any) under this the Disclosure Certificate; provided however that (i) any breach of such obligations shall not constitute or give rise to a default or an Event of Default under the Trust Agreement, the Loan Agreement, the 2018 Bonds or any other document or agreement relating to the 2018 Bonds, and (ii) the sole remedy for any such breach shall be to

compel specific performance of the obligations of the University under this Disclosure Certificate.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent (if any), the Underwriter, the University and Bondholders, and shall create no rights in any other Person.

Section 12. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Ohio and the Rule.

Section 13. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 14. Dissemination Agent's Rights and Duties. Initially the University has not appointed a third party Dissemination Agent, but instead shall comply with all of the requirements of this Disclosure Certificate. In the event the University appoints a third party to serve as Dissemination Agent, the following provisions shall apply to such Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth herein. The Dissemination Agent (i) shall not be liable for any error in judgment or for any act done or step taken or omitted by it in good faith, or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection therewith, except for its own gross negligence or willful misconduct, (ii) shall not be obligated to take any legal action or other action hereunder, which might in its judgment involve any expense or liability unless it has been furnished with indemnification satisfactory to it, and (iii) shall be entitled to consult with counsel satisfactory to it, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion of such counsel. The duties and responsibilities of the Dissemination Agent hereunder shall be determined solely by the express provisions of this Disclosure Certificate, and no further duties or responsibilities shall be implied. The Dissemination Agent shall not have any liability under, or duty to inquire into the terms and provisions of any agreement or instructions, other than as outlined in the Disclosure Certificate. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Dissemination Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document. The Dissemination Agent shall not incur any liability for following the instructions herein contained or expressly provided for, or written instructions given by the other parties hereto. In the administration of this Disclosure Certificate, the Dissemination Agent may execute any of its powers and perform its duties hereunder directly or through agents or attorneys and may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Dissemination Agent shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons. The Dissemination Agent may resign and be discharged of its duties and obligations hereunder by giving notice in writing of such resignation specifying a date when such resignation shall take effect. Any corporation or association into which the Dissemination Agent in its

individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Dissemination Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Dissemination Agent in its individual capacity may be sold or otherwise transferred, shall be the Dissemination Agent under this Disclosure Certificate without further act. The University covenants and agrees to defend, indemnify and hold the Dissemination Agent and its directors, officers, agents and employees (collectively, the "Indemnitees") harmless from and against any and all liabilities, losses, damages, fines, suits, actions, demands, penalties, costs and expenses, including out-of-pocket, incidental expenses, reasonable legal fees and expenses and the costs and expenses of defending or preparing to defend against any claim ("Losses") that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Dissemination Agent is authorized to rely pursuant to the terms of this Disclosure Certificate. In addition to and not in limitation of the immediately preceding sentence, the University also covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Dissemination Agent's performance under this Disclosure Certificate provided the Dissemination Agent has not acted with gross negligence or engaged in willful misconduct. Anything in this Disclosure Certificate to the contrary notwithstanding, in no event shall the Dissemination Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Dissemination Agent has been advised of such loss or damage and regardless of the form of action. This Section 14 shall survive termination of this Disclosure Certificate and the resignation or removal of the Dissemination Agent for any reason.

Section 15. Execution. This Disclosure Certificate may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 16. Notices. Unless otherwise provided herein, all notices, certificates, requests or other communications hereunder shall be given by telephone and promptly confirmed in writing and shall be deemed given when given by telephone or addressed as follows:

as to the Issuer: Development Finance Authority of Summit County
47 North Main Street, Suite 407
Akron, Ohio 44308
Attn: President

as to the University: Franciscan University of Steubenville
1235 University Boulevard
Steubenville, Ohio 43952
Attn: President

as to the Trustee: U.S. Bank National Association
1350 Euclid Avenue
Mail Code CN-OH-RN11
Cleveland, Ohio 44115
Attention: Corporate Trust Department

Each of the above parties may, by written notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates, requests, or other communications shall be sent. In addition, the parties hereto may agree to any other means by which subsequent notices, certificates, requests or other communications may be sent.

IN WITNESS WHEREOF, the University has caused this Continuing Disclosure Certificate to be executed in its name and in its behalf, all as of the date and year first above written.

FRANCISCAN UNIVERSITY OF STEUBENVILLE

By: _____
Vice President of Finance

[Signature Page to Continuing Disclosure Certificate]

APPENDIX G

FORM OF INVESTOR LETTER

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FORM OF INVESTOR LETTER

_____, 201__

Development Finance Authority of Summit County
Akron, Ohio

Franciscan University of Steubenville
Steubenville, Ohio

George K. Baum & Company
Pittsburgh, Pennsylvania

U.S. Bank National Association
Cleveland, Ohio

Re: Development Finance Authority of Summit County Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville Project)

Ladies and Gentlemen:

The undersigned (the "Purchaser"), being a purchaser of the above-referenced bonds identified on the signature page hereof (the "Bonds"), does hereby certify, represent and warrant for the benefit of the Development Finance Authority of Summit County (the "Issuer"), Franciscan University of Steubenville (the "University"), Messiah College (the "College"), George K. Baum & Company (the "Placement Agent") and U.S. Bank National Association, as Trustee (the "Trustee"), that:

(a) It is purchasing the Bonds for its own account or an account with respect to which it exercises discretion required by Rule 144A ("Rule 144A") under the Securities Act of 1933, as amended (the "Securities Act"), and that it and any such account is a "Qualified Institutional Buyer" (as defined in Rule 144A) (a "QIB"), and that the sale to it is being made in reliance on Rule 144A.

(b) It understands that the Bonds have not been registered under the Securities Act or under any state securities laws and may not be offered or sold except as set forth below. The Purchaser understands that the Bonds will be issued in minimum denominations of $5,000 or any integral multiple thereof.

(c) If it should resell or otherwise transfer any of the Bonds prior to **December __, 2019**, it will do so only to a QIB in compliance with Rule 144A and in compliance with applicable state securities laws and the securities laws of any applicable jurisdiction.

(d) It will deliver to each person to whom it transfers any of the Bonds prior to **December __, 2019** a notice of the restrictions on transfer of the Bonds.

(e) It acknowledges that the sale of the Bonds to it is made in reliance upon the truth and accuracy of the foregoing certifications, acknowledgments, representations and warranties by the addressees hereto, and, if any of the certifications, acknowledgments, representations and warranties deemed to have been made by it by its purchase of Bonds are no longer accurate, it shall promptly notify the Issuer and the University.

(f) If it is acquiring any Bond as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

(g) The Bonds will bear the legend set forth in the Trust Agreement dated as of December 1, 2018 between the Issuer and the Trustee (the "Trust Agreement"), pursuant to which the Bonds are being issued.

Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Trust Agreement.

_____
Print/Type Name of Purchaser

("PURCHASER")

By: _____

Printed Name: _____

Title: _____

Principal Business Address:

_____

_____

_____

SUMMARY OF INVESTMENT

Principal Amount: $_____

CUSIP Number:_____

[Signature page to Investor Letter - Development Finance Authority of Summit County Taxable Higher Educational Facilities Revenue Refunding Bonds, Series 2018A (Franciscan University of Steubenville Project)]

FRANCISCAN UNIVERSITY
OF STEUBENVILLE