

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 27, 2026

NEW ISSUE – Book-Entry-Only

**Ratings: Moody’s: Aaa
S&P: AAA
(See “RATINGS” herein)**

In the opinion of Hinckley, Allen & Snyder LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that such interest will be taken into account in computing the alternative minimum tax imposed on certain corporations. Under existing law, interest on the Bonds and any profit on the sale of the Bonds are exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See “TAX EXEMPTION” herein.



\$675,000,000*
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
Revenue Bonds
Harvard University Issue, Series 2026A



Dated: Date of Delivery

Due: As shown on the inside cover page

The Bonds (as defined herein) will be issued only as fully-registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company, New York, New York (“DTC”). Purchases of the Bonds will be made in book-entry-only form. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. The Bonds will be issued in minimum denominations of \$5,000 and whole multiples thereof. The Bank of New York Mellon Trust Company, N.A. will act as Trustee.

Principal and semiannual interest on the Bonds will be paid by the Trustee. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to the Bondowner, as more fully described herein. Interest on the Bonds will be payable on August 15, 2026, and semiannually thereafter on each February 15 and August 15 to the Bondowners of record as of the close of business on the first day of the month of such interest payment date.

The Bonds are subject to optional redemption prior to maturity. See “THE BONDS—Optional Redemption” herein.

The Bonds shall be special obligations of the Massachusetts Development Finance Agency (the “Issuer”) payable solely from the Revenues of the Issuer paid to the Trustee for the account of the Issuer by President and Fellows of Harvard College (the “Institution”) in accordance with the provisions of the Loan and Trust Agreement, dated as of April 1, 2026 (the “Agreement”), among the Issuer, the Institution and the Trustee. The payments pursuant to the Agreement are general obligations of the Institution. The proceeds of the Bonds are expected to be used to (i) finance and refinance certain capital projects, including repaying a portion of the Institution’s commercial paper, the proceeds of which were used to finance a portion of such projects and pay at maturity certain bonds previously issued by the Issuer for the benefit of the Institution, (ii) current refund certain bonds previously issued by the Issuer for the benefit of the Institution, and (iii) pay costs of issuance of the Bonds, as more fully described under “PLAN OF FINANCING” herein.

THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF MASSACHUSETTS OR ANY POLITICAL SUBDIVISION THEREOF. THE PRINCIPAL AND REDEMPTION PRICE OF AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE REVENUES AND FUNDS PLEDGED FOR THEIR PAYMENT UNDER THE AGREEMENT. THE ISSUER HAS NO TAXING POWER UNDER THE ACT.

The Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of their legality and certain other matters by Hinckley, Allen & Snyder LLP, Boston, Massachusetts, Bond Counsel to the Issuer. Certain legal matters will be passed upon for the Institution by its counsel, Epstein, Becker & Green, P.C., Boston, Massachusetts, and by its special tax counsel, Ropes & Gray LLP, Boston, Massachusetts, and for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York. It is expected that the Bonds will be available in definitive form for delivery to DTC in New York, New York or its custodial agent on or about _____, 2026.

Goldman Sachs & Co. LLC

Barclays

BofA Securities

TD Financial Products

Huntington

Academy Securities

J.P. Morgan

Drexel Hamilton

Morgan Stanley

RBC Capital Markets

Wells Fargo Securities

Siebert Williams Shank

Dated: _____, 2026

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of any such jurisdiction.

MATURITY SCHEDULE*

\$675,000,000*

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

Revenue Bonds

Harvard University Issue, Series 2026A

<u>Due</u> <u>(February 15)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u> <u>Number</u>
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* Preliminary, subject to change.

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IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS (INCLUDING DEALERS DEPOSITING BONDS INTO INVESTMENT TRUSTS) AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE INSIDE COVER PAGE HEREOF AND SAID OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

No dealer, broker, salesperson or other person has been authorized by the Issuer, the Institution or the Underwriters to give any information or to make any representations with respect to the Bonds, other than those contained in this Official Statement and the Appendices hereto, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The Issuer neither has nor assumes any responsibility as to the accuracy or completeness of the information contained in this Official Statement, other than that appearing under the captions “THE ISSUER” and “LITIGATION – The Issuer” (but only insofar as it relates to the Issuer). The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof.

Certain information contained herein has been obtained from the Institution, The Depository Trust Company, and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Issuer or the Underwriters. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The information herein relating to the Institution and its affairs and condition has been provided by such entity, and none of the Issuer or the Underwriters make any representation with respect to or warrants the accuracy of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

The Institution has agreed to enter into a Continuing Disclosure Agreement pursuant to which the Institution will provide certain continuing disclosure to the extent required by law. The purpose of the Continuing Disclosure Agreement is to assist the Underwriters in complying with Rule 15c2-12, as amended, of the Securities and Exchange Commission. See “CONTINUING DISCLOSURE” herein.

This Official Statement is submitted in connection with the sale of securities referred to herein and may not be used, in whole or in part, for any other purpose. The information and expression of opinions set forth herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof. The order and placement of materials in this Official Statement, including the Appendices, are not deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.

UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES LAW, AND THE AGREEMENT HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON THE EXEMPTIONS CONTAINED IN SUCH ACTS. THE BONDS WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE AND NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY HEREOF. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement, including Appendix A, contains statements which should be considered “forward-looking statements,” meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as “plan,” “expect,” “estimate,” “budget” or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Neither the Issuer nor the Institution expects or intends to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for the purposes of Rule 15c2-12 by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

OFFICIAL STATEMENT
Relating to
\$675,000,000*
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
Revenue Bonds
Harvard University Issue, Series 2026A

INTRODUCTION

Purpose of this Official Statement

This Official Statement, including the cover page, and appendices hereto, sets forth certain information in connection with the issuance and sale of the Revenue Bonds, Harvard University Issue, Series 2026A (the “Bonds”) of the Massachusetts Development Finance Agency (the “Issuer”), a body corporate and politic and a public instrumentality of The Commonwealth of Massachusetts (the “Commonwealth”). The Issuer is authorized under Chapter 23G and, to the extent incorporated therein, Chapter 40D of the Massachusetts General Laws (said Chapters, collectively and as amended, the “Act”), and pursuant to a resolution of the Issuer adopted on February 12, 2026 (the “Resolution”), to issue the Bonds. The Bonds will be issued pursuant to Loan and Trust Agreement dated as of April 1, 2026 (the “Agreement”) by and among the Issuer, President and Fellows of Harvard College (the “Institution”) and The Bank of New York Mellon Trust Company, N.A., as Trustee (the “Trustee”).

The information contained in this Official Statement is provided for use in connection with the initial sale of the Bonds. The definitions of certain terms used and not defined herein are contained in Appendix C – “DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT.”

Plan of Financing

The proceeds of the Bonds will be used to (i) finance and refinance certain capital projects, including repaying a portion of the Institution’s commercial paper, the proceeds of which were used to finance such projects and pay at maturity certain bonds previously issued by the Issuer for the benefit of the Institution, (ii) current refund the portion of the Issuer’s Revenue Bonds Harvard University Issue, Series 2016A that are callable at par beginning July 15, 2026 (the “Refunded 2016A Bonds”), and (iii) pay costs of issuance of the Bonds.

See “PLAN OF FINANCING” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

The Issuer, the Institution and the Trustee shall execute the Agreement, which provides that, to the extent permitted by law, the obligation of the Institution to make the payments thereunder is a general obligation of the Institution and that the full faith and credit of the Institution are pledged to its performance. The Agreement also provides, among other things, that the Institution shall make payments to the Trustee equal to principal and interest on the Bonds and certain other payments required by the Agreement. The Agreement shall remain in full force and effect until such time as all of the Bonds and the interest thereon

* Preliminary, subject to change.

have been fully paid or until adequate provision for such payments has been made. The obligation of the Institution to make payments under the Agreement is unsecured.

The Bonds are special obligations of the Issuer, equally and ratably secured by and payable from a pledge of and lien on, to the extent provided by the Agreement, the moneys received with respect to the Bonds by the Trustee for the account of the Issuer pursuant to the Agreement.

Under the Agreement, the Issuer assigns and pledges to the Trustee in trust upon the terms of the Agreement (i) all Revenues to be received from the Institution or derived from any security provided thereunder, (ii) all rights to receive such Revenues and the proceeds of such rights, (iii) all funds and investments held from time to time in the funds established under the Agreement and (iv) all of its right, title and interest in the Agreement, including enforcement rights and remedies but excluding certain rights of indemnification and to reimbursement of certain expenses as set forth in the Agreement. Under the Act, to the extent authorized or permitted by law, the pledge of Revenues is valid and binding from the time when such pledge is made and the Revenues and all income and receipts earned on funds held by the Trustee for the account of the Issuer shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

The assignment and pledge by the Issuer does not include (i) the rights of the Issuer pursuant to provisions of the Agreement for consent, concurrence, approval or other action by the Issuer, notice to the Issuer, or the filing of reports, certificates or other documents with the Issuer, (ii) the right of the Issuer to any payment or reimbursement pursuant to the Agreement or (iii) the powers of the Issuer as stated in the Agreement to enforce the rights set forth in subclauses (i) and (ii) of this sentence.

As additional security for its payment obligations under the Agreement, the Institution, pursuant to the Agreement, grants to the Trustee a security interest in the moneys and other investments and any proceeds thereof held in the funds established under the Agreement.

The Institution's payment obligations under the Agreement constitute unsecured general obligations of the Institution. Such payment obligations are not secured by a reserve fund, mortgage lien or security interest on or in any funds or other assets of the Institution. The Institution is not required to pay to the Trustee amounts necessary to pay the principal of and interest on the Bonds until the opening of business on the Business Day next preceding the date on which such payment is due; therefore, the funds held from time to time by the Trustee for the benefit of Bondowners under the Agreement are expected to be minimal.

The Institution has other unsecured general obligations outstanding. As of June 30, 2025, the Institution had approximately \$7.936 billion principal amount of indebtedness outstanding, including long-term debt and commercial paper. Subsequent to June 30, 2025, the Institution paid down approximately \$102.27 million principal amount of long-term debt and drew down an additional \$67.78 million of commercial paper. Upon delivery of the Bonds, excluding the commercial paper to be repaid with the proceeds of the Bonds and excluding the Refunded 2016 Bonds, the total outstanding principal amount of indebtedness, including the Bonds, is expected to be approximately \$8.003* billion. See, "PLAN OF FINANCING" herein.

The Institution is not restricted by the Agreement or otherwise from incurring additional indebtedness. Such additional indebtedness, if issued, may be either secured or unsecured and may be

* Preliminary, subject to change.

entitled to payment prior to the Institution's payment obligations under the Agreement. The Agreement also does not contain any financial covenants limiting the ability of the Institution to encumber or dispose of its property or merge with any other entity, or any covenants. Further, the Institution is not required by the Agreement to produce revenues at any specified level or to obtain any insurance with respect to its property or operations.

Acceleration

The Trustee may declare all of the Bonds immediately due and payable prior to maturity at par, plus accrued interest, upon an Event of Default under the Agreement. See Appendix C – “DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT – Summary of Certain Provisions of the Agreement – Default and Remedies.”

THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE ISSUER OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF MASSACHUSETTS OR ANY POLITICAL SUBDIVISION THEREOF. THE PRINCIPAL AND REDEMPTION PRICE OF AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE REVENUES AND FUNDS PLEDGED FOR THEIR PAYMENT UNDER THE AGREEMENT. THE ISSUER HAS NO TAXING POWER UNDER THE ACT.

THE ISSUER

The Issuer is authorized and empowered under the laws of the Commonwealth, including the Act, to issue the Bonds for the purposes described herein and to enter into the Agreement and other agreements and instruments necessary to issue and secure the Bonds.

Except for the information contained herein under the caption “THE ISSUER” and “LITIGATION – The Issuer”, the Issuer has not provided any of the information contained in this Official Statement. The Issuer is not responsible for and does not certify as to the accuracy or sufficiency of the disclosures made herein or any other information provided by the Institution, the Underwriters or any other person.

THE BONDS

Description of the Bonds

The Bonds will be issued in the aggregate principal amount set forth on the cover page hereof, will be dated the date of original issuance and will bear interest from such date, payable on August 15, 2026 and each February 15 and August 15 thereafter at the respective rates set forth on the inside cover page hereof and will mature as set forth on the inside cover page hereof. Interest on the Bonds will be calculated on the basis of twelve 30-day months for a 360-day year.

Subject to the provisions discussed under “—Book-Entry-Only System” below, the Bonds are issuable as fully-registered bonds without coupons in the minimum denomination of \$5,000 or any multiple thereof. Principal and Redemption Price (as defined below) of the Bonds will be payable at the principal corporate trust office of the Trustee, and interest on the Bonds will be paid by check or draft mailed to the registered owner as of the first (1st) day of the month in which interest is to be paid for the Bonds (the “Record Date”) or by wire transfer as provided in the Agreement.

Optional Redemption*

The Bonds maturing on February 15, 20__ are subject to optional redemption prior to maturity on or after February 15, 20__ at the option of the Institution by the written direction of the Institution to the Issuer and the Trustee, in whole or in part (in Authorized Denominations), at any time, in such order of maturity as directed by the Institution, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to, but not including, the redemption date (the “Redemption Price”).

Purchase of Bonds by the Institution

The Institution may purchase Bonds of any maturity and credit them against the principal payment for such maturity at the principal amount by delivering them to the Trustee for cancellation at least sixty (60) days before the principal payment date. Whenever Bonds are called for optional redemption, the Institution may purchase some or all of the Bonds called for redemption if it gives written notice, as appropriate, to the Trustee and the Issuer not later than the day before the redemption date that it wishes to purchase the principal amount of Bonds specified in the notice, on the redemption date, at a purchase price equal to the Redemption Price. Any such purchase of Bonds by the Institution shall not be deemed to be a payment or redemption of the Bonds or any portion thereof and such purchase shall not operate to extinguish or discharge the indebtedness evidenced by such Bonds.

Selection of Bonds

If less than all of the Bonds are called for redemption, the Institution will select the maturity or maturities, or sinking fund installment or installments, as applicable, from which the Bonds are to be redeemed. If less than all of the Bonds within a maturity are to be redeemed, the particular Bonds to be called for redemption shall be selected by the Trustee by lot or in any customary manner as determined by the Trustee; provided, however, that so long as DTC or its nominee is the Bondowner, the particular portions of the Bonds to be redeemed shall be selected by lot by DTC in such manner as DTC may determine.

Notice of Redemption and Other Notices

So long as DTC or its nominee is the Bondowner, the Issuer and the Trustee will recognize DTC or its nominee as the Bondowner for all purposes, including notices and voting. 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 and regulatory requirements which may be in effect from time to time.

The Trustee shall give notice of redemption to the Bondowners not less than twenty (20) days nor more than forty-five (45) days prior to the date fixed for redemption. Such notice of redemption may state that the proposed redemption is conditioned upon there being on deposit in the Redemption Fund on the redemption date sufficient funds to pay the full Redemption Price of the Bonds to be redeemed. Failure to mail notice to a particular Bondowner, or any defect in the notice to such Bondowner, shall not affect the redemption of any other Bond. So long as DTC or its nominee is the Bondowner, any failure on the part of DTC or failure on the part of a nominee of a Beneficial Owner (having received notice from a Direct Participant or otherwise) to notify the Beneficial Owner so affected shall not affect the validity of the redemption.

* Preliminary, subject to change.

Effect of Redemption

On the redemption date, the Redemption Price of each Bond to be redeemed will become due and payable; and from and after such date, notice having been properly given and amounts having been made available and set aside for such redemption in accordance with the provisions of the Agreement, notwithstanding that any Bonds called for redemption have not been surrendered, no further interest will accrue on any Bonds called for redemption.

Book-Entry-Only System

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

DTC 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," and together with Direct Participants, "Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the

name of Cede & Co. or such other DTC nominee do not 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.

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

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

Payments of principal, Redemption Price of and interest on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer 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 Underwriters, the Trustee, the Institution or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, Redemption Price of, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer 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 Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, such Bond certificates are required to be printed and delivered. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered to DTC. See "Certificated Bonds" below.

The information herein concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer, the Institution and the Underwriters believe to be reliable, but the Issuer, the Institution and the Underwriters take no responsibility for the accuracy thereof.

Each person for whom a Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such persons, to be forwarded in writing by such Participant and to have notification made of all interest payments. NONE OF THE ISSUER, THE INSTITUTION,

THE UNDERWRITERS OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE BONDS.

So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, references herein to Bondowners or registered owners of the Bonds (other than under the heading "TAX EXEMPTION" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Trustee to DTC only.

For every transfer and exchange of Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

The Issuer, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the Issuer determines that (i) DTC is unable to discharge its responsibilities with respect to the Bonds, or (ii) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by the Issuer or restricted registration is no longer in effect, Bond certificates will be delivered.

NONE OF THE ISSUER, THE INSTITUTION OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE BONDS UNDER THE AGREEMENT; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL, REDEMPTION PRICE OF OR INTEREST DUE WITH RESPECT TO THE BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE BONDS; OR (VI) ANY OTHER MATTER.

Certificated Bonds

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. In addition, the Issuer may determine that continuation of the system of book-entry transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners. If for either reason the Book-Entry-Only system is discontinued, Bond certificates will be delivered as described in the Agreement and the Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the Bondowner. Thereafter, the Bonds may be exchanged for an equal aggregate principal amount of the Bonds in other authorized denominations and of the same maturity, upon surrender thereof at the principal corporate trust office of the Trustee. The transfer of any Bond may be registered on the books maintained by the Trustee for such purpose only upon assignment in form satisfactory to the Trustee. For every exchange or registration of transfer of the Bonds, the Issuer and the Trustee may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to such exchange or

registration of transfer, but no other charge may be made to the Bondowner for any exchange or registration of transfer of the Bonds. The Trustee will not be required to register the transfer of or exchange any Bond during the notice period preceding any redemption if such Bond (or any part thereof) is eligible to be selected or has been selected for redemption.

PLAN OF FINANCING

The proceeds of the Bonds are expected to be applied to (i) finance and refinance certain capital projects (and as further defined below, the “Projects”), including repaying approximately \$67.78* million of the Institution’s outstanding commercial paper (the “Commercial Paper”), the proceeds of which were used to finance certain of the Projects (as defined below) and pay the portion of the Issuer’s Revenue Bonds Harvard University Issue, Series 2020A that matured in 2025 (the “2020A Bonds”), (ii) current refund the Refunded 2016A Bonds, and (iii) pay costs of issuance of the Bonds.

Projects

The Institution expects that the portion of the Bond proceeds to be used for the Projects will be held with the Trustee, which will be applied by the Institution to the payment of Projects. A portion of the Bond proceeds will be applied by the Institution to the repayment of the Commercial Paper on or after the date of issuance of the Bonds (and in any event within ninety (90) days following the issuance of the Bonds).

Specifically, the capital projects currently expected to be financed or refinanced, in whole or in part, with proceeds of the Bonds (the “Projects”) include construction of a new building for the Faculty of Arts and Sciences, renovations to teaching, research, and administrative buildings at the main campus, and renovations to teaching, research, and administrative buildings at the Longwood campus and the Allston campus, respectively.

Refunding

Simultaneously with the issuance and delivery of the Bonds, a portion of the proceeds of the Bonds will be deposited in escrow with the Trustee, and will be used to purchase defeasance securities in connection with the defeasance of the Refunded 2016A Bonds. It is anticipated that Causey Public Finance, LLC will provide a verification report certifying as to the sufficiency of such Defeasance Securities to defease the Refunded 2016A Bonds on the date of issuance and delivery of the Bonds. Upon such defeasance, the Refunded 2016A Bonds will be deemed to have been paid and will no longer be outstanding. The Refunded 2016A Bonds are anticipated to be redeemed on or around July 15, 2026.

* Preliminary, subject to change.

ESTIMATED SOURCES AND USES OF FUNDS

The table below sets forth the estimated sources and uses of funds in connection with the issuance of the Bonds.

Sources of Funds:	<u>Total</u>
Principal Amount of Bonds	
Net Premium/(Discount)	
Total Sources	<u><u> </u></u>
Uses of Funds:	
Projects ⁽¹⁾	
Defeasance of 2016A Bonds	
Costs of Issuance ⁽²⁾	
Total Uses	<u><u> </u></u>

⁽¹⁾ Includes refinancing the Commercial Paper, the proceeds of which financed certain Projects and paid off the portion of the 2020A Bonds that matured in 2025. See “PLAN OF FINANCING” herein.

⁽²⁾ Includes the Underwriters’ compensation and other costs of issuing the Bonds.

RATINGS

Moody’s Investors Service, Inc. has assigned a rating of Aaa with a stable outlook to the Bonds and S&P Global Ratings has assigned a rating of AAA with a stable outlook to the Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained only from the rating agency furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and investigations, studies and assumptions of its own. There is no assurance that such ratings will continue for any given period of time or that they will not be revised, either downward or upward, or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

UNDERWRITING

Goldman Sachs & Co. LLC, as representative of the underwriters named on the cover page hereof (collectively, the “Underwriters”), will agree to purchase the Bonds at an aggregate purchase price of \$_____ (representing the principal amount of the Bonds, plus an aggregate net original issue premium of \$_____ and less an underwriting discount of \$_____), pursuant to a purchase contract. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price stated on the cover page hereof. The contract for the purchase of the Bonds by the Underwriters is subject to certain conditions and provides that the Underwriters will purchase all the Bonds if any are purchased and requires the Institution to make certain representations and to indemnify the Underwriters and the Issuer and certain other parties against losses, claims, damages or liabilities arising out of any incorrect statements or information, including any omission of material facts, contained in certain portions of this Official Statement described in the fifth paragraph under the heading “MISCELLANEOUS.” The public offering prices set forth on the inside cover page hereof may be changed after the initial offering by the Underwriters.

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

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Bonds from JPMS at the original issue prices less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

Morgan Stanley & Co. LLC (“Morgan Stanley”) has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

RBC Capital Markets, LLC (“RBCCM”) has entered into a distribution arrangement with its affiliate RBC Securities, Inc. (RBC Securities) (formerly known as City National Securities, Inc). As part of this arrangement, RBCCM may distribute municipal securities to investors through the financial advisor network of RBC Securities. As part of this arrangement, RBCCM may compensate RBC Securities for its selling efforts with respect to the Bonds.

TD Financial Products LLC, one of the Underwriters of the Bonds, has entered into a negotiated dealer agreement (the “TD Dealer Agreement”) with Revere Securities LLC (“Revere”) for the retail distribution of certain securities offerings, including the offered Bonds at the original issue prices. Pursuant to the TD Dealer Agreement, Revere may purchase Bonds from TD Financial Products LLC at the original issue prices less a negotiated portion of the selling concession applicable to any of the Bonds Revere sells.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group (“WFBNA”), one of the underwriters of the Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Issuer or the Institution, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer or the Institution.

CONTINUING DISCLOSURE

The Issuer

No financial or operating data concerning the Issuer is material to any decision to purchase, hold or sell the Bonds and the Issuer will not provide any such information. The Institution has undertaken all responsibilities for any continuing disclosure to the holders and beneficial owners of the Bonds as described below, and the Issuer shall have no liability to the holders and beneficial owners of the Bonds or any other person with respect to such disclosures.

The Institution

The Institution has covenanted for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Institution (the “Annual Report”) by not later than March 1 of each year and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report and the notices of material events are to be filed by the Institution, or by the Trustee on behalf of the Institution, in electronic form with the Electronic Municipal Market Access system (“EMMA”) maintained by the Municipal Securities Rulemaking Board (the “MSRB”). These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). On the date of delivery of the Bonds, the Institution and the Trustee will enter into the Continuing Disclosure Agreement substantially in the form attached hereto as Appendix E – “FORM OF CONTINUING DISCLOSURE AGREEMENT.” The Institution has entered into previous continuing disclosure undertakings in connection with certain bonds issued by the Issuer or its predecessor issued for the benefit of the Institution. The Institution complied in all material respects with its obligations under such undertakings during the previous five years, except that notices of the incurrences of financial obligations in connection with the Institution’s Credit Agreement dated as of March 4, 2021 and Taxable Bonds, Series 2022A were each filed subsequent to the applicable deadline.

TAX EXEMPTION

In the opinion of Hinckley, Allen & Snyder LLP, Bond Counsel to the Issuer (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that under Section 56A of the Code such interest will be included in the computation of “adjusted financial statement income” of applicable corporations (as defined in Section 59(k) of the Code) and accordingly will be taken into

account in the computation of the alternative minimum tax applicable to such corporations. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Issuer and the Institution have covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these covenants.

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds and any profit on the sale of the Bonds are exempt from Massachusetts personal income taxes and that the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other Massachusetts tax consequences arising with respect to the Bonds. Prospective Bondowners should be aware, however, that the Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel has not opined as to the taxability of the Bonds or the income therefrom under the laws of any state other than Massachusetts. A complete copy of the proposed form of opinion of Bond Counsel with respect to the Bonds is set forth in Appendix D hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, in general, the issue price of a particular maturity of the Bonds may be established by reference to the first price at which a substantial amount of such maturity of the Bonds is sold to the public. The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Bondowners should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the issue price established therefor.

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds (“Premium Bonds”), will be treated as having amortizable bond premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondowner’s basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondowner. Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Prospective Bondowners should be aware that certain requirements and procedures contained or referred to in the Agreement and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after

the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Prospective Bondowners also should be aware that from time to time legislation is or may be proposed which, if enacted into law, could result in interest on the Bonds being subject directly or indirectly to federal income taxation, or otherwise prevent Bondowners from realizing the full benefit provided under current federal tax law of the exclusion of interest on the Bonds from gross income. To date, no such legislation has been enacted into law. However, it is not possible to predict whether any such legislation will be enacted into law. Further, no assurance can be given that any pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the market value and marketability of, or the tax status of interest on, the Bonds. Prospective Bondowners are urged to consult their own tax advisors with respect to any such legislation, interpretation or development.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondowner's federal or state tax liability. The nature and extent of these other collateral tax consequences will depend upon the particular tax status of the Bondowner or the Bondowner's other items of income, deduction or exclusion. Bond Counsel expresses no opinion regarding any such other collateral tax consequences, and Bondowners should consult with their own tax advisors with respect to such consequences.

LEGALITY OF BONDS FOR INVESTMENT AND DEPOSIT

The Act provides that the Bonds are securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all Massachusetts insurance companies, trust companies, savings banks, co-operative banks, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Under the Act, the Bonds are securities which may properly and legally be deposited with and received by any Commonwealth or municipal officer of any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may hereafter be authorized by law.

LITIGATION

The Issuer

There is no litigation pending against the Issuer or, to the knowledge of the officers of the Issuer, threatened against the Issuer seeking to restrain or enjoin the issuance or delivery of the Bonds or in any way contesting the existence or the powers of the Issuer relating to the issuance of the Bonds.

The Institution

See Appendix A with respect to the absence of material litigation affecting the Institution.

COMMONWEALTH NOT LIABLE ON BONDS

The Bonds are not a general obligation of the Issuer and shall not be deemed to constitute a debt or liability of the Commonwealth or any political subdivision thereof, or a pledge of the faith and credit of the Issuer or the Commonwealth or any such political subdivision, but shall be payable solely from and to the extent of the payments made by the Institution pursuant to the Agreement and any other funds held under

the Agreement for such purpose. Neither the faith and credit of the Issuer or the Commonwealth nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Act does not in any way create a so-called moral obligation of The Commonwealth of Massachusetts or of any political subdivision thereof to pay debt service in the event of default by the Institution. The Issuer has no taxing power under the Act.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Bonds by the Issuer are subject to the approval of Hinckley, Allen & Snyder LLP, Boston, Massachusetts, Bond Counsel, whose opinion approving the validity and tax exempt status of the Bonds will be delivered with the Bonds. A copy of the proposed form of such opinion is attached hereto as Appendix D – “PROPOSED FORM OF BOND COUNSEL OPINION.” Certain legal matters will be passed upon for the Institution by its counsel, Epstein, Becker & Green, P.C., Boston Massachusetts, and by its special tax counsel, Ropes & Gray LLP, Boston, Massachusetts, and for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, New York, New York.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey Public Finance, LLC (the “Verification Agent”) will deliver to the Institution, on or before the settlement date of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the obligations purchased, to pay, when due, the Refunded 2016A Bonds, as described in the “PLAN OF FINANCING – Refunding” herein.

The verification performed by the Verification Agent will be solely based upon data, information and documents provided to the Verification Agent by the Institution, the Underwriters and their representatives. The Verification Agent has restricted its procedures to recalculating the computations provided by the Institution and its representatives and has not evaluated or examined the assumptions or information used in the computations.

INDEPENDENT AUDITORS

The consolidated balance sheet as of June 30, 2025, the related consolidated statements of changes in net assets with general operating account detail and of changes in net assets of the endowment for the year ended June 30, 2025 and of cash flows for the years ended June 30, 2025 and 2024, included in Appendix B to this Official Statement, have been audited by PricewaterhouseCoopers LLP, independent auditors, as stated in their report appearing therein.

MISCELLANEOUS

The references to the Act and the Agreement are brief summaries of certain provisions thereof. Such summaries do not purport to be complete, and reference is made to the Act and the Agreement for full and complete statements of such provisions. The agreements of the Issuer with the Bondowners are fully set forth in the Agreement, and neither any advertisement of the Bonds nor this Official Statement is to be construed as constituting an agreement with the Bondowners. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. Copies of the documents mentioned in this paragraph are on file at the offices of the Issuer and the Trustee.

Appendix A to this Official Statement sets forth certain operating and financial information of the Institution. Appendix B to this Official Statement sets forth the “Harvard University Financial Report Fiscal Year 2025,” which includes the audited financial statements of the Institution for the fiscal year ended June 30, 2025. While the information contained in such Report is believed to be reliable, neither the Issuer nor the Underwriters make any representations or warranties whatsoever with respect to such information.

Appendix C – “DEFINITIONS OF CERTAIN TERMS AND SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT” and Appendix D – “PROPOSED FORM OF BOND COUNSEL OPINION,” attached hereto, have been prepared by Hinckley, Allen & Snyder LLP, Bond Counsel to the Issuer.

All appendices hereto are incorporated herein as an integral part of this Official Statement.

The Institution has reviewed the portions of this Official Statement describing the Institution, “PLAN OF FINANCING,” “ESTIMATED SOURCES AND USES OF FUNDS” and “CONTINUING DISCLOSURE – The Institution,” has furnished Appendix A and Appendix B to this Official Statement, and has approved all such information for use with this Official Statement. At the closing, the Institution will certify that such portions of this Official Statement do not contain an untrue statement of a material fact or omit a statement of material fact necessary to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

The Issuer has consented to the use of this Official Statement. The Issuer is responsible only for the statements contained under the caption “THE ISSUER” and the information pertaining to the Issuer under the caption “LITIGATION – The Issuer,” and the Issuer makes no representation as to the accuracy, completeness or sufficiency of any other information contained herein. Except as otherwise stated herein, neither the Issuer nor the Underwriters make any representations or warranties whatsoever with respect to the information contained herein.

APPENDIX A

CERTAIN INFORMATION CONCERNING THE INSTITUTION

HARVARD UNIVERSITY

MASSACHUSETTS HALL
CAMBRIDGE, MASSACHUSETTS 02138

The following is information with respect to President and Fellows of Harvard College (“Harvard” or the “University”).

The University

Harvard is an institution of higher education, dedicated to teaching and research to advance the boundaries of human knowledge. It was founded in 1636 and incorporated in 1650 by act of the Colony of Massachusetts Bay confirmed, as amended, in the Constitution of 1780 of The Commonwealth of Massachusetts. It is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code. The University consists of Harvard College, eleven graduate schools and several research institutes and museums. The University’s campus consists of approximately 26 million gross square feet spanning approximately 600 acres across its principal sites in Cambridge, Massachusetts and the Allston and Longwood areas of Boston, Massachusetts.

By charter, Harvard has two governing boards – President and Fellows (also known as the “Corporation”) and the Board of Overseers. The Corporation consists of the President and Treasurer, along with eleven Fellows. Members of the Corporation (including the President and Treasurer) are elected by the Corporation, subject to the counsel and consent of the Board of Overseers. The Corporation oversees the management of the financial affairs of the University without need of consent by the Board of Overseers to specific transactions. The members of the Corporation are as follows.¹

Name	Title
Alan M. Garber	President, Harvard University
Timothy R. Barakett	Treasurer, Harvard University Chairman, TRB Advisors LP
Penny Pritzker	Senior Fellow, Harvard University Founder and Chairman, PSP Partners, LLC
Joseph Y. Bae	Co-CEO, Kohlberg Kravis Roberts & Co. L.P.
Kenneth I. Chenault	Chairman and Managing Director, General Catalyst
Mariano-Florentino Cuéllar	President, Carnegie Endowment for International Peace
Kenneth C. Frazier	Chair of Health Assurance Initiatives, General Catalyst Former Executive Chairman and CEO, Merck & Co, Inc.
Richard P. Lifton	President, The Rockefeller University
Karen Gordon Mills	President, Tootsie Roll Industries, Inc. and President, MMP Group
Diana L. Nelson	Co-Chair, Carlson Holdings, Inc.
Tracy Pun Palandjian	Co-founder and CEO, Social Finance
Kannon Shanmugam	Partner, Paul, Weiss, Rifkind, Wharton & Garrison LLP

The Board of Overseers consists of the President and the Treasurer *ex-officiis* and 30 persons elected by the alumni of the University for six-year staggered terms. A member of the Board of Overseers may serve more than one term. The consent of the Board of

¹ There is currently one vacancy following the end of Bidy Martin’s term on December 31, 2025.

Overseers is required for certain acts of the Corporation, including the election of successors to Fellows, certain academic and administrative appointments (including the President and the Treasurer) and the awarding of degrees. The Board of Overseers also reviews the academic performance of the University through more than 50 visiting committees composed of both members of the Board of Overseers and others.

Administration

The academic affairs of the University are managed by the President, the Provost, and the deans of the University’s faculties. The non-academic affairs of the University are managed by the President, the Treasurer, the Executive Vice President, and the Vice Presidents. The principal administrative officers of the University are as follows:

Name	Title
Alan M. Garber	President
John F. Manning	Provost
Timothy R. Barakett	Treasurer
Meredith Weenick	Executive Vice President
Paul Andrew	Vice President for Public Affairs and Communications
Sean Caron	Vice President for Campus Services
Manuel Cuevas-Trisán	Vice President for Human Resources
Suzanne Glassburn	Vice President and Secretary of the University
Marc Goodheart	Vice President and Senior Advisor to the President and Provost
Ritu Kalra	Vice President for Finance and Chief Financial Officer
Klara Jelinkova	Vice President and Chief Information Officer
James J. Husson	Vice President for Alumni Affairs and Development
Peggy Newell	Vice President and Deputy to the President
Jennifer O’Connor	Vice President and General Counsel
Martha Whitehead	Vice President for the Harvard Library

Harvard Management Company

Harvard Management Company, Inc. (“HMC”) was formed in 1974 to manage investments for Harvard University. HMC has delegated authority to manage the General Investment Account (which includes the University’s endowment and constitutes the majority of the financial assets of the University) pursuant to an Investment Advisory Agreement. Led by its Chief Executive Officer, N. P. “Narv” Narvekar, HMC’s mission is to help ensure that Harvard University has financial resources to maintain and expand its teaching, learning, and research activities.

HMC is governed by a Board of Directors, which includes the President, the Treasurer, and the Vice President for Finance and Chief Financial Officer of the University, as well as the Chief Executive Officer of HMC.

HMC invests the majority of capital with external asset managers who are selected based on attributes such as track record, strategy, sector and geography. HMC’s internal investment team, following a generalist model, monitors the risk of individual funds and the liquidity of the overall endowment portfolio to ensure regular distributions in support of Harvard University’s operations.

For the fiscal year ended June 30, 2025 the return on the Harvard endowment was 11.9%. The value of the endowment on June 30, 2025 was \$56.9 billion.

Student Applications and Enrollment

The University receives applications substantially in excess of the number of students it can accept into its undergraduate and graduate programs. The following table shows applications received and the number of first-year students admitted to and enrolled in Harvard College (the University’s principal undergraduate unit) for the fall terms of the academic years indicated.

Recent Application Statistics					
Academic Year	First-Year Student Applications Received	First-Year Students Admitted	First-Year Students Enrolled	Selectivity (%)	Yield (%)
2021-22	57,786	2,318	1,951	4.0%	84.2%
2022-23	61,221	1,984	1,646	3.2%	83.0%
2023-24	56,937	1,965	1,645	3.5%	83.7%
2024-25	54,008	1,970	1,647	3.6%	83.6%
2025-26	47,893	2,003	1,675	4.2%	83.6%

Source: University Records.

Note: Starting with the academic year 2025-26, Harvard College required applicants to submit standardized test scores for the first time since academic year 2020-21

The following table shows the total number of full-time-equivalent undergraduate students and graduate-degree students enrolled for the fall term of the academic years indicated. Figures do not include the Harvard Division of Continuing Education.

Student Enrollment			
Academic Year	Undergraduate	Graduate	Total
2021-22	7,095	13,565	20,660
2022-23	7,178	13,728	20,906
2023-24	7,063	13,450	20,513
2024-25	6,975	13,437	20,412
2025-26	6,669	13,405	20,074

Source: University Records

Tuition, Fees and Room & Board

The following table shows undergraduate charges for the academic years indicated.

Tuition, Fees and Room & Board			
Academic Year	Tuition And Fees	Average Room and Board	Total
2021-22	\$55,587	\$18,941	\$74,528
2022-23	\$57,261	\$19,502	\$76,763
2023-24	\$59,076	\$20,374	\$79,450
2024-25	\$61,676	\$21,190	\$82,866
2025-26	\$64,796	\$22,130	\$86,926

Source: University Records

Student Financial Aid

The University undergraduate admissions policy provides that admissions to Harvard College are need-blind, which allows the University to bring the best students to Harvard College, regardless of their ability to pay. Effective for the 2025-26 academic year, the Harvard College financial aid program was expanded so that students from families with typical assets and incomes below \$100,000 can attend for free (this covers all billed expenses including tuition, food, and housing, as well as travel costs and health insurance if needed), and students from families with typical assets and incomes below \$200,000 can attend tuition-free. Undergraduate aid packages typically consist of grants and employment, with a small percentage of students electing loans. In the 2024-2025 academic year, approximately 56% of Harvard College students received need-based scholarships, and 24% of Harvard College students paid nothing to attend. In that year, the average family contribution toward the cost of attendance was \$16,750 for the students who received need-based aid.

Faculty and Staff

Harvard employs approximately 2,400 faculty. Faculty tenure decisions are subject to the approval of the President, while certain other appointments (such as the Provost, Faculty Deans, Vice Presidents, University Professors, and selected others) are subject to the approval of the Joint Committee on Appointments, a joint committee of the University's two governing boards (the Corporation and the Board of Overseers). The University had approximately 19,250 full-time equivalent employees as of fall 2025 (including faculty, researchers, and staff, but not including graduate student appointments and similar positions or temporary workers). Each school at the University has significant autonomy in establishing its own staffing policies, which include hiring and wage and salary administration.

Labor Relations²

Approximately 6,700 of the University's employees are covered under six collective bargaining agreements, represented by nine labor unions. Bargaining units consist of clerical and technical workers (including museum and parking workers and security guards); dining service workers; custodians; arborists and gardeners; maintenance tradespersons; and police officers. The collective bargaining agreements have varying expiration dates through 2029.

The University also has a collective bargaining agreement with a union representing approximately 4,100 graduate student workers. This agreement expired in June 2025, and the parties are currently in negotiations for a successor agreement.

Additionally, approximately 400 undergraduate student workers have organized as Harvard Undergraduate Workers Union, approximately 90 student workers have organized as Harvard University Fabrication Workers Union, and approximately 2,300 of the University's non-tenure-track academic workers have organized as Harvard Academic Workers. Collective bargaining has commenced with all groups.

Campus Development

Harvard's primary campus is located in Cambridge and includes many historic buildings. Development efforts in Cambridge are primarily focused on renewal of existing structures for continued academic, research, housing, and support functions. A new building for the Economics Department behind the Littauer Center at the intersection of Cambridge Street and Massachusetts Avenue is currently under construction.

Like the main Cambridge campus, the University's medical campus in Longwood is not anticipated to change materially in the near term, with current development efforts focused on renewal and improvement of existing structures.

Harvard also has significant real estate holdings in Allston, across the river from its main Cambridge campus. Development in Allston is ongoing, consisting of both institutional development and commercial development efforts. Institutional development in Allston is governed by the University's ten-year Institutional Master Plan ("IMP"). Under an approved amendment to the IMP filed in 2013, two new institutional projects are under construction at 175 North Harvard Street: a research and performance center for the American Repertory Theater, and a housing complex for people affiliated with Harvard. An institutional conference center approved under the 2013 IMP was recently placed in service on Western Avenue. A new IMP featuring six major institutional projects totaling approximately 140,000 square feet of renovation and approximately 700,000 square feet of new construction was filed in November 2024.

Regarding commercial development in Allston, the University has engaged several third-party real estate partners for a variety of mixed-use projects on land ground-leased from the University. The largest of these is the Enterprise Research Campus ("ERC"), the first phase of which is currently nearing completion along Western Avenue. That first phase of the ERC consists of two lab buildings, an apartment building, a hotel, the University-

² Note: headcounts and union eligibility parameters as of March 2026

owned conference center mentioned above, and three acres of open green space. The next phase is in the planning stages and will undergo a separate permitting process.

Litigation, Investigations, and Other Proceedings

The University is subject to individual and class action lawsuits and other legal proceedings such as audits and investigations in the course of its operations. For a large institution such as the University, such lawsuits and proceedings may involve substantial claims, judgments and settlements. While the outcome and consequences, if any, are not determinable at present, no such lawsuits or proceedings are pending or threatened that, in management's opinion, would be likely to have a material adverse effect on the University's ability to meet its commitments related to the Bonds (as defined in the Offering Statement to this transaction).

Additional Considerations

Like other institutions of higher education, the University receives federal support in a variety of forms, including research funding, student financial aid, and authorization for visa sponsorship. Various legislative, administrative, and enforcement actions initiated by the federal government and its agencies against the University, some of which allege violations of law, could impact these forms of support. These include the following actions, among others.

- In April 2025, the federal government announced that it was halting \$2.2 billion of multi-year research grants to the University. The University pursued legal remedies and won summary judgment in September 2025, after which payments on sponsored activity, which are generally received as reimbursements after expenses are incurred, resumed. In the fiscal year ended June 30, 2025 the University incurred \$745 million of expenses on federally sponsored grants. Of these expenses, \$629 million was reimbursed during the fiscal year and \$116 million was reimbursed subsequent to the summary judgement ruling. The government has appealed.
- In May 2025, the federal government sought to revoke Harvard's certification to sponsor visa status for international students and exchange visitors. Harvard filed a lawsuit and obtained a preliminary injunction. The government subsequently initiated a process to revoke the certification just for F-1 international student visas, which process has not been concluded. The government has also appealed a further injunction Harvard obtained against a Presidential Proclamation that would have suspended the entry of new international students attending Harvard.
- In September 2025, the U.S. Department of Health and Human Services announced that it was referring the University to its internal office responsible for decisions concerning suspension or debarment with respect to the receipt of federal funding, citing alleged violations of federal civil rights law. The University has requested an administrative hearing.
- In September 2025, alleging a lack of financial stability at Harvard, the U.S. Department of Education imposed heightened cash monitoring requirements on the University, requiring it to make disbursements of aid to eligible students and parents, and to pay any credit balances, before requesting or receiving funds from the Department. The Department also required the University to submit a \$36 million

irrevocable letter of credit to the Department providing coverage through September 30, 2026 in order to retain its eligibility to receive federal student aid funds.

- In March 2026, the U.S. Department of Justice filed a lawsuit against the University, claiming Title VI violations based on alleged antisemitism. The remedies the government seeks include a release from further payments under existing research grants to Harvard; rescission and restitution of all grant payments during the period of alleged noncompliance; and enjoining the University from entering into certain future federal contracts. The University's average annual spending on federally sponsored multi-year awards was about \$700 million over the last three fiscal years. As of June 30, 2025, the University had \$1.4 billion in federally sponsored awards which were contractually awarded but for which costs had not yet been incurred.

In addition to actions against the University individually, the federal government has proposed or taken other actions that could or will adversely affect research universities more broadly. For example, the administration has proposed restricting federal support for research, including by limiting indirect cost recovery rates. The rate of "endowment tax" imposed on net investment income has been increased from 1.4% to a tiered rate structure that rises to as much as 8.0%. It is anticipated that the University will be in the 8.0% tier beginning fiscal year 2027. In addition, various federal student loan programs will be curtailed or eliminated under enacted legislation, including loan programs that many graduate students have relied on to attend the University. Further, the federal government has announced new restrictions on student and H-1B visas and has increased vetting of foreign students and visa revocation efforts.

These or other actions or future developments involving the federal government may have the direct or indirect effect of reducing federal support for the University's research or other operations, reducing the University's fundraising or other revenue sources, increasing taxes or other costs borne by the University, adversely affecting the section 501(c)(3) status or other tax benefits accorded to the University, or otherwise damaging the reputation or business of the University. While the financial and operating impact on the University of any circumstances or developments involving the federal government cannot be quantified at this time, they may, directly or indirectly, have a material adverse effect on the current and future financial profile and operating performance of the University.

APPENDIX B

HARVARD UNIVERSITY FINANCIAL REPORT FISCAL YEAR 2025



Financial Report

FISCAL YEAR 2025



HARVARD
UNIVERSITY

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Message from the President

I am pleased to submit Harvard University's financial results. Even by the standards of our centuries-long history, fiscal year 2025 was extraordinarily challenging, with political and economic disruption affecting many sectors, including higher education. Following the termination of federal research funding awarded to Harvard, an act the US District Court has since found to be unlawful, the University committed \$250 million in contingency funding, which the Schools supplemented with additional funding. To focus our resources on the University's core mission of teaching, learning, and research, we made difficult but necessary choices. We announced a hiring freeze and painful layoffs, kept salary increases flat for exempt employees, and scaled back projects and expenditures.

In the face of these actions, colleagues across the University supported one another and pursued their work with renewed determination—a powerful testament to the commitment and strength of our community. We continue to adapt to uncertainty and threats to sources of revenue that have sustained our work for many years. We have intensified our efforts to expand our sources of funding. We are also examining operations at every level of the University as we seek greater adaptability and efficiency. In parallel, we continue to ensure that our academic environment nurtures excellence in all of our endeavors. We are promoting open inquiry, constructive dialogue, and viewpoint diversity, and pursuing our priorities with the resolve that the times demand. Our research continues to deepen understanding and to yield tangible benefits—better health, longer lives, and greater security among them. As we pursue excellence in the discovery and dissemination of knowledge, we better serve people across the country and around the world.

The size of the University, its breadth of intellectual activity, and its position as a leading academic institution could hardly have been anticipated when Harvard College was founded in 1636. Our growth over nearly four hundred years has been due, in large part, to the commitment of alumni and friends who believe in our mission and in our capacity to evolve, especially in times of crisis. Although their own aspirations, backgrounds, and perspectives range widely, our many supporters are united by the conviction that Harvard is not a paragon of perfection but a crucible of change. Their generous support, through philanthropy and advocacy for Harvard and its values, has never been more important. It represents a vote of confidence in our enduring ability to welcome talented individuals into our community, to take on the greatest challenges of our time, and to rigorously and relentlessly pursue truth. We remain deeply grateful for countless acts of generosity that reflect pride in our past, ensure our resilience in the present, and embolden our ambitious plans for the future.

Our mission and our values will continue to guide us as we chart a course through what will no doubt be among the most difficult and demanding periods in the history of the University. Our work together will ensure that Harvard will not only endure but thrive.

Sincerely,



Alan M. Garber
PRESIDENT

October 2025

Financial Overview

From the Vice President for Finance and the Treasurer

Fiscal year 2025 tested Harvard in ways few could have anticipated.

We began the year with challenges already in view: expenses rising faster than revenues, inflationary pressures amid broader economic uncertainty, and the ongoing work of renewing and rebuilding our community. We closed it confronting the abrupt termination of nearly all of Harvard's federal research grants, facing potential constraints on the exchange of international scholars, and considering how we will absorb the enactment of a substantial increase to the federal tax on endowment income, scheduled to take effect in fiscal 2027.

All of these developments have raised new questions about the financial foundations of higher education and underscore a shifting federal policy environment that will shape the future.

The consequences of these shifts are only beginning to be felt. Harvard ended the year with a \$113 million deficit, a -1.7% margin on a \$6.7 billion operating revenue base.

This result could have been worse. It reflects not only the magnitude of the disruption, but also the discipline of a university community that acted quickly and with resolve. Leaders across the University worked in concert to identify savings—leaving open positions unfilled, deferring non-critical capital projects where possible, freezing next year's salary increases for exempt staff, and undertaking targeted workforce reductions. These measures were painful, particularly where they touched colleagues and programs, but they were guided by a commitment to stewarding resources wisely in pursuit of our research and teaching mission in a time of constraint.

The sobering outlook also propelled us to secure the balance sheet for what lies ahead. The University issued \$1.2 billion of long-term debt, a measure taken both to bolster liquidity and to sustain essential capital

investments. At a moment when capital markets themselves have become less predictable, the proceeds provide strategic flexibility. Alongside the University's Aaa/AAA ratings, they reflect Harvard's ability to navigate an uncertain terrain.

The endowment remains central to navigating the uncertainty—not as a source of short-term relief but as a covenant across generations. In fiscal year 2025, Narv Narvekar and his colleagues at Harvard Management Company delivered an 11.9% return for the endowment. Over 80% of its funds are restricted to particular purposes, and its spending rate is deliberately managed to balance the demands of today with the needs of tomorrow's scholars. That discipline is not a constraint; it is the very reason Harvard's mission can endure across centuries.

Each year, the endowment is put to work, and the impact of its work is tangible. We spend from it annually—\$2.5 billion in fiscal year 2025, nearly 40% of the University's operations—to make a Harvard education accessible, to support faculty in their teaching and research, and to aid the daily work of discovery. Endowment support enabled the continued expansion of Harvard's financial aid program, with undergraduate students from families earning below \$100,000 now able to attend for free, and those from families earning below \$200,000 able to attend tuition-free. Endowment support fueled over \$750 million in financial aid across Harvard, including more than \$250 million in need-based scholarships—not loans—to 55% of undergraduate students, and over \$500 million in graduate student support. Endowment support allowed us to sustain vital research even as federal funding contracted. And it helped make possible the groundbreaking work of our faculty, one of whom alchemized curiosity and time into biological insights recognized by a Nobel Prize. These achievements remind us that the pursuit of truth does not pause in the face of uncertainty. It persists.

That same spirit of persistence is evident in Allston, where the campus is evolving. The David Rubenstein Treehouse—a conference center and convening space—opened this fall. The Goel Center for Performance and Creativity, a new home for the American Repertory Theatre, is well on its way. And across campus, new partnerships with industry and the community are beginning to take root. These projects embody Harvard’s ability to scale back when needed and build back with purpose. By keeping our eye on the horizon, we are reshaping the horizon line itself.

This year’s financial results are also a reflection of extraordinary generosity. Alumni and friends gave over \$600 million in current-use gifts—the highest total in the University’s history. Our donors’ support is essential. It provides a stabilizing force in times of trial and serves as a critical catalyst for discovery and renewal. To everyone who includes Harvard among your philanthropic priorities, thank you.

Looking forward, daunting challenges await: the declining trajectory of federal research support, the forthcoming increase in the endowment tax, the still-unfolding challenges to our ability to host international students and scholars and ongoing litigation—all against the backdrop of serious geopolitical and economic pressures and the potential for significant inflation. Structural changes and reductions across our Schools and units will be necessary, and they will not be easy. Our work is far from finished.

And yet, adversity has a way of clarifying what matters most. For Harvard, that clarity lies in sustaining a community where teaching, research, and service remain central—and where resources are stewarded not just to meet the needs of the present but to safeguard the promise of the future. Prudence, in this sense, is not merely financial; it is an act of stewardship. By aligning financial discipline with academic purpose, Harvard can emerge from this period with renewed commitment to meet the demands of a world that looks to universities for knowledge, leadership, and hope.

We are profoundly grateful to our community of faculty, students, and staff for their resilience and dedication during a trying year. Harvard’s future will be secured not by resources alone, but by the collective commitment of its community to expand knowledge and serve society. With humility and resolve, we will continue to meet that responsibility.



Ritu Kalra
VICE PRESIDENT FOR FINANCE AND
CHIEF FINANCIAL OFFICER



Timothy R. Barakett
TREASURER

October 2025

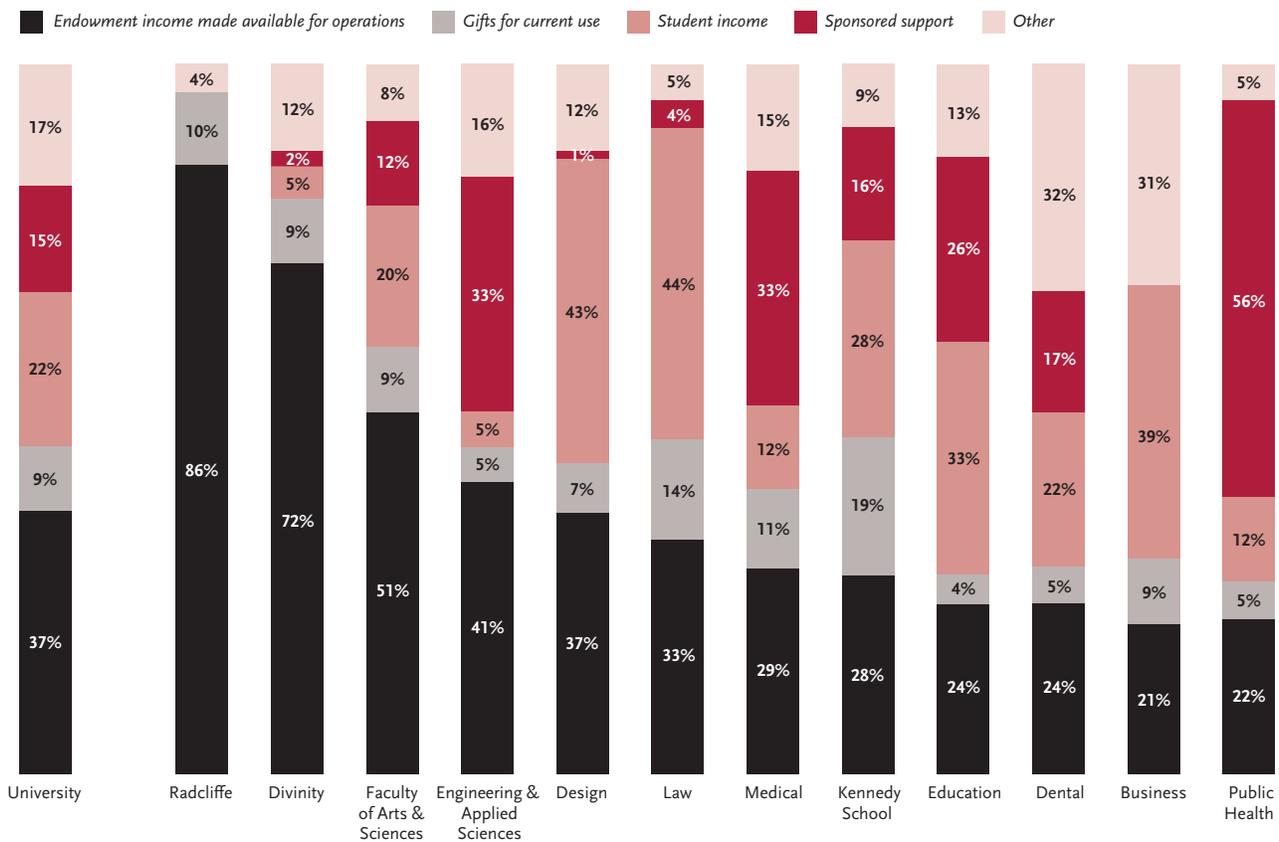
FINANCIAL OVERVIEW

The University ended fiscal year 2025 with an operating deficit of \$113 million on an operating revenue base of \$6.7 billion, representing a -1.7% operating margin. Within this total, funds without donor restrictions had a deficit of \$212 million, while funds with donor restrictions had a surplus of \$99 million, reflecting donor restricted resources received but not yet spent. Overall net assets grew to \$68.7 billion, a 6.8% increase from fiscal year 2024.

OPERATING REVENUES

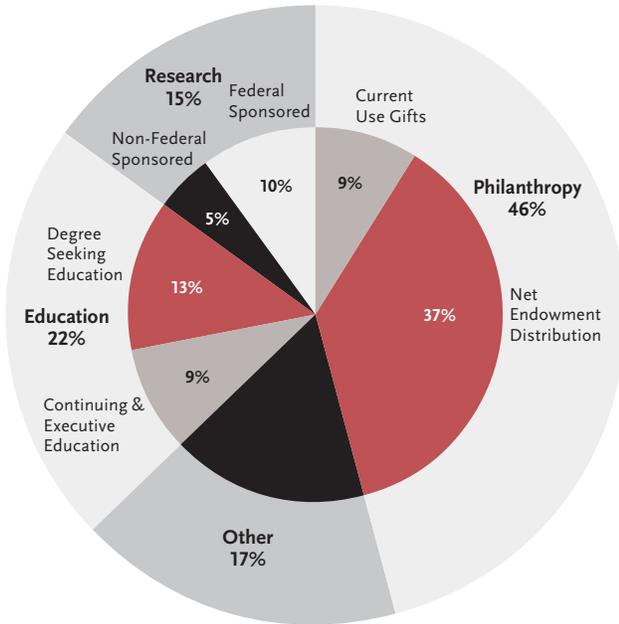
Harvard's revenue structure is both broad and differentiated, reflecting the diverse academic and research missions of its Schools. The revenue profiles of Harvard's many schools and units vary widely, illustrating the complexity of Harvard's financial ecosystem, in which each School's revenue mix reflects its unique mission, scale, and external partnerships. Taken together, these distinct profiles underscore the University's reliance on multiple, complementary revenue streams that sustain its academic enterprise, as depicted in the following table:

FISCAL YEAR 2025 SOURCES OF OPERATING REVENUE BY SCHOOL



Harvard's diversified, mission-driven activities rely on three main sources of revenue: **education** or tuition, sponsored **research**, and **philanthropy**, both past and present. The University's operating revenue rose by \$210 million or 3% to \$6.7 billion for fiscal year 2025.

FISCAL YEAR 2025 OPERATING REVENUES



Education

In fiscal year 2025, across its 12 Schools, Harvard enrolled 24,519 degree-seeking students from around the globe, including 6,980 undergraduates at Harvard College. Total education revenue comprised 22% of revenue, inclusive of tuition, room and board—net of financial aid—from both traditional degree seeking students (undergraduate, graduate, and professional), as well as professional and lifelong learners.

Harvard is committed to cultivating a community of bright and talented students regardless of their ability to pay. Thanks to our robust financial aid program, approximately 55% of Harvard College students receive need-based scholarships and pay an average of \$16,000 for tuition, fees, housing and food. Since launching the Harvard Financial Aid Initiative in 2004, the College has awarded more than \$3.6 billion in grant aid, and undergraduate financial aid has more than tripled from \$80 million in 2005 to more than \$250 million in 2025.

Harvard College has continued its ongoing efforts to expand financial aid. In March 2025, the College raised the family income threshold for full assistance for the upcoming academic year to \$100,000, and added a new threshold for full tuition assistance for family incomes at \$200,000. This change means that 25% of families do not have to contribute anything and will pay zero toward tuition, fees, housing or food. In addition, to ensure that students can participate fully in the Harvard experience, the University provides the most highly aided students with funding for health insurance, emergency expenses, event fees, and other activities. First-year students from families with incomes below \$100,000 receive a \$2,000 Start-Up Grant to help cover the initial costs of beginning their studies at Harvard, as well as a \$2,000 Launch Grant in their junior year to support expenses associated with preparing for life after graduation.

In fiscal year 2025, Harvard extended a total of over \$750 million of funds to undergraduate and graduate students in the form of financial aid and scholarships.

Research

Research is a partnership between the University and external sponsors. In fiscal year 2025, University expenditures toward research exceeded \$1.4 billion. These activities were both sponsor-funded and institutionally supported. Institutional support reflects the University's enduring commitment to advancing discovery and innovation, sustaining critical research infrastructure, and supporting faculty and student engagement across disciplines.

Funding from external sponsors to support research made up 15% of revenue. Since University faculty and researchers first conduct work on the research and then seek reimbursement pursuant to their grant terms, revenue from sponsored research is typically recognized as expenditures are incurred. Prior to the suspension and termination of federal grants this Spring, federal sponsored revenues were trending toward a 9% increase over fiscal year 2024. Instead, the University recognized \$629 million in federal sponsored revenue in fiscal year 2025, an 8% decrease from fiscal year 2024. Payments received on federal sponsored grants that were subsequently reinstated will be recognized as revenue in fiscal year 2026.

In addition to federal support, the University received \$345 million in non-federal sponsored revenue in fiscal year 2025, which includes funding from corporations, foundations, and other non-federal sponsors. This represents an increase of 6% or \$19 million, driven by new multi-year awards in fiscal year 2025. Non-federal sponsored revenue fluctuates from year to year due to the variable nature of private grants and contracts, which are often project-specific and time-limited.

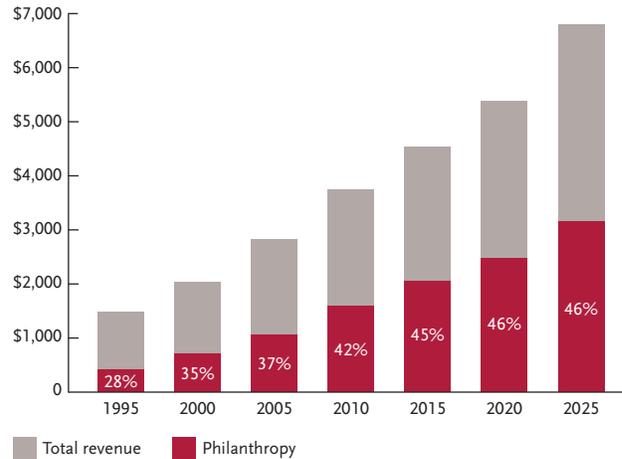
Philanthropy

Philanthropy, in all its forms, is evident in every aspect of the University’s operations. In fiscal year 2025, support from past and present donors provided 46% of revenue through endowment income (37%) and current use gifts (9%), reflecting their generosity and belief in the broad impact of education and research at Harvard. Every gift helps Harvard to support excellence in our teaching and research, recruit and retain our world class faculty, help students thrive, and provide greater access through financial aid.

In fiscal year 2025, Harvard received current use gifts from alumni, foundations, and others totaling \$629 million, representing approximately 9% of operating revenues and an increase of 19% or \$101 million.

PHILANTHROPY AS A PERCENTAGE OF TOTAL REVENUE OVER TIME

In millions of dollars



OPERATING EXPENSES

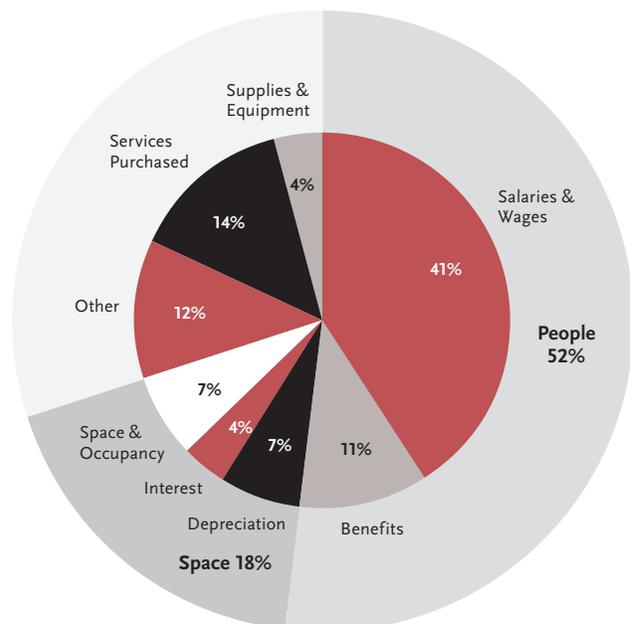
Harvard’s spending encompasses three primary categories, related to the faculty, staff and other **people** who make Harvard’s work come alive; the classrooms, labs and other **spaces** in which their work is done; and the **supplies and services** they use to advance the work. The University’s operating expenses rose by \$367 million or 6% to \$6.8 billion for fiscal year 2025.

Compensation, or people, expenses—including salaries, wages, and benefits—accounted for over half of the University’s total operating costs in fiscal year 2025, with salaries and wages increasing by 5% or \$127 million, to \$2.8 billion. This growth stemmed from wage increases and investments in new faculty and staff across campus, along with targeted expansion in key initiatives. The increase was moderated by a hiring freeze implemented in March 2025. Employee benefit expenses grew 9% or \$65 million, to \$756 million, resulting from increased employee healthcare costs and growth in benefits-eligible headcount.

Space-related expenses grew by 6% or \$70 million, driven by a focus on addressing deferred maintenance projects and ongoing renewal needs with underlying cost escalation, as well as financing costs associated with capital projects underway.

All other expenses, including the cost of supplies and services, increased 5% or \$105 million, driven primarily by legal costs and continued investment in technology infrastructure and academic resources. These increases reflect broader external trends, including heightened legal complexity and expanded commitments to digital transformation.

FISCAL YEAR 2025 OPERATING EXPENSES



BALANCE SHEET

Investments and endowment

The return on the endowment in fiscal year 2025 was 11.9%. Its value (after the impact of distributions from the endowment for operations, and the addition of new gifts during the year) stood at \$56.9 billion, an increase of \$3.7 billion from \$53.2 billion at the end of fiscal year 2024. Additional information is available in the *Message from the CEO of Harvard Management Company*, found later in this report.

The University has a policy of maintaining liquidity outside of the endowment for operating purposes. These cash, cash equivalents and short-term investments totaled \$2.4 billion at June 30, 2025, compared to \$1.8 billion at June 30, 2024 (see *Note 2*).

Debt

Bonds and notes payable increased from \$7.1 billion at June 30, 2024, to \$8.3 billion at June 30, 2025. The increase was driven by the issuance of \$503 million

in tax-exempt bonds (Series 2025A) to fund certain University capital projects that are currently underway and \$750 million in taxable bonds (Series 2025B) in Spring 2025. The University maintained its AAA rating by S&P Global Ratings and Aaa by Moody's Investor Services.

Fixed assets

The University invested \$927 million in capital expenditures in fiscal year 2025, compared to \$639 million in fiscal year 2024, reflecting strategic priorities such as undergraduate and graduate house renewal and continued development in Allston. The University's investments in Allston are part of a comprehensive, long-term strategy to expand its academic, research, and community infrastructure. Projects such as the David Rubenstein Treehouse and David E. and Stacey L. Goel Center for Creativity and Performance, are supported by philanthropy.

HARVARD'S ENDOWMENT

Harvard's endowment has existed for nearly four centuries and serves as a crucial resource for current and future generations of Harvard students, faculty, and researchers. Comprising approximately 14,765 individual funds, the endowment is designed to support nearly every facet of the University's mission. Donors have restricted the earnings on many of these funds for specific purposes—ranging from student financial aid to neighborhood programs, from museum and library preservation to campus

activities, from faculty and fellow positions to scientific advancement.

Donor contributions to the endowment have enabled leading financial aid programs, groundbreaking scientific discoveries, and the establishment of hundreds of professorships across a wide range of academic fields. Each year, a portion of the endowment is paid out as an annual distribution to support the University's operations. The University strives to maximize its responsible draw each year, while balancing both present and future needs.

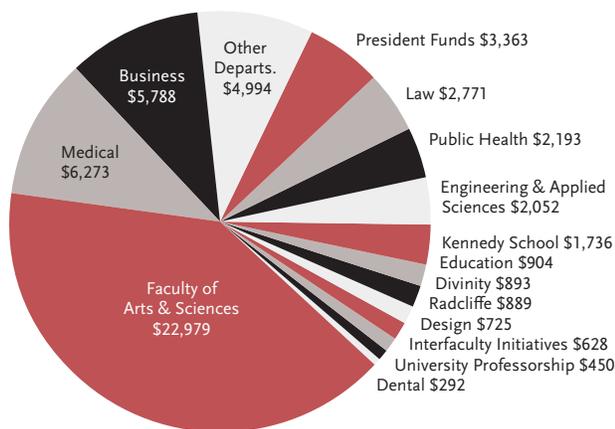
Guided by the principle of intergenerational equity, Harvard's endowment is carefully managed to ensure that future generations benefit just as much as the current one.

Endowment returns made available for operations

The University's endowment spending practices balance two competing goals: the need to provide a stable and sufficient distribution to fund the operating budget, and the obligation both legally and to our donors to maintain the long-term value of the endowment in order to preserve its future purchasing power. There is a common misconception that endowments, including Harvard's, can be easily

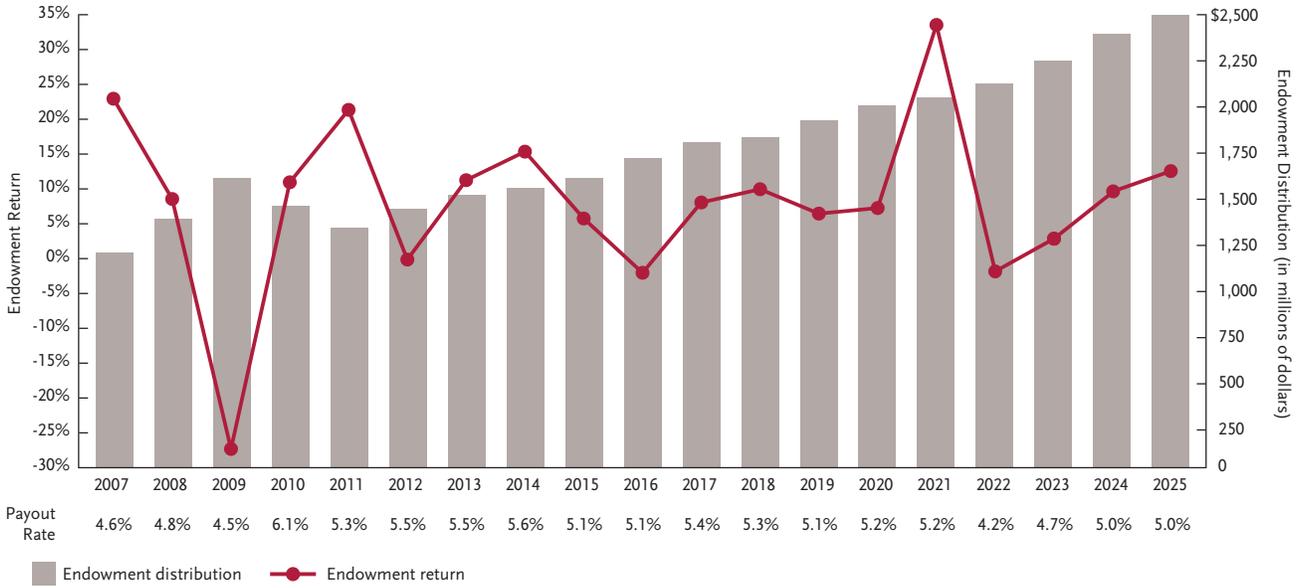
MARKET VALUE OF THE ENDOWMENT AS OF JUNE 30, 2025

In millions of dollars



TOTAL MARKET VALUE \$56,930

ENDOWMENT RETURNS MADE AVAILABLE FOR OPERATIONS BY YEAR



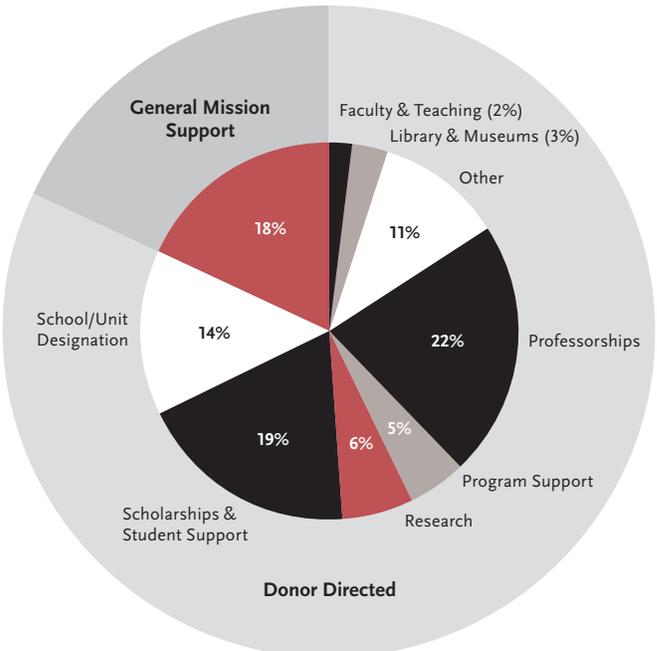
accessed like checking accounts, available for any purpose at any time as long as funds exist. In reality, Harvard’s flexibility in spending from the endowment is limited by donor conditions and the principle that endowed funds are designed to last forever, crucial for serving future generations of students and advancing new knowledge.

Harvard is obligated to preserve the endowment’s purchasing power by spending only a sustainable portion of its value each year. Spending significantly more than that over time would favor the present at the expense of future generations, undermining the endowment’s fundamental purpose of maintaining intergenerational equity. Generally, the annual endowment payout is 5% of its market value, though the actual payout rate can vary each year based on endowment returns. This critical source of funding distributed \$2.5 billion in the fiscal year ending June 30, 2025 — representing 37% of Harvard’s total operating revenue — and is the single largest source of revenue supporting the University. In this way, the endowment bridges the gap between revenue from tuition and research grants and the critical costs associated with the University’s teaching and research activities.

While the endowment is a critical source of funding, more than 80% of its market value is legally restricted under the terms of donor agreements and subject to prudent distribution requirements under the Uniform Prudent Management of Institutional

Funds Act (UPMIFA). These restrictions apply both to purpose, with funds designated for specific programs, departments, or activities, and to time, as many endowment gifts must be held in perpetuity in accordance with donor intent. The remaining 18% of the endowment generally offers more flexibility, although it is mostly restricted at a high level such as to a particular school or unit. Less than 5% of the endowment is fully unrestricted to support programs across the University. These less restricted funds are essential for general mission support and to advance transformative, strategic initiatives.

ENDOWMENT FLEXIBILITY



FEDERAL FUNDING DRIVES RESEARCH PROGRESS

Research serves as the cornerstone of progress, making it possible to drive innovation, fuel technological advancements, and address the most urgent challenges facing society. Since World War II, the partnership between American universities and the federal government has created an innovation ecosystem that is unrivaled globally. This strong alliance has catalyzed groundbreaking discoveries—transforming lives, bolstering economies, and securing the United States’ position as a global leader in science and technology.

This past spring, following individual cuts to grants focused on areas such as global health, the federal government abruptly terminated over 900 multiyear research grants to Harvard. Although the majority of those awards have since been reinstated, the disruption that occurred has real and lasting consequences for patients, students, faculty, staff, and researchers. Additionally, proposed cuts to indirect cost recovery rates and federal agency budgets including the National Institutes of Health (NIH)

and the National Science Foundation (NSF) threaten to endanger the potential for scientific breakthroughs and our ability to prevent, treat, and cure diseases affecting millions of people.

The impact of federal funding cuts extends far beyond the boundaries of Harvard’s campus. Through its research collaborations with hospitals, universities, and research institutions across the country—from St. Jude’s to the University of Alabama to Baylor College of Medicine—Harvard plays a vital role in advancing scientific discovery nationwide. Disruptions to this funding have a ripple effect, hindering progress and stability at these partner institutions and across the broader research community.

Without adequate and sustained investment in research, we risk falling behind—not just individual institutions like Harvard, but as a nation dedicated to discovery, progress, and the prosperity of future generations.

Research Improving Lives



Tuberculosis research

Sarah Fortune, the John LaPorte Given Professor of Immunology and Infectious Diseases, leads a groundbreaking tuberculosis (TB) research program at Harvard T.H. Chan School of Public Health. Fortune’s research includes an award from the NIH for a project, which she describes as a “TB moonshot” focused on understanding, diagnosing, treating, and preventing TB. Globally, TB remains a major health crisis, responsible for approximately 10 million new infections and 1.5 million deaths each year. The research has the potential to develop a vaccine that would protect millions of people against TB.



Reading and attention research

As an Assistant Professor of Education at the Harvard Graduate School of Education, Phil Capin conducts research aimed at improving reading instruction for children. His research includes an award from the NIH for a project aimed at testing the effects of a single, unified intervention called Supporting Attention and Reading for Kids (SPARK), which is designed to improve word reading, vocabulary, and reading comprehension in elementary school students. The research could better the lives of students with reading difficulties at a time when reading scores are declining in the United States.



Novel drug research

As the Founding Director of the Wyss Institute for Biologically Inspired Engineering, Don Ingber, the Judah Folkman Professor of Vascular Biology at Harvard Medical School and Hansjörg Wyss Professor of Biologically Inspired Engineering at the Harvard John A. Paulson School of Engineering and Applied Sciences, leads multidisciplinary teams in developing breakthrough bioinspired technologies for healthcare and sustainability. His research includes three awards from BARDA for his organ-on-a-chip projects. The primary project investigates how radiation damages human tissues, specifically the lung, intestine, bone marrow, and lymph node. He is leveraging these models to identify new drugs to protect people from radiation as nuclear power expands, improve cancer radiation treatments, and strengthen preparedness for nuclear accidents or attacks.



Cancer research

As an Assistant Professor of Genetics at Harvard Medical School, Kamila Naxerova studies cancer genetics and somatic evolution. Her research includes multiple federal awards to study how cancer cells spread, focused specifically on colorectal cancer. Incidence rates for colorectal cancer are rising, and the disease is projected to become the leading cause of cancer-related death in people under 50 within the next 20 years. The research may lead to innovations in diagnosis and treatment.



ALS research

David Walt, the Hansjörg Wyss Professor of Biologically Inspired Engineering at Harvard Medical School, is pioneering diagnostic tools and biomarker assay technologies to enable earlier detection of cancers and neurodegenerative diseases such as Alzheimer's, Parkinson's, and ALS. His research includes an award from the NIH for a project focused on developing an ultrasensitive diagnostic test for ALS that detects biomarkers present in the blood at the earliest stages of the disease. Early detection allows patients to begin treatment sooner, increasing the chance of successful intervention and saving more lives. The research may pave the way for breakthroughs that could benefit countless patients and their families.



Pulmonary/climate research

Mary Rice, the director of the Center for Climate Health and the Global Environment and the Mark and Catherine Winkler Associate Professor of Environmental Respiratory Health at Harvard T.H. Chan School of Public Health, investigates the influence of environmental exposures on the respiratory health of children and adults. Her research includes an award from the NIH for a clinical trial investigating whether air purifiers in patients' homes can improve chronic obstructive pulmonary disease (COPD). The research could help prevent harmful exposure to air pollution that can trigger the disease.

Harvard Management Company

Message from the Chief Executive Officer

Harvard's endowed funds generated an 11.9% return in fiscal year 2025, bringing the aggregate endowment value to \$56.9 billion. This performance not only strengthens the University's financial position but also underscores the essential role of the endowment in sustaining Harvard's academic mission. Spending from the endowment now accounts for nearly 40% of annual operating revenue—a reminder that the stewardship of these resources is inseparable from the vitality of Harvard's teaching, research, and service to society.

PERFORMANCE AND PURPOSE

The endowment's returns in fiscal year 2025 surpassed Harvard's long-term benchmark of 8%, which reflects the balance between annual distributions (approximately 5%) and inflation (roughly 3%). Since the start of the current management team's tenure eight years ago, the portfolio has generated an annualized return of 9.6%, consistently meeting or exceeding this standard. Such long-term performance is critical: the endowment is not simply an investment portfolio, but a source of stability and continuity for generations of students and scholars.

Universities differ in their financial structures and therefore in the demands they place upon their endowments. Some institutions pursue higher levels of investment risk in pursuit of greater returns; others, like Harvard, calibrate portfolio risk to ensure resilience across varied market conditions. The design of the portfolio reflects the distinctive needs of the University it serves—an acknowledgment that prudent stewardship requires alignment with institutional priorities, not adherence to external comparisons.

PORTFOLIO STRATEGY

Harvard Management Company has in recent years undertaken a thoughtful assessment of the investment portfolio, recognizing that a singular focus on asset allocation—while a significant contributor to returns—can mask important considerations around the volatility of those returns, and of equal importance, the University's ability to absorb that volatility. With the guidance of the University's leadership, HMC has begun a measured increase in portfolio risk, largely through greater equity exposure, recognizing that modest adjustments can enhance long-term returns while preserving essential resilience. Encouragingly, these initial steps have already contributed to stronger performance. HMC will continue to gradually adjust the portfolio over time, with an eye toward enhancing long-term growth.

As of June 30, 2025, the portfolio composition was as follows:

Asset Class	Allocation
Public equities	14%
Hedge funds	31%
<i>Long/short</i>	9%
<i>Uncorrelated</i>	16%
<i>Multi strategy</i>	3%
<i>Credit</i>	3%
Private equity	41%
<i>Buyout</i>	13%
<i>Growth buyout</i>	4%
<i>Venture capital</i>	14%
<i>Growth venture</i>	10%
Real estate	5%
Bonds/TIPs	4%
Other real assets	3%
Cash	3%
ENDOWMENT*	100%

* Rounding results in a total percentage greater than 100%.

The allocation to uncorrelated hedge funds allows HMC to moderate risk and provides access to liquidity across market cycles, both up and down. This has proven to be valuable. As the University faced operating stressors this year, the endowment's liquidity has allowed it to serve as a ballast.

HMC has also employed the secondary market as a strategic tool, a practice that began eight years ago to reallocate away from real estate at moments of strength, and a practice that we have continued to use regularly to refine the composition of our private equity holdings. These transactions are not signs of constraint or liquidity concerns but rather of intentional, disciplined portfolio management—an approach that privileges flexibility and a long-term view over orthodox adherence to the existing portfolio.

VALUE CREATION

The true test of any endowment lies in its ability to generate value beyond market returns. Though endowment results in fiscal year 2025 were dampened by having less public than private equity, HMC's performance overall was bolstered by discerning manager selection. Public equity and hedge fund managers, chosen for their distinctive perspectives and disciplined strategies, delivered returns well above their benchmarks. Private equity, too, produced double-digit gains across diverse strategies and stages. Together, these outcomes reflect the enduring importance of judgment, relationships, and intellectual rigor in investment practice.

LOOKING FORWARD

The fiscal year 2025 results reaffirm that Harvard's endowment is well positioned to support the University in the decades ahead. More importantly, they underscore the principle that endowment stewardship demands more than short-term financial performance; it is an intergenerational undertaking.

Those who manage these resources do so with an awareness that each decision has implications not just for today, but for generations yet to come. The responsibility is to honor the aspirations of those who contributed to it—by ensuring their generosity continues to empower Harvard's mission long after they are gone.

This intergenerational duty takes on new weight as the federal endowment tax rises in the years ahead. Increased taxation, while significant in the near term, also underscores the importance of protecting the endowment's purchasing power over time. More will be required of the endowment to sustain the same level of academic excellence, magnifying the ethical and legal imperative to balance present needs with future obligations.

We are deeply grateful for the partnership with the University's financial leadership, whose collaboration strengthens both our strategy and its outcomes. We are equally indebted to the members of our board of directors, whose insight and counsel enrich our work immeasurably.

Finally, I wish to acknowledge the extraordinary dedication of my colleagues at HMC. Their commitment, creativity, and rigor ensure that these financial resources are not merely preserved but cultivated—so that Harvard may continue to lead, to inspire, and to serve.

Best Regards,



N.P. "Narv" Narvekar
CHIEF EXECUTIVE OFFICER

October 2025



Report of Independent Auditors

To the Joint Committee on Inspection of the Governing Boards of Harvard University

Opinion

We have audited the accompanying consolidated financial statements of Harvard University and its subsidiaries (the "University"), which comprise the consolidated balance sheet as of June 30, 2025, and the related consolidated statements of changes in net assets with general operating account detail and of changes in net assets of the endowment for the year ended June 30, 2025, and of cash flows for the years then ended June 30, 2025 and 2024, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2025 and, the changes in its net assets for the year ended June 30, 2025, and its cash flows for the years ended June 30, 2025 and 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Other Matter

We previously audited the consolidated balance sheet as of June 30, 2024, and the related consolidated statements of changes in net assets with general operating account detail, of changes in net assets of the endowment and of cash flows for the year then ended (the balance sheet and the statements of changes in net assets with general operating account detail and of changes in net assets of the endowment are not presented herein), and in our report dated October 16, 2024, we expressed an unmodified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying summarized financial information as of June 30, 2024 and for the year then ended is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived

Responsibilities of Management for the Consolidated Financial Statements

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

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

PricewaterhouseCoopers LLP, 101 Seaport Boulevard, Boston, Massachusetts 02210
T: (617) 530 5000, www.pwc.com/us

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Harvard University Financial Report Fiscal Year 2025, but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The logo for PricewaterhouseCoopers LLP, featuring the company name in a cursive script followed by the letters "LLP".

Boston, Massachusetts
October 15, 2025

CONSOLIDATED BALANCE SHEETS

with summarized financial information as of June 30, 2024

In thousands of dollars	June 30	
	2025	2024
ASSETS:		
Cash and cash equivalents	\$ 278,135	\$ 162,879
Receivables, net (Note 4)	368,618	370,979
Prepayments and deferred charges	459,407	412,890
Operating leases—right of use assets (Note 18)	529,232	675,089
Notes receivable, net (Note 5)	447,083	424,276
Pledges receivable, net (Note 6)	2,553,486	2,578,789
Fixed assets, net (Note 7)	9,551,130	8,933,096
Interests in trusts held by others (Note 3)	499,353	466,283
Securities pledged to counterparties, at fair value (Note 3)	68,408	63,786
Investment portfolio, at fair value (Note 3)	67,664,558	62,695,067
TOTAL ASSETS	\$ 82,419,410	\$ 76,783,134
LIABILITIES:		
Accounts payable	\$ 566,012	\$ 485,033
Deferred revenue and other liabilities	2,009,647	1,813,979
Operating lease liabilities (Note 18)	574,919	721,873
Other liabilities associated with the investment portfolio (Notes 3 and 10)	1,234,736	1,114,955
Liabilities due under split interest agreements (Note 9)	900,070	905,317
Bonds and notes payable (Note 10)	8,293,448	7,134,080
Accrued retirement obligations (Note 11)	148,974	276,599
TOTAL LIABILITIES	13,727,806	12,451,836
NET ASSETS	68,691,604	64,331,298
TOTAL LIABILITIES AND NET ASSETS	\$ 82,419,410	\$ 76,783,134

	Without donor restrictions	With donor restrictions	June 30	
			2025	2024
NET ASSETS:				
General Operating Account (GOA) (Note 8)	\$ 7,476,617	\$ 3,533,364	\$ 11,009,981	\$ 10,425,470
Endowment (Note 8)	10,249,710	46,680,720	56,930,430	53,235,205
Split interest agreements (Note 9)		751,193	751,193	670,623
TOTAL NET ASSETS	\$ 17,726,327	\$ 50,965,277	\$ 68,691,604	\$ 64,331,298

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS WITH GENERAL OPERATING ACCOUNT DETAIL

with summarized financial information for the year ended June 30, 2024

In thousands of dollars	Without donor restrictions	With donor restrictions	For the year ended June 30	
			2025	2024
OPERATING REVENUE:				
Net student income (Notes 2 and 12)	\$ 1,438,735		\$ 1,438,735	\$ 1,382,904
Sponsored support (Note 13)				
Federal government – direct costs	457,196		457,196	496,124
Federal government – indirect costs	171,412		171,412	190,344
Non-federal sponsors – direct costs	81,684	\$ 215,789	297,473	276,865
Non-federal sponsors – indirect costs	22,128	25,117	47,245	49,346
Total sponsored support	732,420	240,906	973,326	1,012,679
Gifts for current use (Note 14)	202,516	426,364	628,880	527,679
Investment income:				
Endowment returns made available for operations (Note 8)	476,262	2,022,390	2,498,652	2,392,379
GOA returns made available for operations	239,851		239,851	225,065
Other investment income	47,169	5,969	53,138	48,487
Total investment income	763,282	2,028,359	2,791,641	2,665,931
Other revenue (Note 15)	849,207		849,207	883,012
Net assets released from restriction	2,596,188	(2,596,188)	0	0
TOTAL OPERATING REVENUE	6,582,348	99,441	6,681,789	6,472,205
OPERATING EXPENSES:				
Salaries and wages	2,758,560		2,758,560	2,631,642
Employee benefits (Note 11)	755,895		755,895	690,638
Services purchased	977,988		977,988	921,075
Depreciation (Note 7)	459,031		459,031	440,257
Space and occupancy	454,221		454,221	439,150
Supplies and equipment	297,157		297,157	289,700
Interest (Note 10)	262,546		262,546	226,405
Scholarships and other student awards (Note 12)	207,724		207,724	192,419
Other expenses (Note 16)	621,249		621,249	595,625
TOTAL OPERATING EXPENSES	6,794,371	0	6,794,371	6,426,911
NET OPERATING (DEFICIT)/SURPLUS	(212,023)	99,441	(112,582)	45,294
NON-OPERATING ACTIVITIES:				
Income from GOA investments	22,307		22,307	14,515
GOA realized and change in unrealized appreciation, net (Note 3)	855,592		855,592	645,024
GOA returns made available for operations	(239,851)		(239,851)	(225,065)
Change in pledge balances (Note 6)		(26,976)	(26,976)	(125,365)
Change in interests in trusts held by others		5,143	5,143	913
Gifts for facilities and loan funds (Note 14)		60,796	60,796	54,309
Change in retirement obligations (Note 11)	132,051		132,051	(4,188)
Other changes	(144,284)		(144,284)	(127,427)
Transfers between GOA and endowment (Note 8)	817	11,242	12,059	(8,144)
Transfers between GOA and split interest agreements (Note 9)		20,256	20,256	18,896
Non-operating net assets released from restrictions	115,981	(115,981)	0	0
TOTAL NON-OPERATING ACTIVITIES	742,613	(45,520)	697,093	243,468
GENERAL OPERATING ACCOUNT NET CHANGE DURING THE YEAR	530,590	53,921	584,511	288,762
Endowment net change during the year	612,993	3,082,232	3,695,225	2,486,611
Split interest agreements net change during the year (Note 9)		80,570	80,570	36,406
NET CHANGE DURING THE YEAR	1,143,583	3,216,723	4,360,306	2,811,779
Net assets, beginning of year	16,582,744	47,748,554	64,331,298	61,519,519
NET ASSETS, END OF YEAR	\$ 17,726,327	\$ 50,965,277	\$ 68,691,604	\$ 64,331,298

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS OF THE ENDOWMENT

with summarized financial information for the year ended June 30, 2024

<i>In thousands of dollars</i>	Without donor restrictions	With donor restrictions	For the year ended June 30	
			2025	2024
Investment return (Note 3):				
Income from general investments	\$ 28,077	\$ 122,094	\$ 150,171	\$ 92,713
Realized and change in unrealized appreciation, net	1,064,882	4,616,812	5,681,694	4,390,335
Total investment return	1,092,959	4,738,906	5,831,865	4,483,048
Endowment returns made available for operations	(476,262)	(2,022,390)	(2,498,652)	(2,392,379)
Net investment return	616,697	2,716,516	3,333,213	2,090,669
Gifts for endowment (Note 14)	175	363,645	363,820	368,123
Transfers between endowment and the GOA (Note 8)	(817)	(11,242)	(12,059)	8,144
Capitalization of split interest agreements (Note 9)		18,695	18,695	23,560
Change in pledge balances (Note 6)		2,094	2,094	4,511
Change in interests in trusts held by others (Note 8)		27,928	27,928	26,478
Other changes	(4,746)	(33,720)	(38,466)	(34,874)
Net assets released from restrictions	1,684	(1,684)	0	0
NET CHANGE DURING THE YEAR	612,993	3,082,232	3,695,225	2,486,611
Net assets of the endowment, beginning of year	9,636,717	43,598,488	53,235,205	50,748,594
NET ASSETS OF THE ENDOWMENT, END OF YEAR	\$ 10,249,710	\$ 46,680,720	\$ 56,930,430	\$ 53,235,205

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>In thousands of dollars</i>	For the year ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 4,360,306	\$ 2,811,779
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation	459,031	440,257
Writeoffs and amortization of premium and discount related to bonds and notes payable	(46,978)	(73,841)
Amortization of debt issuance cost	754	749
Realized and change in unrealized appreciation, net	(6,670,936)	(5,149,989)
Change in fair value of interest rate exchange agreements	(129)	(1,795)
Change in interests in trusts held by others	(33,070)	(27,391)
Change in liabilities due under split interest agreements	28,579	54,218
Gifts of donated securities	(54,029)	(75,057)
Proceeds from the sale of gifts of securities without donor restrictions	9,177	11,955
Gifts for restricted purposes	(335,979)	(352,377)
Loss on disposal of assets	22,427	10,536
Change in accrued retirement obligations	(127,625)	17,126
Non-cash operating lease costs	145,857	40,355
Changes in operating assets and liabilities:		
Receivables, net	2,361	(21,708)
Prepayments and deferred charges	(46,517)	(50,214)
Pledges receivable, net	25,303	120,845
Accounts payable	65,642	55,686
Deferred revenue and other liabilities	198,945	69,190
Operating lease liabilities	(146,954)	(32,322)
NET CASH (USED IN) OPERATING ACTIVITIES	(2,143,835)	(2,151,998)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loans made to students, faculty, and staff	(64,180)	(62,785)
Payments received on student, faculty, and staff loans	47,320	38,497
Change in other notes receivable	(5,947)	413
Proceeds from the sales and maturities of investments	19,494,996	11,366,074
Purchase of investments	(16,501,803)	(9,237,914)
Change associated with repurchase agreements	325,577	(174,788)
Additions to fixed assets	(1,084,953)	(777,016)
NET CASH PROVIDED BY INVESTING ACTIVITIES	2,211,010	1,152,481
CASH FLOWS FROM FINANCING ACTIVITIES:		
Change in overdrafts included in accounts payable	798	1,576
Change in split interest agreements from new contributions, income and payments to annuitants	(33,826)	(35,123)
Proceeds from issuance of debt	1,293,033	2,287,902
Debt repayments	(87,441)	(1,295,464)
Proceeds from the sale of gifts of securities with donor restrictions	44,852	63,102
Gifts for restricted purposes	335,979	352,377
Change in government loan advances	(3,277)	(3,034)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,550,118	1,371,336
NET CHANGE IN CASH	1,617,293	371,819
Cash, beginning of year	2,076,209	1,704,390
CASH, END OF YEAR	\$ 3,693,502	\$ 2,076,209
Cash and cash equivalents (per <i>Consolidated Balance Sheets</i>)	\$ 278,135	\$ 162,879
Cash and restricted cash held in investments (<i>Note 3</i>)	3,415,367	1,913,330
TOTAL CASH AND CASH EQUIVALENTS	\$ 3,693,502	\$ 2,076,209
Supplemental disclosure of cash flow information:		
Accounts payable related to fixed asset additions	\$ 79,520	\$ 64,981
Cash paid for interest	\$ 308,832	\$ 264,581
New operating leases – right of use assets	\$ 82,537	\$ 27,516
Establishment of postretirement health plan trust		\$ 580,725

The accompanying notes are an integral part of the consolidated financial statements.

1. UNIVERSITY ORGANIZATION

Harvard University (the “University”) is a private, not-for-profit institution of higher education with approximately 7,000 undergraduate and 14,000 graduate students in fiscal year 2025, as compared to 7,100 undergraduate and 13,900 graduate students in fiscal year 2024. Established in 1636, the University includes the Faculty of Arts and Sciences, the John A. Paulson School of Engineering and Applied Sciences, the Division of Continuing Education, ten graduate and professional Schools, the Radcliffe Institute for Advanced Study, a variety of research museums and institutes, and an extensive library system to support the teaching and research activities of the Harvard community.

The President and Fellows of Harvard College (the “Corporation”), a governing board of the University, has oversight responsibility for all of the University’s financial affairs. The Corporation delegates substantial authority to the Schools and departments for the management of their resources and operations.

The University includes Harvard Management Company (HMC), a wholly owned subsidiary founded in 1974 to manage the University’s investment assets. HMC is governed by a Board of Directors that is appointed by the Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the accounts of the University and affiliated organizations controlled by the University. Significant inter-affiliate accounts and transactions have been eliminated.

Funds transferred to the University on behalf of specific beneficiaries (agency funds) are recorded as assets and liabilities in the *Consolidated Balance Sheets* and are not included in the *Consolidated Statements of Changes in Net Assets with General Operating Account Detail*.

Related parties to the University may include affiliates, trusts, investment holdings, Corporation members, senior management, their family members, and associated entities. Transactions with related parties occur in the ordinary course of activities and do not materially affect the University’s financial position.

The consolidated financial statements include certain prior year summarized comparative information in total, not by net asset classification. This information is not presented in sufficient detail to conform to generally accepted accounting principles (GAAP). Accordingly, such information should be read in conjunction with the University’s financial statements for the year ended June 30, 2024, from which the summarized information is derived. Certain prior year amounts have been reclassified to conform to current year presentation.

Net asset classifications

For the purposes of financial reporting, the University classifies resources into two net asset categories pursuant to any donor-imposed restrictions and applicable law.

Accordingly, the net assets of the University are classified in the accompanying consolidated financial statements in the categories that follow:

WITHOUT DONOR RESTRICTIONS— Net assets not subject to donor-imposed restrictions. Funds invested in fixed assets and unrestricted endowment funds comprise 76% of the University’s net assets without donor-imposed restrictions as of June 30, 2025. In addition, this category includes gifts and endowment income balances where the donor restriction has been met, University-designated loan funds, and other current funds.

WITH DONOR RESTRICTIONS— Net assets subject to legal or donor-imposed restrictions that will be satisfied either by actions of the University, the passage of time, or both. These net assets include net assets subject to donor-imposed restrictions that are invested to provide a perpetual source of income to the University. Generally, donors of these assets require the University to maintain and invest the original contribution in perpetuity but permit the use of some or all investment returns for general or specific purposes. The appreciation on these perpetual contributions must be reported as net assets with donor restrictions until appropriated for spending in accordance with Massachusetts law. Also included in this category are gifts donated for a particular purpose and amounts subject to time restrictions such as funds pledged for future payment.

Revenues from sources other than contributions are generally reported as increases in net assets without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments are reported as increases or decreases in net assets without

donor restrictions, unless their use is restricted by donor stipulations or by law. Investment returns earned by restricted donor funds are initially classified as net assets with donor restrictions and then reclassified to net assets without donor restrictions when expenses are appropriated or incurred for their intended purpose. Expirations of donor restrictions on net assets are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions and appear as “Net assets released from restrictions” and “Non-operating net assets released from restrictions” in the *Consolidated Statements of Changes in Net Assets*.

Liquidity and availability

As part of the University’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. A significant portion of the University’s annual expenditures are funded by operating revenues in the current year including student income, sponsored support, endowment returns made available for operations, gifts for current use and other revenue.

The University’s financial assets available within one year of the balance sheet date for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, are as follows (in thousands of dollars):

	June 30,	
	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 278,135	\$ 162,879
Receivables, net	368,618	370,979
Pledge receivables due in one year	413,241	407,852
Cash and short-term investments held separately by General Operating Account (GOA) ¹	2,157,648	1,642,723
Investment returns made available for operations in the following year	2,863,295	2,767,274
TOTAL FINANCIAL ASSETS AVAILABLE WITHIN ONE YEAR	\$ 6,080,937	\$ 5,351,707
LIQUIDITY RESOURCES		
Credit facility, undrawn balance	1,500,000	1,500,000
Tax-exempt commercial paper, undrawn balance	1,000,000	1,000,000
Taxable commercial paper, undrawn balance	2,000,000	2,000,000
TOTAL FINANCIAL ASSETS AND LIQUIDITY RESOURCES AVAILABLE WITHIN ONE YEAR	\$ 10,580,937	\$ 9,851,707

¹ The University has a policy of maintaining liquidity outside of the General Investment Accounting (GIA) through a combination of cash equivalents and short-term investments.

The University has \$6.1 billion of financial assets that are available within one year to meet cash needs for general expenditure consisting of cash and cash equivalents, receivables pledge receivables, and short-term investments and the investment returns made available for operations. In addition to these available financial assets, a significant portion of the University’s annual expenditures will be funded by current year operating revenues.

Additionally, the University has board-designated endowment funds of \$10.2 billion. Although the University does not intend to spend from these board-designated endowment funds, other than amounts appropriated for expenditure, amounts could be directed to other purposes at the discretion of the Corporation. However, both board-designated funds and donor-restricted endowments include investments subject to lock-up provisions, which would limit the total amounts available.

Revenue recognition

Revenue is recognized when control of promised goods or services is transferred to customers, in an amount that reflects the consideration the University expects to be entitled to in exchange for those goods or services.

Student income is derived from degree programs as well as executive and continuing education programs and includes tuition, fees, and board and lodging. Student income is recognized ratably over the academic period of the course or program offered, based on time elapsed, and scholarships awarded to students reduce the amount of revenue recognized. The University’s individual schools have various billing and academic cycles and the majority of our programs are completed within the fiscal year. Student income received in advance of services to be rendered is recorded as deferred revenue, which totaled \$223.4 million and \$215.6 million at June 30, 2025 and 2024, respectively, and which are primarily recognized in the subsequent fiscal year.

Total student income of \$1.4 billion was recorded during the years ended June 30, 2025 and 2024, respectively. Student tuition, fees, board and lodging at published rates is summarized as follows for the years ended June 30, 2025 and 2024 (in thousands of dollars):

	2025	2024
Undergraduate program	\$ 429,027	\$ 414,603
Graduate and professional degree programs	730,658	707,329
Continuing education and executive programs	612,129	586,896
Board and lodging	242,871	230,792
TOTAL GROSS STUDENT INCOME	\$ 2,014,685	\$ 1,939,620

Scholarships applied to student charges were \$575,950 and \$556,716 for the years ended June 30, 2025 and 2024, respectively. Additionally, scholarships and other student awards expense totaled \$207,724 and \$192,419 for the years ended June 30, 2025 and 2024, respectively. See Note 12 for additional information on student financial aid.

Unconditional contributions, including pledges, are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditional contributions for which cash is received are accounted for as a liability within deferred revenue.

Sponsored support of \$973.3 million includes support from governmental and private sources. Certain sponsored arrangements are considered exchange arrangements, and revenue under these agreements is recognized based on the University's fulfillment of the contract, which is typically based on costs incurred or the achievement of milestones. Other sponsored support is considered contribution revenue, which is recognized when any donor-imposed conditions have been met, if applicable.

During fiscal year 2025, the federal government terminated or suspended payments on certain sponsored awards previously granted to the University. As a result, the University did not recognize revenue on most of these awards during the period that expenditures were incurred and the awards were terminated. Additional information regarding the effect of government action on sponsored awards and revenue recognized is included in Note 13.

Sponsored conditional contributions received, where the barrier to entitlement is not yet overcome, are recorded as deferred revenues of \$55.4 million and \$66.0 million as of June 30, 2025 and 2024, respectively. Funding received in advance of recognition is recorded as deferred revenue.

As of June 30, 2024, the University had \$1.6 billion in federal sponsored awards which were contractually obligated, but for which costs had not yet been incurred. As of June 30, 2025, the University had \$1.4 billion in federal sponsored awards which were contractually obligated, but

for which costs had not yet been incurred. Of this \$1.4 billion in awards, \$1.0 billion had been terminated as of June 30, 2025 and have now mostly been reinstated. Refer to Note 13 for additional information related to award reinstatement subsequent to June 30, 2025. The fulfillment of these obligations depends on the continued availability of federal funding and government appropriations.

Other revenue of \$849.2 million in fiscal 2025 and \$883.0 million in fiscal 2024 includes several revenue streams considered exchange contracts with customers totaling \$662.1 million for fiscal year 2025 and \$719.1 million in fiscal year 2024. These revenues are recognized at the point in time goods or services are provided. Deferred revenues related to other revenue of \$76.5 million and \$84.3 million were recorded as of June 30, 2025 and 2024, respectively, which are primarily recognized in the subsequent fiscal year.

Measure of operations

Revenues earned, expenses incurred, and returns made available for operations for the purpose of teaching, conducting research, and the other programs and services of the University are the components of "Net operating surplus" in the *Consolidated Statements of Changes in Net Assets with General Operating Account Detail*. The University's non-operating activity within the *Consolidated Statements of Changes in Net Assets with General Operating Account Detail* includes contributions to the University's building construction and renovation funds, investment returns (net of amounts made available for operations), change in pledge balances, long-term benefit plan obligation funding changes, and other infrequent transactions.

Collections

The University's vast array of museums and libraries contains priceless works of art, historical treasures, literary works, and artifacts. These collections are protected and preserved for public exhibition, education, research, and the furtherance of public service. They are neither disposed of for financial gain nor encumbered in any manner. Accordingly, such collections are not recorded for financial statement purposes. Proceeds on deaccessioned collections are used to fund new collections or the direct care of existing collections. Direct care is defined as general care for the preservation of a collection.

Insurance programs

The University, together with the Harvard-affiliated teaching hospitals, are members of a captive insurance company, Controlled Risk Insurance Company (CRICO), which provides professional liability (medical malpractice) and general liability insurance for the clinical exposure of

its members. CRICO provides malpractice coverage with no deductible for its medical professionals practicing within Harvard's University Health Services department, the School of Dental Medicine, and the T.H. Chan School of Public Health.

The University also maintains a suite of commercial insurance coverages consistent with its exposures as a global educational and research institution. The University self-insures various portions of its programs consistent with regulatory authorities where appropriate and sound financial management. The University maintains reserves for the self-insured portion of claims for property, automobile liability, general liability and employers liability claims. The University regularly evaluates its programs for alignment with exposures, competitiveness and pricing efficiencies, as well as viable alternatives in the commercial and alternative risk markets. In addition, the University maintains insured dental plans and retiree health plans, and is self-insured for unemployment and all health plans for active employees. The University's claims liabilities are recognized as incurred, including claims that have been incurred but not reported, and are included in operating expenses.

Tax

The University is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

On December 22, 2017, the Tax Cuts and Jobs Act (the "Act") was enacted. The Act impacts the University in several ways, including the addition of excise taxes on executive compensation and net investment income, as well as new rules for calculating unrelated business taxable income. The University records an estimate for related tax expense based on currently available regulatory guidance of the Act and continues to evaluate the impact of the Act on current and future tax positions. On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted, which further modifies the excise tax provisions and net investment income taxes applicable to certain tax-exempt organizations. The University is assessing the impact of these changes on the consolidated financial statements going forward.

Use of estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates.

New accounting pronouncements

Effective July 1, 2023, the University adopted ASU 2022-04, *Disclosure of Supplier Finance Program Obligations*, which requires the buyer in a supplier finance program to disclose information about the key terms of the program, outstanding confirmed amounts as of the end of the period, and a description of where in the financial statements outstanding amounts are presented. The University adopted ASU 2022-04 prospectively. This guidance did not have a significant impact on the University's consolidated financial statements. Additionally, ASU 2022-04 requires a rollforward of such amounts during each annual period, which is effective for fiscal year 2025 for the University. This guidance did not have a significant impact on the University's consolidated financial statements.

Effective July 1, 2023, the University adopted ASU 2016-13 *Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts, and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities, and some off-balance sheet credit exposures such as unfunded commitments to extend credit. Financial assets measured at amortized cost must be presented at the net amount expected to be collected by using an allowance for credit losses. This guidance did not have a significant impact on the University's consolidated financial statements.

Effective July 1, 2024, the University adopted ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, and in January 2021 issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*. These ASUs provide temporary optional expedients and exceptions to existing guidance on contract modifications and hedge accounting to facilitate the market transition from existing reference rates, such as London Interbank Offered Rate ("LIBOR") which has been phased out, to alternate reference rates, such as Secured Overnight Financing Rate ("SOFR"). The adoption of this standard has not had a material impact on the University's consolidated financial statements and disclosures.

3. INVESTMENTS

Investments are presented at fair value in accordance with GAAP and under the guidelines prescribed by the HMC investment valuation policy, which is reviewed and approved by the HMC Board of Directors on an annual basis.

The majority of the University's investments are managed by HMC in the GIA, a pooled investment account that consists primarily of endowment assets. Certain other investments such as cash, short-term investments, split interest agreements and other assets, are managed separately from the GIA.

The University's investment holdings as of June 30, 2025 and 2024 are summarized in the following table (in thousands of dollars):

	2025	2024
Investment portfolio assets		
Pooled general investment account assets	\$ 63,860,998	\$ 59,687,011
Other investments	3,803,560	3,008,056
Investment portfolio, at fair value	67,664,558	62,695,067
Securities pledged to counterparties, at fair value	68,408	63,786
TOTAL INVESTMENT ASSETS	67,732,966	62,758,853
Pooled general investment account liabilities	1,233,036	1,113,126
Interest rate exchange agreement	1,700	1,829
TOTAL OTHER LIABILITIES ASSOCIATED WITH THE INVESTMENT PORTFOLIO	1,234,736	1,114,955
TOTAL INVESTMENTS, NET	\$ 66,498,230	\$ 61,643,898

As of June 30, 2025 and 2024, University net investments were comprised of the following components (in thousands of dollars):

	2025	2024
POOLED GENERAL INVESTMENT ACCOUNT		
Endowment ¹	\$ 54,878,404	\$ 51,286,075
General operating account	6,434,091	6,050,001
Split interest agreements	922,812	876,711
Other internally designated funds	461,063	424,884
TOTAL POOLED GENERAL INVESTMENT ACCOUNT NET ASSETS	\$ 62,696,370	\$ 58,637,671
OTHER INVESTMENTS OUTSIDE THE GENERAL INVESTMENT ACCOUNT		
General operating and other investments ²	3,073,409	2,306,998
Split interest agreements	728,451	699,229
TOTAL OTHER INVESTMENTS OUTSIDE THE GENERAL INVESTMENT ACCOUNT	\$ 3,801,860	\$ 3,006,227
TOTAL INVESTMENTS, NET	\$ 66,498,230	\$ 61,643,898

¹ As of June 30, 2025, the total net assets of the endowment of \$56,930,430 is comprised of investments in the GIA of \$54,878,404, pledges of \$1,260,091, interests in trusts held by others of \$466,153, and \$325,782 of other non-GIA investments and GIA interest and dividends net of all internal and external management fees and expenses. See Note 8 for further composition of the net assets of the endowment.

² Consists primarily of US government securities, money markets, and fixed income funds.

Investment return

A summary of the University's total return on investments for fiscal years 2025 and 2024 is presented below (in thousands of dollars):

	2025	2024
Return on pooled general investment account:		
Realized and change in unrealized appreciation, net	\$ 6,549,997	\$ 5,060,280
Interest, dividend, fees, and expenses, net	173,324	107,094
Total return on pooled general investment account ¹	6,723,321	5,167,374
Return on other investments:		
Realized and change in unrealized appreciation, net	120,939	89,709
Interest, dividend, fees, and expenses, net	72,829	68,917
Total return on other investments	\$ 193,768	\$ 158,626
Realized and change in unrealized appreciation/(depreciation) on interest rate exchange agreement, net	(12)	2,222
TOTAL RETURN ON INVESTMENTS²	\$ 6,917,077	\$ 5,328,222

¹ Net of all internal and external management fees and expenses.

² Total return on investments is comprised of returns on the endowment, GOA, Split Interest Agreements and other.

Fair value hierarchy

The University's investments have been categorized based upon the fair value hierarchy in accordance with ASC 820, which prioritizes the inputs to valuation techniques used to measure fair value of investment assets and liabilities into three levels:

LEVEL 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

LEVEL 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

LEVEL 3 Prices or valuations that require inputs that are significant to the fair value measurement, unobservable and/or require the University to develop its own assumptions.

Investments in externally managed funds where the University utilizes net asset values (as reported by external managers) as a practical expedient for fair value measurements are excluded from the fair value hierarchy.

The level of an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The University endeavors to utilize all relevant and available information in measuring fair value.

The following is a summary of the levels within the fair value hierarchy for those investment assets and liabilities subject to fair value measurement as of June 30, 2025 and summarized as of June 30, 2024 (in thousands of dollars):

	2025				2024	
	Level 1	Level 2	Level 3 ⁶	Net asset value	Total	Total
ASSETS:						
Cash and cash equivalents ¹	\$ 3,415,367				\$ 3,415,367	\$ 1,913,330
Repurchase agreements					0	325,577
Domestic equity	2,067,508			\$ 3,142,211	5,209,719	4,414,612
Foreign equity	278,347			483,811	762,158	1,136,249
Global equity				926,639	926,639	891,728
Domestic fixed income	1,119,115			1,063,812	2,182,927	2,704,154
Foreign fixed income	615,905				615,905	16,247
Emerging market equity and debt	278,654			2,218,504	2,497,158	2,705,149
High yield	13,116		\$ 58,041		71,157	215,319
Hedge funds				19,531,847	19,531,847	18,879,953
Private equity			1,916,919	24,773,582	26,690,501	23,940,344
Natural resources	825			485,295	486,120	444,283
Real estate			2,689	3,035,036	3,037,725	3,105,017
Inflation-indexed bonds	1,048,737				1,048,737	1,096,114
Due from brokers		\$ 54,697	4,643		59,340	78,927
Other investments	190	57,766			57,956	130,807
INVESTMENT ASSETS SUBJECT TO FAIR VALUE LEVELING	\$ 8,837,764	\$ 112,463	\$ 1,982,292	\$ 55,660,737	\$ 66,593,256	\$ 61,997,810
Other investment assets not subject to fair value ²					1,139,710	761,043
TOTAL INVESTMENT ASSETS³					\$ 67,732,966	\$ 62,758,853
Interests in trusts held by others ⁴			499,353		499,353	466,283
NON-INVESTMENT ASSETS SUBJECT TO FAIR VALUE LEVELING			\$ 499,353		\$ 499,353	\$ 466,283
TOTAL ASSETS					\$ 68,232,319	\$ 63,225,136
LIABILITIES:						
Due to brokers ⁵	\$ 654	\$ 1,700			\$ 2,354	\$ 9,759
Other liabilities subject to fair value		641,055			641,055	644,767
INVESTMENT LIABILITIES SUBJECT TO FAIR VALUE LEVELING	\$ 654	\$ 642,755	\$ 0		\$ 643,409	\$ 654,526
Other investment liabilities not subject to fair value					591,327	460,429
TOTAL INVESTMENT LIABILITIES					\$ 1,234,736	\$ 1,114,955
Liabilities due under split interest agreements ⁴		900,070			900,070	905,317
NON-INVESTMENT LIABILITIES SUBJECT TO FAIR VALUE LEVELING		\$ 900,070			\$ 900,070	\$ 905,317
TOTAL LIABILITIES					\$ 2,134,806	\$ 2,020,272

¹ This excludes money markets held in "Cash and cash equivalents" on the Consolidated Balance Sheets of \$55.0 million as of June 30, 2025 and 2024, respectively, which are Level 1 investments.

² As of June 30, 2025 and 2024 other assets not subject to fair value consists primarily of receivables for transactions that settled subsequent to the balance sheet date of \$1,044,015 and \$627,506, respectively.

³ As of June 30, 2025 and 2024, total investment assets, net equal \$66,498,230 and \$61,643,898, respectively.

⁴ Amounts excluded from investments and included separately on the University's Consolidated Balance Sheets.

⁵ Includes fair value of an interest rate exchange agreement on the University's debt portfolio of \$1,700 and \$1,829 as of June 30, 2025 and 2024, respectively.

⁶ As of June 30, 2025, \$336,881 of Level 3 assets were valued using significant unobservable inputs.

The following is a rollforward of Level 3 investments for the year ended June 30, 2025 and the condensed June 30, 2024 rollforward of Level 3 investments (in thousands of dollars).

	Beginning balance as of July 1, 2024	Net realized gains/(losses)	Net change in unrealized appreciation/(depreciation) ¹	Purchases/contributions	Sales/distributions	Transfers into Level 3	Transfers out of Level 3 ²	Ending balance as of June 30, 2025
INVESTMENT ASSETS:								
High yield	\$ 198,591	\$ 661	\$ (5,143)	\$ 56,800	\$ (192,868)			\$ 58,041
Private equity	1,277,685	86,951	244,479	325,385	(180,354)	\$ 175,675	\$ (12,902)	1,916,919
Real estate	6,861	8	(3,830)		(350)			2,689
Due from brokers	4,645		(2)					4,643
INVESTMENT ASSETS SUBJECT TO FAIR VALUE LEVELING								
	\$ 1,487,782	\$ 87,620	\$ 235,504	\$ 382,185	\$ (373,572)	\$ 175,675	\$ (12,902)	\$ 1,982,292
Interests in trusts held by others	\$ 466,283		\$ 34,294		\$ (1,224)			\$ 499,353
NON-INVESTMENT ASSETS SUBJECT TO FAIR VALUE LEVELING								
	\$ 466,283		\$ 34,294		\$ (1,224)			\$ 499,353
TOTAL ASSETS SUBJECT TO FAIR VALUE LEVELING								
	\$ 1,954,065	\$ 87,620	\$ 269,798	\$ 382,185	\$ (374,796)	\$ 175,675	\$ (12,902)	\$ 2,481,645
INVESTMENT LIABILITIES:								
Other liabilities subject to fair value	\$ 42,289	\$ (961)	\$ 949	\$ (76,277)	\$ 34,000			\$ 0
TOTAL LIABILITIES SUBJECT TO FAIR VALUE LEVELING								
	\$ 42,289	\$ (961)	\$ 949	\$ (76,277)	\$ 34,000			\$ 0
NET ASSETS SUBJECT TO FAIR VALUE LEVELING								
	\$ 1,911,776	\$ 88,581	\$ 268,849	\$ 458,462	\$ (408,796)	\$ 175,675	\$ (12,902)	\$ 2,481,645

¹ Total change in unrealized appreciation/(depreciation) relating to Level 3 investment assets and investment liabilities still held by the University at June 30, 2025 is \$335,394 and is reflected in "Realized and change in unrealized appreciation/(depreciation), net" in the Consolidated Statements of Changes in Net Assets.

² The transfers into Level 3 represent certain private equity investments that were valued using a secondary sale price.

³ The transfers out of Level 3 represent interests in private companies that underwent an initial public offering during the fiscal year.

	Beginning balance as of July 1, 2023	Net realized gains/(losses)	Net change in unrealized appreciation/(depreciation) ¹	Purchases/contributions	Sales/distributions	Transfers into Level 3 ²	Transfers out of Level 3 ³	Ending balance as of June 30, 2024
PRIOR YEAR NET ASSETS SUBJECT TO FAIR VALUE LEVELING								
	\$ 1,759,017	\$ 151,449	\$ (73,938)	\$ 409,406	\$ (560,083)	\$ 245,277	\$ (19,352)	\$ 1,911,776

¹ Total change in unrealized (depreciation)/appreciation relating to Level 3 investment assets and investment liabilities still held by the University at June 30, 2024 is \$121,508 and is reflected in "Realized and change in unrealized appreciation/(depreciation), net" in the Consolidated Statements of Changes in Net Assets.

² The transfers into Level 3 represent certain private equity investments that were valued using a secondary sale price.

³ The transfers out of Level 3 represent interests in private companies that underwent an initial public offering during the fiscal year.

Investment strategy and risk

The University utilizes a number of wholly owned subsidiary entities to support its investment activities. The consolidated financial statements include all assets, liabilities, income, and expenses associated with these entities and intercompany accounts and transactions have been eliminated during consolidation.

The University's investment strategy incorporates a diversified asset allocation approach and maintains, within defined limits, exposure to the movements of the global public and private equity, fixed income, real estate, and commodities markets. Exposure to these markets is achieved through direct investments in individual securities, investments in special purpose vehicles and/or through investments in vehicles advised by external managers.

Investments in global markets involve a multitude of risks such as price, interest rate, market, sovereign, currency, liquidity and credit risks, amongst many others. The University manages exposure to these risks through established policies and procedures related to its ongoing investment diligence and operational due diligence programs. The University also considers manager concentration risk. As of June 30, 2025, 13% of the GIA NAV was invested across 5 diversified fund managers. The University anticipates that the value and composition of its investments may, from time to time, fluctuate substantially in response to any or all of the risks described herein.

Cash and cash equivalents

Cash and cash equivalents are recorded at cost, which approximates fair value, and includes cash in bank accounts, institutional money market funds and other temporary investments held for working capital purposes with

original maturities of three months or less. Cash and cash equivalents do not include cash balances held as collateral by the University. Cash and cash equivalents designated for investment purposes are included in the “Investment portfolio, at fair value” in the *Consolidated Balance Sheets*.

Repurchase agreements

The University *Consolidated Balance Sheets* display the assets generated by repurchase transactions. The University enters into these transactions under agreements containing master netting arrangements. The University requires the fair value of the collateral exchanged under these agreements to be equal to or in excess of the total amount of the agreement, including interest where applicable. At June 30, 2025, the University had no gross asset repurchase agreements and at June 30, 2024 the University had gross asset repurchase agreements of \$0.3 billion which was fully collateralized. The University does not offset repurchase agreements that are subject to master netting arrangements or similar arrangements on the University’s *Consolidated Balance Sheets*.

Dividend and interest income

Dividend income is recognized net of applicable withholding taxes on the ex-dividend date. Non-cash dividends are recorded at the fair value of the securities received. Interest income and expense is recorded net of applicable withholding taxes, on an accrual basis. The University amortizes bond premiums and accretes bond discounts using the effective yield method and when cash collection is expected.

Traded securities

Instruments listed or traded on a securities exchange are valued at the last quoted price on the primary exchange where the security is traded. Where there is no readily available closing price on the valuation date, long positions are valued at the bid price and short positions are valued at the ask price. Restrictions that are attached to a security are factored into the valuation of that security, reflective of the estimated impact of those restrictions. Investments in non-exchange traded debt and equity instruments are primarily valued using inputs provided by independent pricing services or by broker/dealers who actively make markets in these securities.

Derivatives

The University uses a variety of financial instruments with off-balance sheet risk involving contractual or optional commitments for future settlement, which are exchange traded or executed over the counter (OTC). These instruments are used to (1) manage exposure to certain asset classes and/or various market risks, (2) arbitrage mispricings of related securities and (3) to manage the interest, cost and risk associated with its outstanding and/or future debt. These instruments are classified as due to/from brokers and may include option, swap, credit default, interest rate, and forward contracts. These types of instruments are primarily valued using industry standard models with independent market inputs, or by broker quotes. Inputs such as prices, spreads, curves, and/or broker quotes are evaluated for source reliability and consistency with industry standards. Counterparty marks obtained and utilized to determine daily collateral requirements are also used to corroborate input reasonability. The University considers current market conditions including interest rate and credit risks in its evaluation of inputs, pricing methodologies, and models utilized to determine fair values.

In connection with its investments in derivatives, the University maintains master netting agreements and collateral agreements with its counterparties. These agreements provide the University the right, in the event of default by the counterparty (such as bankruptcy or a failure to pay or perform), to net a counterparty’s rights and obligations under the agreement and to liquidate and offset collateral against any net amount owed by the counterparty. Collateral, generally in the form of debt obligations issued by the US Treasury, is exchanged on a daily basis as required by fluctuations in the market.

Specific credit limits are established for counterparties based on their individual credit ratings. Credit limits are monitored daily by the University and are adjusted according to policy, as necessary. Some of the financial instruments entered into by the University contain credit-risk-related contingency features that allow the parties to the agreement to demand immediate payment for outstanding contracts and/or collateral.

The following table presents information about the University's derivatives by primary risk exposure for the years ended June 30, 2025 and 2024 (in thousands of dollars):

	As of June 30, 2025			For the year ended June 30, 2025	As of June 30, 2024			For the year ended June 30, 2024
	Average quarterly notional	Gross derivative assets	Gross derivative liabilities	Net profit/ (loss) ⁴	Average quarterly notional	Gross derivative assets	Gross derivative liabilities	Net profit/ (loss) ⁴
Primary risk exposure								
Equity instruments	\$ 566,274	\$ 62,549	\$ 9,167	\$ (34,566)	\$ 1,796,421	\$ 79,883	\$ 13,682	\$ 178,867
Fixed income instruments ¹	117,000		1,700	(12)	117,000		1,829	2,222
Currency instruments	43,361	160,194	159,697	2,047	2,766	4,355	4,359	(830)
Credit instruments	4,817	4,807		(7)	4,810	4,800		236
SUBTOTAL		\$ 227,550	\$ 170,564	\$ (32,538)		\$ 89,038	\$ 19,870	\$ 180,495
TOTAL COUNTERPARTY NETTING²		(169,910)	(169,910)			(11,940)	(11,940)	
NET AMOUNTS INCLUDED IN THE CONSOLIDATED BALANCE SHEETS³		57,640	654			77,098	7,930	
TOTAL SECURITIES COLLATERAL RECEIVED/POSTED		58,387	40,833			86,839	32,983	
NET AMOUNT		(747)	(40,179)			(9,741)	(25,053)	
NET AMOUNT IN ACCORDANCE WITH ASC 210⁶		\$ 0	\$ 0			\$ 0	\$ 0	

¹ For the year ended June 30, 2025 and 2024 the balance represents an interest rate exchange swap on the University's debt portfolio.

² GAAP permits the netting of derivative assets and liabilities and the related cash collateral received and paid when a legally enforceable master netting agreement exists between the University and a derivative counterparty.

³ Included within the "Investment portfolio, at fair value" and "Other liabilities associated with the investment portfolio" line items of the Consolidated Balance Sheets.

⁴ Included within "Realized and change in unrealized appreciation/(depreciation), net" within the Consolidated Statements of Changes in Net Assets.

⁵ Includes securities posted to meet initial margin requirements on exchange traded futures.

⁶ Excludes any over-collateralized amounts in accordance with ASC 210.

External advisors

Investments managed by external advisors include investments in private equity, real estate, natural resources, hedge funds, and other externally managed funds. The University generally utilizes the capital account balance provided by the external advisor as a practical expedient to fair value unless it is probable that the University will sell a portion of an investment at a different amount. The University evaluates these external advisors through

ongoing due diligence and operational oversight, which includes an analysis of an advisor's use of and adherence to fair value principles.

The University, as an investor, has commitments to make periodic contributions in future periods to the investments managed by external advisors. The amounts of these expected disbursements as of June 30, 2025 and 2024 are disclosed below (in thousands of dollars):

	As of June 30, 2025			As of June 30, 2024		
	Fair value ¹	Remaining unfunded commitments	Estimated remaining life ²	Fair value ¹	Remaining unfunded commitments	Estimated remaining life ²
Private equity funds	\$ 20,825,664	\$ 7,865,231	4 – 10	\$ 19,009,670	\$ 8,208,903	4 – 10
Real estate funds	2,246,789	1,875,753	4 – 10	2,929,004	1,957,707	4 – 10
Other externally managed funds ³	4,051,314	1,918,939	2 – 8	3,368,975	2,258,213	2 – 8
TOTAL	\$ 27,123,767	\$ 11,659,923		\$ 25,307,649	\$ 12,424,823	

¹ Represents the fair value of the funded portion of investments with remaining unfunded commitments.

² The estimated remaining lives of these funds, expressed in years, are forward-looking projections based on the University's estimates and could vary significantly depending on the investment decisions of external managers, changes in the University's investment portfolio, and other circumstances.

³ Investments in externally managed funds primarily include exposures to hedge funds and natural resources.

Investments in externally managed funds generally have limited redemption options for investors and, subsequent to final closing, may or may not permit subscriptions by new or existing investors. These entities may also have the ability to impose gates, lockups and other restrictions on an investor's ability to readily redeem out of their investment interest in the fund.

Direct investments

Direct investments are primarily valued using a combination of independent appraisals and/or one or more industry standard valuation techniques (e.g., income approach, market approach, or cost approach). The income approach is primarily based on the investment's anticipated future income using one of two principal methods: the discounted cash flow method or the capitalization method. Inputs and estimates developed and utilized with these techniques may be subjective, unobservable, and require

judgment regarding significant matters such as estimating the amount and timing of future cash flows, forward pricing assumptions and the selection of discount and capitalization rates that appropriately reflect market and credit risks. The market approach derives investment value through comparison to recent and relevant market transactions with similar investment characteristics. The cost approach is utilized when the cost of the investment is determined to be the best representation of fair value. This method is typically used for newly purchased or undeveloped assets. When applicable, the University examines market data and collaborates closely with independent appraisers to arrive at the best estimation of fair value for each respective asset. The HMC Board of Directors discusses the valuation process and results with HMC management, and makes determinations on significant matters impacting valuation that may arise from time to time.

4. RECEIVABLES

The major components of receivables, net of reserves for doubtful accounts of \$12.2 million and \$13.6 million as of June 30, 2025 and 2024, respectively, were as follows (in thousands of dollars):

	2025	2024
Federal sponsored support ¹	\$ 70,558	\$ 79,024
Publications	69,834	68,407
Continuing education and executive programs	63,523	63,555
Leases	33,585	33,225
Tuition and fees	22,029	22,066
Non-federal sponsored support	13,916	15,131
Gift receipts	6,850	20,843
Other	88,323	68,728
TOTAL RECEIVABLES, NET	\$ 368,618	\$ 370,979

¹ Accounts receivable were not recognized on awards or contracts that were terminated by the federal government, as described in Note 13.

5. NOTES RECEIVABLE

Notes receivable are recorded initially at face value plus accrued interest, which approximates fair value. Notes receivable, and related allowance for doubtful accounts, were as follows (in thousands of dollars):

	2025			2024		
	Receivable	Allowance	Net	Receivable	Allowance	Net
Student loans:						
Government revolving	\$ 16,349	\$ 400	\$ 15,949	\$ 19,029	\$ 447	\$ 18,582
Institutional	73,479	1,684	71,795	74,195	1,677	72,518
Total student loans	89,828	2,084	87,744	93,224	2,124	91,100
Faculty and staff loans	347,677	179	347,498	327,461	179	327,282
Other loans	57,492	45,651	11,841	43,323	37,429	5,894
TOTAL	\$ 494,997	\$ 47,914	\$ 447,083	\$ 464,008	\$ 39,732	\$ 424,276

Government revolving loans are funded principally with federal advances to the University under the Perkins Loan, the Health Professions Student Loan (HPSL) and Loans for Disadvantaged Students in Health Professions (LDS) Programs. These advances totaled \$18.4 million and

\$21.7 million as of June 30, 2025 and 2024, respectively, and are included in "Deferred revenue and other liabilities" in the *Consolidated Balance Sheets*. During fiscal year 2018, the Perkins Loan Program ended and as a result the University began making required repayments to the government.

In fiscal year 2025, the University made the requested \$2.9 million repayment. Interest earned on the revolving and institutional loan programs is reinvested to support additional loans. The repayment and interest rate terms of the institutional loans vary considerably.

Faculty and staff notes receivable primarily consists of mortgage and educational loans. Mortgages include shared appreciation loans, loans that bear interest at the applicable federal rate and interest-free loans. In addition, certain mortgages that bear interest at the current market rate or applicable federal rate may be subsidized for an initial period. The educational loans are primarily zero-interest loans.

The University assesses the adequacy of the allowance for doubtful accounts by evaluating the loan portfolio, including such factors as the differing economic risks associated with each loan category, the financial condition of specific borrowers, the economic environment in which the borrowers operate, the level of delinquent loans, the value of any collateral, and, where applicable, the existence of any guarantees or indemnifications. In addition to these factors, the University reviews the aging of the loans receivable and the default rate in comparison to prior years. The allowance is adjusted based on these reviews. The University considers the allowance at June 30, 2025 and 2024 to be reasonable and adequate to absorb potential credit losses inherent in the loan portfolio.

6. PLEDGES RECEIVABLE

Unconditional promises to donate to the University in the future are initially recorded at fair value (pledge net of discount) and subsequently amortized over the expected payment period, net of an allowance for uncollectible pledges. The University's indicative 1- to 15-year taxable unsecured borrowing rate is used to discount pledges receivable at the end of the fiscal year they are received. Discounts of \$298.9 million and \$329.4 million for the years ended June 30, 2025 and 2024, respectively, were calculated using rates ranging from 1.0% to 5.0%.

Pledges receivable included in the financial statements as of June 30, 2025 and 2024 are expected to be realized as follows (in thousands of dollars):

	2025	2024
Within one year	\$ 1,035,531	\$ 912,669
Between one and five years	1,481,080	1,601,043
More than five years	423,995	518,285
Less: discount and allowance for uncollectible pledges	(387,120)	(453,208)
TOTAL PLEDGES RECEIVABLE, NET	\$ 2,553,486	\$ 2,578,789

Pledges receivable as of June 30, 2025 and 2024 have been designated for the following purposes (in thousands of dollars):

	2025	2024
General Operating Account balances:		
Gifts for current use	\$ 868,775	\$ 884,831
Non-federal sponsored awards	153,585	168,935
Construction and life income	271,035	267,026
Total General Operating Account balances	1,293,395	1,320,792
Endowment	1,260,091	1,257,997
TOTAL PLEDGES RECEIVABLE, NET	\$ 2,553,486	\$ 2,578,789

Because of uncertainties with regard to realizability and valuation, bequest intentions and other conditional promises are only recognized as assets if and when the specified conditions are met. Non-bequest conditional pledges totaled \$443.6 million and \$118.4 million as of June 30, 2025 and 2024, respectively.

7. FIXED ASSETS

Fixed assets are reported at cost or, if a gift, at fair value as of the date of the gift, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

The major categories of fixed assets as of June 30, 2025 and 2024 are summarized as follows (in thousands of dollars):

	2025	2024	Estimated useful life (in years)
Research facilities	\$ 3,667,418	\$ 3,564,551	*
Classroom and office facilities	2,986,687	2,769,248	35
Housing facilities	2,722,211	2,698,887	35
Service facilities	1,217,277	1,204,127	35
Museums and assembly facilities	1,017,605	1,004,303	35
Libraries	575,978	558,412	35
Other facilities	449,436	436,551	35
Athletic facilities	334,204	311,268	35
Construction in progress	1,265,070	739,397	N/A
Land	1,025,245	1,025,195	N/A
Equipment	1,564,513	1,518,751	**
SUBTOTAL AT COST	16,825,644	15,830,690	
Less: accumulated depreciation	(7,274,514)	(6,897,594)	
FIXED ASSETS, NET	\$ 9,551,130	\$ 8,933,096	

* Estimated useful lives of components range from 10 to 45 years.

** Estimated useful lives of equipment range from 4 to 10 years.

Certain University facilities are subject to restrictions as to use, structural modifications, and ownership transfer. Included in the fixed asset balances are restricted facilities with a net book value of \$274.4 million and \$275.6 million as of June 30, 2025 and 2024, respectively.

The costs of research facilities are separated into the shell, roof, finishes, fixed equipment, and services. These components are separately depreciated.

Equipment includes general and scientific equipment, computers, software, furniture, and vehicles.

The University had asset retirement obligations related to future estimated environmental remediation costs of \$203.9 million and \$195.9 million as of June 30, 2025 and 2024, respectively. These are included in “Deferred revenue and other liabilities” in the *Consolidated Balance Sheets*.

Right-of-use assets from finance leases of \$146.4 million and \$66.4 million as of June 30, 2025 and 2024, respectively, are included in “Fixed assets, net” in the *Consolidated Balance Sheets*. Lease liabilities from finance leases of \$182.6 million and \$100.6 million as of June 30, 2025 and 2024, respectively, are included in “Deferred revenue and other liabilities” in the *Consolidated Balance Sheets*.

8. ENDOWMENT AND GENERAL OPERATING ACCOUNT NET ASSETS

The University's net assets consisted of the following as of June 30, 2025 and 2024 (in thousands of dollars):

	2025			2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
NATURE OF SPECIFIC NET ASSETS						
Perpetual endowment funds		\$ 10,399,125	\$ 10,399,125		\$ 10,007,062	\$ 10,007,062
Endowment funds and appreciation subject to distribution policy and appropriation		34,555,351	34,555,351		31,895,204	31,895,204
Endowment funds without restriction, board designated and subject to distribution policy	\$ 10,249,710		10,249,710	\$ 9,636,717		9,636,717
Pledge balances		1,260,091	1,260,091		1,257,997	1,257,997
Interests in trusts held by others		466,153	466,153		438,225	438,225
TOTAL ENDOWMENT	10,249,710	46,680,720	56,930,430	9,636,717	43,598,488	53,235,205
Operating	7,476,617		7,476,617	6,946,027		6,946,027
Unexpended contributions and endowment distributions		3,442,161	3,442,161		3,379,241	3,379,241
Student loan funds		91,203	91,203		100,202	100,202
TOTAL GENERAL OPERATING ACCOUNT	7,476,617	3,533,364	11,009,981	6,946,027	3,479,443	10,425,470
Split interest agreements (Note 9)		751,193	751,193		670,623	670,623
TOTAL NET ASSETS	\$ 17,726,327	\$ 50,965,277	\$ 68,691,604	\$ 16,582,744	\$ 47,748,554	\$ 64,331,298

Endowment

The University's endowment consists of approximately 14,765 separate funds established over many years for a wide variety of purposes. Endowment fund balances are classified and reported in accordance with donor specifications and state law. The endowment includes both donor-restricted endowment funds and funds functioning as endowment which are not subject to donor-imposed restrictions, however decisions to spend their principal require the approval of the Corporation and therefore are classified as Board-designated endowment funds. The majority of the endowment is invested in the GIA (see Note 3).

The University is also the beneficiary of certain irrevocable trusts held and administered by others. The estimated fair values of trust assets, which include the present values of expected future cash flows from outside trusts and the fair value of the underlying assets of perpetual trusts, are recognized as assets and increases in net assets when the required trust documentation is provided to the University.

The fair values of these trusts are provided by the external trustees and are adjusted annually by the University. These are included as Level 3 investments in the fair value hierarchy table in Note 3.

The University's endowment distribution policies are designed to preserve the value of the endowment in real terms (after inflation) and generate a predictable stream of available income. Each fall, the Corporation approves

the endowment distribution for the following fiscal year. Distribution from an underwater endowment fund (a fund below its historic dollar value) could continue in limited and defined circumstances under the University's endowment distribution policy. To the extent that the fair value of a donor restricted endowment fund falls below its historic dollar value it would be reported as a reduction of net assets with donor restrictions.

At June 30, 2025 and 2024, funds in a deficit position were reported in net assets with donor restrictions and are comprised as follows (in thousands):

	2025	2024
Fair value of underwater endowment funds	\$ 5,952	\$ 13,335
Historic dollar value	6,297	13,928
TOTAL DEFICIT OF UNDERWATER ENDOWMENT FUNDS	\$ (345)	\$ (593)

The endowment distribution is based in part on presumptive guidance from a formula that is intended to provide budgetary stability by smoothing the impact of annual investment gains and losses. The formula's inputs reflect expectations about long-term returns and inflation rates. For fiscal year 2025, the endowment distribution approved by the Corporation (prior to decapitalizations) was equal to 4.9% of the fair value of the endowment invested in the GIA as of the beginning of the fiscal year. The total endowment distribution made available for operations was \$2.5 billion and \$2.4 billion in fiscal year 2025 and 2024, respectively.

Each year the Corporation also approves certain decapitalizations from the endowment to support strategic, mission-critical activities or objectives that are typically one-time or time-limited and therefore, are excluded from net operating surplus. These decapitalizations totaled \$47.8 million and \$38.7 million in fiscal year 2025 and 2024, respectively. These additional decapitalizations, in combination with the endowment distribution, resulted in an aggregate payout rate of 5.0% in fiscal year 2025 and 2024.

General operating account

The GOA consists of the general or current funds of the University as well as the assets and liabilities related to student and faculty loans and facilities. The GOA accepts, manages, and pays interest on reserves held by University departments; maintains working capital; makes internal loans; and arranges external financing. It is used to manage, control, and execute University financial transactions except for those related to investment activities conducted by HMC.

9. SPLIT INTEREST AGREEMENTS

Under split interest agreements, donors enter into trust or other arrangements with the University in which the University receives benefits that are shared with other beneficiaries and institutions. Split interest agreement (SIA) investment assets are invested primarily in the GIA as publicly-traded securities, a small segment is managed by an external advisor, and all are recorded in the “Investment portfolio, at fair value” in the University’s *Consolidated Balance Sheets*. Additional disclosures are included in *Note 3*. Associated liabilities are recorded at the present value of estimated future payments due to beneficiaries and

other institutions. These liabilities are calculated using the University’s current taxable unsecured borrowing rate of 4.6% and 5.0% as of June 30, 2025 and 2024, respectively. All split interest agreement net assets and the respective activity are reported within net assets with donor restrictions. Upon termination of a split interest agreement, the net assets are transferred to the GOA or endowment accordingly.

The changes in split interest agreement net assets for fiscal years 2025 and 2024 were as follows (in thousands of dollars):

	2025	2024
Investment return:		
Investment income	\$ 20,496	\$ 20,273
Realized and change in unrealized appreciation, net	132,071	115,681
Total investment return	152,567	135,954
Gifts (<i>Note 14</i>) ¹	5,260	5,994
Payments to annuitants	(67,977)	(68,969)
Transfers to endowment	(18,695)	(23,560)
Transfers between SIA and the GOA	(20,256)	(18,896)
Change in liabilities and other adjustments	29,671	5,883
NET CHANGE DURING THE YEAR	80,570	36,406
Total split interest agreement net assets, beginning of year	670,623	634,217
TOTAL SPLIT INTEREST AGREEMENT NET ASSETS, END OF YEAR	\$ 751,193	\$ 670,623

¹ Shown at net present value. The undiscounted value of these gifts was \$13,655 and \$13,573 for the years ended June 30, 2025 and 2024, respectively.

Split interest agreement net assets as of June 30, 2025 and 2024 consisted of the following (in thousands of dollars):

	2025	2024
Split interest agreement investments (<i>Note 3</i>)		
Charitable remainder trusts	\$ 1,082,942	\$ 1,043,608
Charitable lead trusts	106,592	102,711
Charitable gift annuities	281,872	264,521
Pooled income funds	179,857	165,100
Total split interest agreement investments ¹	1,651,263	1,575,940
Liabilities due under split interest agreements:		
Amounts due to beneficiaries	(786,348)	(827,251)
Amounts due to other institutions	(113,722)	(78,066)
Total liabilities due under split interest agreements	(900,070)	(905,317)
TOTAL SPLIT INTEREST AGREEMENT NET ASSETS, END OF YEAR	\$ 751,193	\$ 670,623

¹ For the year ended June 30, 2025, \$922,812 of SIA investments are held in the pooled general investment account and \$728,451 of SIA investments are held in the other investments outside the general investment account. For the year ended June 30, 2024, \$876,711 of SIA investments are held in the pooled general investment account and \$699,229 of SIA investments are held in the other investments outside the general investment account. Refer to *Note 3*.

10. BONDS AND NOTES PAYABLE

Bonds and notes payable as of June 30, 2025 and 2024 were as follows (in thousands of dollars):

	Fiscal year of issue	Fiscal year of final maturity ¹	Effective rate ²	Outstanding principal	
				2025 ³	2024 ³
TAX-EXEMPT BONDS:					
Variable-rate demand bonds:					
Series R – daily	2000-2006	2032	2.0%	\$ 65,400	\$ 81,850
Series Y – daily	2000	2036	2.1%	117,905	117,905
Total variable-rate bonds			2.1%	183,305	199,755
Fixed-rate bonds:					
Series 2016A	2017	2041	4.1%	1,046,965	1,073,110
Series 2020A	2020	2031	4.5%	346,680	346,680
Series 2022B	2022	2033	4.4%	207,830	207,830
Series 2024B	2024	2036	4.2%	734,995	734,995
Series 2025A	2025	2036	4.4%	434,080	
Total fixed-rate bonds			4.3%	2,770,550	2,362,615
TOTAL TAX-EXEMPT BONDS			4.1%	2,953,855	2,562,370
TAXABLE BONDS:					
Fixed-rate bonds:					
Series 2008A	2008	2039	5.6%	243,000	243,000
Series 2008D	2009	2039	6.5%	500,000	500,000
Series 2010C	2011	2041	4.9%	300,000	300,000
Series 2013A	2013	2038	3.6%	352,000	352,000
Series 2016B	2017	2057	3.2%	1,000,000	1,000,000
Series 2020B	2020	2051	2.5%	500,000	500,000
Series 2022A	2022	2053	3.8%	500,000	500,000
Series 2024A	2024	2035	4.6%	750,000	750,000
Series 2025B	2025	2036	5.1%	750,000	
Total fixed-rate bonds			4.3%	4,895,000	4,145,000
TOTAL TAXABLE BONDS			4.2%	4,895,000	4,145,000
Notes payable	Various	Various	Various	86,871	85,717
Unamortized original issuance premium/discount, net				386,119	365,888
Unamortized bond issuance costs				(28,397)	(24,895)
TOTAL BONDS AND NOTES PAYABLE			4.1%	\$ 8,293,448	\$ 7,134,080

¹ The weighted average maturity of the portfolio on June 30, 2025 was 13.7 years.

² For fixed-rate bonds the effective rate is calculated as: coupon rate x (par value / book value*). For variable rate bonds and commercial paper the effective rate is the one-year average rate. Effective rates are exclusive of the Series Y interest rate exchange agreement, which would increase the overall portfolio rate by 0.09%.

* Book value = par value + unamortized original issuance premium - unamortized original issuance discount, underwriter's discount, and cost of issuance

³ Par only—balances exclude original issuance premiums/discounts.

Interest expense related to bonds and notes payable, net of amortization and accretion, was \$262.7 million and \$225.3 million for fiscal 2025 and 2024, respectively. The interest expense in the *Consolidated Statement of Changes in Net Assets with General Operating Account Detail* includes additional components related to finance leases. Excluding unamortized discounts and premiums, unamortized underwriter's discount and unamortized cost of issuance, scheduled principal payments are (in thousands of dollars):

Fiscal year	Principal payments
2026	\$ 100,967
2027	102,795
2028	104,656
2029	111,213
2030	571,778
Thereafter	6,944,317
TOTAL PRINCIPAL PAYMENTS	\$ 7,935,726

In fiscal 2025, the University issued \$502.8 million (\$434.1 million par) of tax-exempt fixed-rate Series 2025A Bonds and \$750.0 million of taxable fixed-rate Series 2025B Bonds. Proceeds from the Series 2025A issue will be used to fund certain University capital projects that are currently underway. Proceeds from the Series 2025B issue will be used for general University purposes and capital spending.

In fiscal 2025, the University had \$42.6 million of scheduled long-term principal maturities and \$50.9 million of net decrease to the book value of the portfolio (including amortization of bond premium and issuance fees). The result of the various issuances, paydowns, and amortizations was an overall increase in the University's bonds and notes payable from \$7.1 billion to \$8.3 billion.

The University is rated Aaa by Moody's Ratings and AAA by S&P Global Ratings, which were both most recently re-affirmed in April 2025.

The University has one unsecured, revolving credit facility with a syndicate of banks totaling \$1.5 billion, which expires

in December 2027. The facility was renewed in September 2024. There was no outstanding drawn balance on the credit facility at June 30, 2025.

The University has taxable commercial paper available totaling \$2.0 billion. There was no drawn balance on the taxable commercial paper line at June 30, 2025.

The University has tax-exempt commercial paper available totaling \$1.0 billion. There was no drawn balance on the tax-exempt commercial paper line at June 30, 2025.

At June 30, 2025, the University had \$183.3 million of variable rate demand bonds outstanding with daily interest rate resets. In the event that the University receives notice of any optional tender on its variable rate demand bonds, or if the bonds become subject to mandatory tender, the purchase price of the bonds will be paid from the remarketing of such bonds. However, if the remarketing proceeds are insufficient, the University will have a general obligation to purchase the bonds tendered with cash on hand.

11. EMPLOYEE BENEFITS

The University offers current employees a choice of health plans, a dental plan, short-term and long-term disability plans, life insurance, tuition assistance, and a variety of other benefits such as subsidized passes for public transportation and for Harvard athletic facilities. In addition, the University has retirement plans covering substantially all employees.

The University uses a measurement date of June 30 for its pension and postretirement health plans.

457(b) deferred compensation plan

The University offers a non-qualified deferred compensation plan under Internal Revenue Code 457(b) to a select group of employees. There is no University contribution related to the plan. The University has recorded both an asset and a liability related to the plan of \$296.9 million as of June 30, 2025 and \$256.5 million as of June 30, 2024; the assets are included in "Prepayments and deferred charges" and the liabilities are included in "Deferred revenue and other liabilities" on the University's *Consolidated Balance Sheets*.

Pension benefits

All eligible faculty members and staff are covered by retirement programs that include a defined benefit component, a defined contribution component, or a combination of the two.

In accordance with the Employee Retirement Income Security Act (ERISA) requirements, the University has established a trust to hold plan assets for its defined benefit pension plans. The fair value of the trust's assets was \$777.2 million and \$779.3 million as of June 30, 2025 and 2024, respectively. During fiscal years 2025 and 2024, the University made cash contributions to the defined benefit pension plan of \$15.4 million and \$11.1 million, respectively. The University recorded expenses for its defined contribution plans of \$197.1 million for fiscal year 2025 and \$190.9 million for fiscal year 2024.

Postretirement health benefits

The University provides postretirement health coverage and life insurance to substantially all of its employees. In fiscal year 2024, the University established a trust to hold plan assets for its postretirement health plan. The fair value of the trust's assets was \$641.1 million and \$602.5 million as of June 30, 2025 and 2024, respectively. Additionally, the University had internally designated and invested

\$445.8 million and \$411.1 million as of June 30, 2025 and 2024, respectively, in the GIA to fund toward postretirement health benefits and other benefits related costs.

The following table sets forth the pension and postretirement plans' funded status that is reported in the *Consolidated Balance Sheets* as of June 30, 2025 and 2024 (in thousands of dollars):

	Pension benefits		Postretirement health benefits	
	2025	2024	2025	2024
Change in benefit obligation:				
Benefit obligation, beginning of year	\$ 819,365	\$ 834,367	\$ 838,980	\$ 798,964
Service cost	3,242	4,000	16,626	20,072
Interest cost	45,821	45,918	48,333	45,093
Plan participants' contributions			12,189	11,054
Gross benefits paid	(60,327)	(56,062)	(41,580)	(43,666)
Actuarial (gain)/loss	(3,269)	(8,858)	(112,137)	7,403
Plan amendments			30	60
BENEFIT OBLIGATION, END OF YEAR¹	804,832	819,365	762,441	838,980
Change in plan assets:				
Fair value of plan assets, beginning of year	779,268	793,133	602,478	
Employer contribution to establish postretirement health plan trust				580,725
Actual return on plan assets	42,860	31,062	67,968	54,365
Employer contributions	15,443	11,135		
Plan participants' contributions			12,189	11,054
Gross benefits paid	(60,327)	(56,062)	(41,580)	(43,666)
FAIR VALUE OF PLAN ASSETS, END OF YEAR	777,244	779,268	641,055	602,478
UNFUNDED STATUS²	\$ (27,588)	\$ (40,097)	\$ (121,386)	\$ (236,502)

¹ Measurement of the University's pension obligation including assumed salary increases (required by GAAP).

² These amounts totaling \$148,974 as of June 30, 2025 and \$276,599 as of June 30, 2024 are included in the "Accrued Retirement Obligations" line in the Consolidated Balance Sheets.

The accumulated pension benefit obligation (ABO) is a measurement of the University's pension benefit obligation, based on past and present compensation levels and does not include assumed salary increases. The ABO was \$752.1 million and \$753.6 million at June 30, 2025 and 2024, respectively. The funded status disclosed above has been prepared in accordance with pension accounting rules. When measured on an IRS funding basis, which informs the University's required cash contribution amount, the plan was overfunded at January 1, 2025.

During fiscal year 2025, the postretirement health plan experienced an actuarial gain of \$112.1 million largely attributable to the effects of the projected impact of prescription drug coverage due to the Inflation Reduction Act on Employer Group Waiver Plan (EGWP) reimbursement, resulting in higher than previously anticipated reimbursements, offset by higher than expected claims costs. The pension plan experienced an actuarial gain of \$3.3 million largely attributable to asset gains offset by a decrease in the discount rate.

Net periodic benefit cost

Components of net periodic benefit cost and other amounts recognized in the *Consolidated Statements of Changes in Net Assets with General Operating Account Detail* are summarized as follows for the years ended June 30, 2025 and 2024 (in thousands of dollars):

	Pension benefits		Postretirement health benefits	
	2025	2024	2025	2024
Components of net periodic benefit cost:				
Operating				
Service cost	\$ 3,242	\$ 4,000	\$ 16,626	\$ 20,072
Total operating activity	3,242	4,000	16,626	20,072
Non-operating				
Interest cost	45,821	45,918	48,333	45,093
Expected return on plan assets	(41,190)	(41,429)	(48,765)	
Amortization of:				
Actuarial loss/(gain)			(23,736)	(22,446)
Prior service cost/(credit)		33	(4,744)	(5,303)
Total non-operating activity ¹	4,631	4,522	(28,912)	17,344
Total net periodic benefit cost	7,873	8,522	(12,286)	37,416
Other amounts recognized in non-operating activity in unrestricted net assets:				
Current year net actuarial loss/(gain)	(4,939)	1,509	(131,341)	(46,963)
Plan amendments			30	60
Amortization of:				
Prior service (cost)/credit		(33)	4,744	5,303
Actuarial loss/(gain)			23,736	22,446
Total other amounts recognized in non-operating activity ¹	(4,939)	1,476	(102,831)	(19,154)
TOTAL RECOGNIZED IN THE CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS WITH GENERAL OPERATING ACCOUNT DETAIL	\$ 2,934	\$ 9,998	\$ (115,117)	\$ 18,262

¹ These amounts totaling \$(132,051) in fiscal year 2025 and \$4,188 in fiscal year 2024 include gains and losses and other changes in the actuarially determined benefit obligations arising in the current period but that have not yet been reflected within net periodic benefit cost/(income) and are included in the "Change in Retirement Obligations" line in the Consolidated Statements of Changes in Net Assets with General Operating Account Detail.

Cumulative amounts recognized as non-operating changes in net assets without donor restrictions are summarized as follows for the years ended June 30, 2025 and 2024 (in thousands of dollars):

	Pension benefits		Postretirement health benefits	
	2025	2024	2025	2024
Net actuarial loss/(gain)	\$ 8,645	\$ 13,584	\$ (541,150)	\$ (433,545)
Prior service cost/(credit)			(15,642)	(20,416)
CUMULATIVE AMOUNTS RECOGNIZED IN UNRESTRICTED NET ASSETS	\$ 8,645	\$ 13,584	\$ (556,792)	\$ (453,961)

Other assumptions and health care cost trend rates used in determining the year end obligation as well as the net periodic benefit cost of the pension and postretirement health plans are summarized as follows for fiscal years 2025 and 2024:

	Pension benefits		Postretirement health benefits	
	2025	2024	2025	2024
Weighted-average assumptions used to determine benefit obligation as of June 30:				
Discount rate	5.70%	5.80%	5.80%	5.75%
Compensation increase trend:				
Initial rate	N/A	5.00%	N/A	5.00%
Ultimate rate	N/A	3.50%	N/A	3.50%
Year of ultimate	N/A	2025	N/A	2025
Cash balance (or similar formula) interest crediting rate	5.25%	5.25%	N/A	N/A
Pension increases for in-payment benefits increase trend	0.13%	0.13%	N/A	N/A
Current health care cost trend rate:				
Pre-65	N/A	N/A	6.75%	7.00%
Post-65	N/A	N/A	6.25%	6.50%
EGWP	N/A	N/A	6.00%	-26.01%
Ultimate health care cost trend rate:				
Pre-65 and Post-65	N/A	N/A	5.00%	5.00%
EGWP	N/A	N/A	5.00%	5.00%
Year of ultimate	N/A	N/A	2029	2031
Weighted-average assumptions used to determine net periodic benefit (income)/cost:				
Discount rate	5.80%	5.70%	5.75%	5.60%
Expected long-term rate of return on plan assets	5.25%	5.00%	8.30%	N/A
Compensation increase trend:				
Initial rate	5.00%	5.00%	5.00%	5.00%
Ultimate rate	3.50%	3.50%	3.50%	3.50%
Year of ultimate	2025	2025	2025	2025
Pension increases for in-payment benefits increase trend:				
Initial rate	N/A	1.00%	N/A	N/A
Ultimate rate	N/A	0.13%	N/A	N/A
Year of ultimate	N/A	2024	N/A	N/A
Health care cost trend rate:				
Initial rate Pre-65	N/A	N/A	7.00%	7.25%
Initial rate Post-65	N/A	N/A	6.50%	6.75%
Ultimate rate	N/A	N/A	-26.01%	5.00%
Year of ultimate	N/A	N/A	2031	2029

The expected return on pension plan assets is determined by utilizing an independent advisor's capital markets model, which takes into account the expected real return, before inflation, for each of the pension portfolio's asset classes, as well as the correlation of any one asset class to every other asset class. This model calculates the real returns and correlations and derives an expected real return for the entire portfolio, given the percentage weighting allocated to each asset class. After calculating the expected real return,

an assessment is made to accommodate the expected inflation rate for the forthcoming period. The final expected return on assets is the aggregate of the expected real return plus the expected inflation rate.

Plan assets

The actual asset allocation of the investment portfolio for the pension plan at June 30, 2025 and 2024, along with target allocations for June 30, 2026, is as follows:

	2026 Target	June 30, 2025	June 30, 2024
Asset allocation by category for pension plan:			
Fixed income securities	75-95%	82.4%	80.9%
Equity securities	15-25	17.3	18.5
Cash	0-5	0.3	0.6
TOTAL OF ASSET ALLOCATION CATEGORIES		100.0%	100.0%

The University's investment strategy for the pension portfolio is to manage the assets across a broad and diversified range of investment categories, both domestic and international. The objective is to achieve a risk-adjusted return that is in line with the long-term obligations that the University has to the pension plan beneficiaries. During fiscal year 2025, the University increased its allocation to fixed income securities to manage the interest rate volatility associated with its pension obligations. The

University expects to keep this strategy in future years. The investment program is also managed to comply with all ERISA regulations.

The following is a summary of the levels within the fair value hierarchy for the pension plan assets subject to fair value measurement as of June 30, 2025 and 2024 (in thousands of dollars):

	2025				2024	
	Level 1	Level 2	Level 3	NAV as practical expedient	Total	Total
PLAN ASSETS:						
Cash and short-term investments	\$ 15,682				\$ 15,682	\$ 17,850
Domestic equity				\$ 61,490	61,490	66,814
Foreign equity				70,290	70,290	74,061
Domestic fixed income				628,788	628,788	619,290
Hedge funds				18	18	102
Private equity				961	961	1,123
PLAN ASSETS SUBJECT TO FAIR VALUE LEVELING	\$ 15,682	\$ 0	\$ 0	\$ 761,547	\$ 777,229	\$ 779,240
Other assets not subject to fair value					15	28
TOTAL PLAN ASSETS					\$ 777,244	\$ 779,268

The postretirement health plan trust assets are commingled in the GIA under the guidelines prescribed by the HMC investment valuation policy, which is reviewed and approved by the HMC Board of Directors on an annual basis. Investments of the postretirement health plan are categorized within the fair-value hierarchy as Level 2 investments (see Note 3).

Expected future benefit payments

Employer contributions of \$19.2 million are expected for fiscal year 2026 to fund the pension benefit plan.

The following table summarizes expected benefit payments and subsidies for pension and other postretirement health benefits for the University (in thousands of dollars):

Fiscal year	Expected benefit payments	
	Pension	Postretirement health
2026	\$ 84,222	\$ 32,464
2027	77,592	36,040
2028	76,746	38,956
2029	76,473	41,829
2030	75,281	44,613
Thereafter	345,966	259,349

12. STUDENT FINANCIAL AID

Financial aid granted to students in fiscal 2025 and 2024 is summarized as follows (in thousands of dollars):

	2025	2024
Scholarships and other student awards:		
Scholarships applied to student income ¹	\$ 575,950	\$ 556,716
Scholarships and other student awards paid directly to students	207,724	192,419
Total scholarships and other student awards	783,674	749,135
Student employment	114,694	104,302
Student loans	12,834	13,632
Agency financial aid ²	27,605	24,726
TOTAL STUDENT FINANCIAL AID	\$ 938,807	\$ 891,795

¹ Includes \$262,047 and \$249,978 in fiscal 2025 and 2024, respectively, of undergraduate scholarships applied to student income.

² Represents aid from sponsors for which the University acts as an agent for the recipient.

13. SPONSORED SUPPORT

Total revenue from federal government sponsors and institutions that subcontract federally sponsored projects to the University was \$628.6 million and \$686.5 million in fiscal year 2025 and 2024, respectively. The University's principal source of federally sponsored funds is the Department of Health and Human Services. The University also has many non-federal sources of sponsored awards, including corporations, foundations, state and local governments, foreign governments, and research institutes.

Sponsored awards normally provide for the recovery of direct and indirect costs. Recovery of related indirect costs is generally recorded at fixed or predetermined rates negotiated with the federal government and other sponsors. Predetermined federal indirect cost rates have been established for the University Area and the Medical School (including the School of Dental Medicine) and the T.H. Chan School of Public Health through fiscal year 2028. Funds received for federally sponsored activity are subject to audit.

Typically, federal sponsored revenue is recognized as expenditures are incurred and the University is reimbursed for the work performed. However, in fiscal year 2025, the federal government terminated grants and suspended funding on a substantial portion of the University's federal awards, reducing federal sponsored revenue by \$116.2 million for the fiscal year. The loss of significant federal research funding represents a significant risk to the ongoing research enterprise.

In April 2025, the University filed a lawsuit against various federal agencies, challenging the legality of the actions of the federal government. In September 2025, a federal district court granted Harvard's motion for summary judgment, ruling that the government's freeze of research funding and termination of grants was unconstitutional and procedurally improper. Subsequent to this ruling, most terminated awards have been reinstated and the University has received reimbursement for the majority of fiscal year 2025 expenditures incurred on these awards. The federal government has indicated its intent to appeal. As of October 15, 2025, a final ruling has not been issued by the federal district court.

14. GIFTS

Gifts are classified as net assets with or without restrictions in accordance with donor specifications.

Additionally, gifts are categorized by purpose as "Current use", "Non-federal sponsored grants", "Endowment funds", "Split interest agreements", or "Loan funds and facilities".

Gifts received for the year ended June 30, 2025 are summarized as follows (in thousands of dollars):

	2025		
	Gifts received	Donor redesignations/ other changes	Total
Current use	\$ 626,814	\$ 2,066	\$ 628,880
Non-federal sponsored grants	242,589	(1,683)	240,906
Endowment funds	364,908	(1,088)	363,820
Split interest agreements ¹	5,260		5,260
Facilities and loan funds	62,881	(2,085)	60,796
TOTAL GIFTS	\$ 1,302,452	\$ (2,790)	\$ 1,299,662

¹ Shown at net present value. The undiscounted value of these gifts was \$13,655 for the year ended June 30, 2025.

Gifts received for the year ended June 30, 2024 are summarized as follows (in thousands of dollars):

	2024		
	Gifts received	Donor redesignations/ other changes	Total
Current use	\$ 530,001	\$ (2,322)	\$ 527,679
Non-federal sponsored grants	224,129	(6,054)	218,075
Endowment funds	366,556	1,567	368,123
Split interest agreements ¹	5,994		5,994
Facilities and loan funds	54,140	169	54,309
TOTAL GIFTS	\$ 1,180,820	\$ (6,640)	\$ 1,174,180

¹ Shown at net present value. The undiscounted value of these gifts was \$13,573 for the year ended June 30, 2024.

15. OTHER REVENUE

The major components of other revenue for the years ended June 30, 2025 and 2024 were as follows (in thousands of dollars):

	2025	2024
Publications and royalties from copyrights	\$ 275,775	\$ 280,534
Rental and parking ¹	170,224	160,345
Services income	146,041	139,404
Health and clinic fees	77,169	73,414
Royalties from the commercialization of intellectual property ²	56,684	106,996
Interest income	36,698	21,784
Sales income	30,124	34,827
Other student income	4,727	4,447
Other	51,765	61,261
TOTAL OTHER REVENUE	\$ 849,207	\$ 883,012

¹ The University is the lessor of space and facilities under operating leases, the income from which is included in rental and parking.

² Excludes distribution to external parties which are recorded as "Services Purchased" in the Consolidated Statements of Changes in Net Assets with General Operating Account Detail.

16. OTHER EXPENSES

The major components of other expenses for the years ended June 30, 2025 and 2024 were as follows (in thousands of dollars):

	2025	2024
Subcontract expenses under sponsored projects	\$ 210,855	\$ 184,344
Travel	102,924	104,896
Advertising	65,569	65,670
Publishing	51,799	50,703
Taxes and fees	41,295	44,039
Insurance	25,204	24,051
Fixed asset impairments	20,932	11,769
Postage	15,172	14,398
Telephone	8,351	9,135
Other	79,148	86,620
TOTAL OTHER EXPENSES	\$ 621,249	\$ 595,625

17. FUNCTIONAL AND NATURAL CLASSIFICATION OF OPERATING EXPENSES

Operating expenses are allocated functionally on a direct basis. Operations and maintenance expenses are allocated based on square footage.

Operating expenses by functional classification for the year ended June 30, 2025 were as follows (in thousands of dollars):

	2025				Total
	Instruction and academic support	Research ¹	Student services and support	Institutional support and auxiliary	
Salaries and wages	\$ 1,426,042	\$ 366,131	\$ 191,829	\$ 774,558	\$ 2,758,560
Employee benefits	372,707	88,747	67,927	226,514	755,895
Services purchased	471,446	112,692	81,536	312,314	977,988
Depreciation	46,542	162,939	17,798	231,752	459,031
Space and occupancy	143,870	77,311	36,720	196,320	454,221
Supplies and equipment	78,390	63,216	50,146	105,405	297,157
Interest	24,661	54,881	16,409	166,595	262,546
Scholarships and other student awards			207,724		207,724
Other expenses and overhead allocations	44,864	491,772	37,543	47,070	621,249
TOTAL EXPENSES	\$ 2,608,522	\$ 1,417,689	\$ 707,632	\$ 2,060,528	\$ 6,794,371

¹ The methodology used to allocate expenses for financial statement purposes is different than methodologies used for other purposes, such as governmental surveys.

Operating expenses by functional classification for the year ended June 30, 2024 were as follows (in thousands of dollars):

	2024				Total
	Instruction and academic support	Research ¹	Student services and support	Institutional support and auxiliary	
Salaries and wages	\$ 1,367,721	\$ 348,837	\$ 179,195	\$ 735,889	\$ 2,631,642
Employee benefits	342,262	82,016	61,915	204,445	690,638
Services purchased	448,121	107,728	80,122	285,104	921,075
Depreciation	47,043	155,104	16,884	221,226	440,257
Space and occupancy	138,512	75,965	38,130	186,543	439,150
Supplies and equipment	87,848	59,237	46,236	96,379	289,700
Interest	21,238	52,593	15,115	137,459	226,405
Scholarships and other student awards			192,419		192,419
Other expenses and overhead allocations	51,157	451,784	35,637	57,047	595,625
TOTAL EXPENSES	\$ 2,503,902	\$ 1,333,264	\$ 665,653	\$ 1,924,092	\$ 6,426,911

¹ The methodology used to allocate expenses for financial statement purposes is different than methodologies used for other purposes, such as governmental surveys.

18. COMMITMENTS AND CONTINGENCIES

Lease commitments

The University is the lessee of equipment and space under operating (rental) and finance leases. The University determines whether a contract is a lease at inception. Identified leases are subsequently measured, classified, and recognized at lease commencement. The University categorizes leases with contractual terms longer than twelve months as either operating or finance. The University's leases generally have terms that range from one to five years for equipment and one to twenty years for property, with certain leases inclusive of renewal options if they are considered to be reasonably assured at lease commencement. Right of use assets and lease liabilities for operating leases are included in "Operating leases—right of use assets" and "Operating lease liabilities", respectively, in the *Consolidated Balance Sheets*. Finance lease right of use assets and lease liabilities are included in "Fixed assets, net" and "Deferred revenue and other liabilities", respectively, in the *Consolidated Balance Sheets*. Lease assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease.

Operating and finance lease right of use assets and associated lease liabilities are recognized based on the present value of future minimum lease payments to be made over the expected lease term, using the collateralized incremental borrowing rate at the commencement date in determining the present value of future payments. Rent expense related to operating leases, including short-term leases and variable lease payments, was \$103.6 million and \$114.6 million in fiscal year 2025 and 2024, respectively.

Maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the operating and finance lease liabilities (in thousands of dollars):

	Operating	Finance
2026	\$ 68,780	\$ 27,390
2027	68,100	19,428
2028	64,738	20,949
2029	63,424	20,147
2030	62,451	17,023
Thereafter	405,196	254,403
TOTAL LEASE PAYMENTS	732,689	359,340
Less: Imputed interest	(157,770)	(176,783)
PRESENT VALUE OF LEASE LIABILITIES	\$ 574,919	\$ 182,557

Weighted-average remaining lease term and discount rate for operating and finance leases were as follows:

	June 30, 2025
Weighted average remaining lease term	
Operating leases	14.3 YEARS
Finance leases	19.3 YEARS
Weighted average discount rate	
Operating leases	3.5%
Finance leases	4.7%

The University leases properties to customers under agreements that are classified as operating or sales-type leases. Property leased to others in operating lease arrangements are included in "Fixed assets, net" in the *Consolidated Balance Sheets*. Revenue is recognized to the extent that amounts are determined to be collectible.

Fixed asset-related commitments

The University has various commitments for capital projects involving construction and renovation of certain facilities, real estate acquisitions, and equipment purchases, for which the outstanding commitments as of June 30, 2025 totaled approximately \$1.0 billion.

Environmental remediation

The University is subject to laws and regulations concerning environmental remediation and has established reserves for potential obligations that management considers to be probable and for which reasonable estimates can be made. These estimates may change substantially depending on new information regarding the nature and extent of contamination, appropriate remediation technologies, and regulatory approvals. Costs of future environmental remediation have been discounted to their net present value. Management is not aware of any existing conditions that it believes are likely to have a material adverse effect on the University's financial position, changes in net assets, or cash flows.

General

The University is a defendant in various lawsuits arising from the normal course of its operations. Separately, the University is subject to multiple investigations from the federal government. The University has filed a lawsuit against the federal government relating to Harvard's research awards and a separate lawsuit relating to Harvard's international student programs. It is not possible to predict or determine the eventual outcome of these lawsuits and investigations. Management believes that the resolution of these proceedings will not have a material adverse effect on the University's financial position, changes in net assets, or cash flows. Additional information regarding the University's research award-related lawsuit against the federal government is included in *Note 13*.

The University has evaluated subsequent events through October 15, 2025, the date the financial statements were issued. Subsequent to June 30, 2025, the University has received reimbursements on the majority of expenses incurred on federal awards that had been terminated in fiscal year 2025 and subsequently reinstated. Additional information is included in *Note 13*. The University has concluded that no additional material events have occurred that are not accounted for in the accompanying financial statements or disclosed in the accompanying notes.

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APPENDIX C

**DEFINITION OF CERTAIN TERMS AND SUMMARY OF
CERTAIN PROVISIONS OF THE AGREEMENT**

DEFINITIONS OF CERTAIN TERMS

In addition to terms defined elsewhere in the Official Statement, the following terms have the following meanings in the Loan and Trust Agreement dated as of April 1, 2026 (the “Agreement”) among the Issuer, the Institution and the Trustee, unless the context otherwise requires:

“Authorized Denominations” means \$5,000 and any integral multiple thereof.

“Bond Counsel” means any attorney at law or firm of attorneys selected by the Institution and satisfactory to the Issuer, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States.

“Bond Year” means each one-year period (or shorter period from the date of issue of the Bonds) ending on June 30 (unless the Issuer and the Institution select otherwise in accordance with Treasury Regulations Section 1.148-1(b)).

“Bondowners” or “Owners” means the registered owners of the Bonds from time to time as shown in the books kept by the Trustee as bond registrar and transfer agent.

“Bonds” means the Massachusetts Development Finance Agency Revenue Bonds, Harvard University Issue, Series 2026A, dated the date of original delivery and any Bond or Bonds duly issued in exchange or replacement therefor.

“Business Day” means a day on which banks in the city in which the principal corporate trust office of the Trustee at which the Agreement is principally administered is located (which on the date of the Agreement is Pittsburgh, Pennsylvania) is not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of the date of issuance of the Bonds between the Institution and the dissemination agent named therein, as originally executed and as it may be amended from time to time in accordance with its terms.

“Government or Equivalent Obligations” means (i) obligations issued or guaranteed by the United States; (ii) obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Home Loan Bank System, the Farm Credit System, or any other agency or instrumentality of the United States of America; (iii) certificates evidencing ownership of the right to the payment of the principal of and interest on obligations described in clause (i), provided that such obligations are held in the custody of a bank or trust company satisfactory to the Trustee or the Issuer, as the case may be, in a special account separate from the general assets of such custodian; (iv) shares of any open-end or closed-end management type investment company or trust registered under 15 U.S.C. §80(a)-1 et seq., provided that the portfolio of such investment company or trust is limited to obligations described in clause (i) and repurchase agreements fully collateralized by such obligations, and provided further that such investment company or trust shall take custody of such collateral either directly or through a custodian satisfactory to the Trustee or the Issuer; and (v) tax-exempt obligations of any state or instrumentality, agency or political subdivision thereof, which are fully secured by, or payments of principal and interest on which shall be made from, obligations described in clause (i) above.

“IRC” means the Internal Revenue Code of 1986, as it may be amended and applied to the Bonds from time to time.

“Moody’s” means Moody’s Investors Service, Inc., or any successor rating agency.

“Opinion of Bond Counsel” means an opinion of Bond Counsel to the effect that the matter or action in question will not have an adverse impact on the tax-exempt status of the Bonds for federal income tax purposes.

“Outstanding,” when used to modify Bonds, refers to Bonds issued under the Agreement, excluding: (i) Bonds that have been exchanged or replaced, or delivered to the Trustee for credit against a principal payment or a

sinking fund installment; (ii) Bonds that have been paid; (iii) Bonds that have become due and for the payment of which moneys have been duly provided; and (iv) Bonds for which there have been irrevocably set aside sufficient funds, or Government or Equivalent Obligations described in clause (i), (ii) or (iv) of the definition thereof bearing interest at such rates, and with such maturities as will provide sufficient funds, to pay or redeem them, provided, however, that if any such Bonds are to be redeemed prior to maturity, the Issuer shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly mailed in accordance with the Agreement or irrevocable instructions so to mail shall have been given to the Trustee.

“Project” means, collectively, the following:

- (a) Existing Part of the Project:
 - (i) The projects financed and refinanced with the proceeds of the Series 2016A Bonds; and
 - (ii) The refinancing of a portion of the Issuer’s outstanding commercial paper, which financed certain capital projects described in the following clause (b)(i).
- (b) New Part of the Project:
 - (i) The financing of the following projects:
 - (A) Construction of a new 109,500 square foot Faculty of Arts and Sciences (“FAS”) building for the study of economics, located on the Main College Campus behind the Littauer Center, 1805 Cambridge Street, Cambridge;
 - (B) Exterior plaza waterproofing for the FAS’s William James Hall, located on the Main College Campus at 33 Kirkland Street, Cambridge;
 - (C) Renovation of the Radcliffe Institution’s Greenleaf House, located on the Main College Campus at 76 Brattle Street, Cambridge, and yard renovations;
 - (D) Renovation of the Maxwell-Dworkin Building (shared by FAS and the School of Engineering and Applied Science (“SEAS”)), located on the Main College Campus at 33 Oxford Street, Cambridge;
 - (E) Fit-out of space to accommodate the main kitchen for the Crimson Catering Commissary Space service, located at the Allston Campus at 168 Western Avenue, Allston;
 - (F) Electrical and mechanical upgrades to the building systems and tower coil fan replacements on the 8th and 9th floors at Smith Campus Center, located on the Main College Campus located at 1350 Massachusetts Avenue, Cambridge;
 - (G) Façade restoration of the SEAS’s McKay Laboratory Building, located on the Main College Campus at 9 Oxford Street, Cambridge;
 - (H) Exterior renovation of SEAS’s Engineering Science Laboratory, located on the Main College Campus at 58 Oxford Street, Cambridge; and
 - (I) Elevator renewal and restoration at the School of Public Health’s Kresge Building, located on the Longwood Campus at 677 Huntington Avenue, Boston.

“Project Costs” means the costs of issuing the Bonds and carrying out the Project, including repayment of external loans and internal advances for the same to the extent permitted by the Agreement and the Tax Certificate, working capital expenditures directly related to the Project to the extent permitted by the IRC, and interest prior to, during and for up to one year after construction is substantially complete, but excluding general administrative expenses, overhead of the Institution and interest on internal advances.

“Revenues” means all rates, payments, fees, charges, and other income and receipts, including proceeds of insurance, eminent domain and sale, and including proceeds derived from any security provided under the Agreement, payable to the Issuer or the Trustee under the Agreement, excluding administrative fees of the Issuer, fees of the Trustee, reimbursements to the Issuer or the Trustee for expenses incurred by the Issuer or the Trustee, and indemnification of the Issuer and the Trustee.

“S&P” means S&P Global Ratings, a division of S&P Global Inc., or any successor rating agency.

“Series 2016A Bonds” means the Massachusetts Development Finance Agency Revenue Bonds, Harvard University Issue, Series 2016A.

“Tax Certificate” means the Tax Certificate and Agreement pertaining to the Bonds executed by the Issuer and the Institution in connection with the original issuance of the Bonds, as amended or supplemented from time to time.

“UCC” means the Massachusetts Uniform Commercial Code, as it may be amended from time to time.

Words importing persons include firms, associations and corporations, and the singular and plural forms of words shall be deemed interchangeable wherever appropriate.

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SUMMARY OF CERTAIN PROVISIONS OF THE AGREEMENT

The following is a summary, prepared by Hinckley, Allen & Snyder LLP, Bond Counsel, of certain provisions of the Agreement. This summary does not purport to be complete and reference is made to the Agreement for full and complete statements of such and all provisions.

Establishment of Funds

The following funds have been established and shall be maintained with the Trustee for the account of the Institution, to be held in trust by the Trustee and applied subject to the provisions of the Agreement:

Debt Service Fund;
Redemption Fund;
Expense Fund; and
Project Fund.

(Sections 303, 304, 306 and 401)

Debt Service Fund

A Debt Service Fund is established with the Trustee and moneys shall be deposited therein as provided in the Agreement. The moneys in the Debt Service Fund and any investments held as part of such fund shall be held in trust and, except as otherwise provided, shall be applied solely to the payment of the principal (including sinking fund installments, if any), redemption premium, if any, and interest on the Bonds. Promptly after July 15 of each Bond Year, if the amount deposited by the Institution in the Debt Service Fund during the preceding Bond Year pursuant to the Agreement was in excess of the amount required to be so deposited, the Trustee shall transfer such excess to the Institution unless there is then an Event of Default known to the Trustee with respect to payments to the Debt Service Fund or to the Trustee or the Issuer, in which case the excess shall be applied to such payments. (Section 303)

Redemption Fund

A Redemption Fund is established with the Trustee and moneys shall be deposited therein as provided in the Agreement. The moneys in the Redemption Fund and any investments held as a part of such fund shall be held in trust and, except as otherwise provided, shall be applied by the Trustee on behalf of the Issuer solely to the redemption of the Bonds. The Trustee may, and upon written direction of the Institution for specific purchases shall, apply moneys in the Redemption Fund to the purchase of Bonds for cancellation at prices not exceeding the price at which they are then redeemable (or next redeemable if they are not then redeemable), but not within the forty-five (45) days preceding a redemption date.

If on any date the amount in the Debt Service Fund is less than the amount then required to be applied by the Trustee to pay the principal (including sinking fund installments, if any) and interest then due on the Bonds, the Trustee shall apply the amount in the Redemption Fund (other than any sum irrevocably set aside for the redemption of particular Bonds or required to purchase Bonds under outstanding purchase contracts) to the Debt Service Fund to the extent necessary to meet the deficiency. The Institution shall remain liable for any sums which it has not paid into the Debt Service Fund and any subsequent payment thereof shall be used to restore the funds so applied.

If any moneys in the Redemption Fund are invested in accordance with the Agreement and a loss results therefrom so that there are insufficient funds to pay the redemption price of Bonds called for redemption in accordance with the Agreement, then the Institution shall immediately supply the deficiency. (Section 304)

Expense Fund

An Expense Fund is established to be held by the Trustee and proceeds of the Bonds shall be deposited therein as provided in the Agreement. The moneys in the Expense Fund and any investments held as part of such fund shall be held in trust and, except as otherwise provided in the Agreement, shall be applied by the Trustee at the written direction of the Institution solely to the payment or reimbursement of the costs of issuing the Bonds. The Trustee shall pay from the Expense Fund at the written direction of the Institution the costs of issuing the Bonds, including the reasonable fees and expenses of financial consultants and bond counsel, the reasonable fees and

expenses of the Trustee incurred prior to the completion of the Project in accordance with the Agreement, any recording or similar fees and any expenses of the Institution in connection with the issuance of the Bonds as directed by the Institution. Earnings on the Expense Fund shall not be applied to pay costs of issuance of the Bonds, but shall be transferred to the Debt Service Fund as provided in the Agreement. After all costs of issuing the Bonds have been paid any amounts remaining in the Expense Fund shall be transferred to the Debt Service Fund, upon written direction of the Institution. To the extent the Expense Fund is insufficient to pay any of the above costs, the Institution shall be liable for the deficiency and shall pay an amount equal to such deficiency as directed by the Trustee. (Section 306)

Rebate

No later than sixty (60) days after the close of the fifth Bond Year following the date of issue of the Bonds (or any earlier date that may be required to comply with IRC §148(f) and the regulations thereunder (the “Rebate Provision”)) and the close of each fifth Bond Year thereafter, the Institution shall pay to the United States on behalf of the Issuer the full amount of rebate then required to be paid under the Rebate Provision. Within sixty (60) days after the Bonds have been paid in full, the Institution shall pay to the United States on behalf of the Issuer the full amount then required to be paid under the Rebate Provision. Each such payment shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 or any successor location specified by the Internal Revenue Service, accompanied by a Form 8038-T (or other similar information reporting form) prepared by the Institution.

No later than fifteen (15) days prior to each date on which a payment could become due under the foregoing paragraph (a “Rebate Payment Date”), the Institution shall deliver to the Issuer and the Trustee a certificate either summarizing the determination that no amount is required to be paid or specifying the amount then required to be paid pursuant to the foregoing paragraph. If the certificate specifies an amount to be paid, (A) such certificate shall be accompanied by (i) a rebate report in form acceptable to the Issuer prepared by a rebate consultant acceptable to the Issuer, (ii) a completed Form 8038-T, in a form acceptable to the Issuer, which is to be signed by an officer of the Issuer, and (iii) a certification of the Institution stating that the Form 8038-T is accurate and complete, and (B) no later than ten (10) days after the Rebate Payment Date the Institution shall furnish to the Issuer and the Trustee a certificate stating that such amount has been timely paid. (Section 305)

Application of Moneys

If available moneys in the Debt Service Fund after any required transfers from the Redemption Fund are not sufficient on any day to pay all principal (including sinking fund installments, if any), redemption price and interest on the Outstanding Bonds then due or overdue, such moneys (other than any sum in the Redemption Fund irrevocably set aside for the redemption of particular Bonds or required to purchase Bonds under outstanding purchase contracts) shall, after payment of all charges and disbursements of the Trustee in accordance with the Agreement, be applied (in the order such Funds are named in this paragraph) first to the payment of interest, including interest on overdue principal, in the order in which the same became due (pro rata with respect to interest which became due at the same time) and second to the payment of principal (including sinking fund installments, if any) and redemption premiums, if any, without regard to the order in which the same became due (in proportion to the amounts due). For this purpose interest on overdue principal shall be treated as coming due on the first day of each month. Whenever moneys are to be applied pursuant to the provisions described in this paragraph, such moneys shall be applied at such times, and from time to time, as the Trustee in its discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall exercise such discretion it shall fix the date (which shall be the first of a month unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. When interest or a portion of the principal is to be paid on an overdue Bond, the Trustee may require presentation of the Bond for endorsement of the payment. (Section 307)

Payments by the Institution

Not later than the opening of business on the Business Day next preceding the date on which a payment of principal (including sinking fund installments, if any) or interest is due on the Bonds, the Institution shall pay to the Trustee for deposit in the Debt Service Fund an amount equal to such payment less the amount, if any, in the Debt Service Fund and available therefor.

At any time when any principal (including sinking fund installments, if any) of the Bonds is overdue, the Institution shall also have a continuing obligation to pay to the Trustee for deposit in the Debt Service Fund an amount equal to interest on the overdue principal until such principal is paid in full. Redemption premiums, if any, shall not bear interest.

Payments by the Institution to the Trustee for deposit in the Debt Service Fund under the Agreement shall discharge the obligation of the Institution to the extent of such payments; provided, that if any moneys are invested in accordance with the Agreement and a loss results therefrom so that there are insufficient funds to pay principal (including sinking fund installments, if any) and interest on the Bonds when due, the Institution shall supply the deficiency. (Section 308)

Unconditional Obligation

To the extent permitted by law, the obligation of the Institution to make payments to the Issuer and the Trustee under the Agreement shall be absolute and unconditional, shall be binding and enforceable in all circumstances whatsoever, shall not be subject to setoff, recoupment or counterclaim and shall be a general obligation of the Institution to which the full faith and credit of the Institution are pledged. (Section 309)

Investments

Pending their use under the Agreement, moneys in the funds and accounts established pursuant to the Agreement may be invested by the Trustee in Permitted Investments (as defined below) maturing or redeemable at the option of the holder at or before the time when such moneys are expected to be needed and shall be so invested pursuant to written direction of the Institution if there is not then an Event of Default known to the Trustee, provided that the Institution shall not request, authorize or permit any investment that would cause any Bonds to be classified as "arbitrage bonds" as defined in IRC Section 148. Any investments shall be held by the Trustee as a part of the applicable fund and shall be sold or redeemed to the extent necessary to make payments or transfers or anticipated payments or transfers from such fund, subject to the notice provisions of the UCC to the extent applicable. In the absence of such investment direction by the Institution, the Trustee shall not be under any obligation to invest (or otherwise pay interest on) any funds held under the Agreement. The Trustee shall not be responsible for any loss on any Permitted Investment, to the extent the Trustee has acted at the written direction of the Institution with respect to such investment.

Except as set forth below, any interest realized on investments in any fund and any profit realized upon the sale or other disposition thereof shall be credited to the fund with respect to which they were earned and any loss shall be charged thereto. Earnings (which for this purpose include net profit and are after deduction of net loss) on proceeds from the sale of Bonds deposited in the Expense Fund shall be transferred to the Debt Service Fund not less often than quarterly. Earnings on the Redemption Fund shall be transferred to the Debt Service Fund and credited against payments otherwise required to be made thereto not less often than quarterly.

The term "Permitted Investments" means (A) Government or Equivalent Obligations; (B) "tax exempt bonds" as defined in IRC Section 150(a)(6), other than "specified private activity bonds" as defined in IRC Section 57(a)(5)(C), rated at least "AA" or "Aa2" by S&P and Moody's, respectively, or the equivalent by any other nationally recognized rating agency, at the time of acquisition thereof, or shares of a so-called money market or mutual fund that do not constitute "investment property" within the meaning of IRC Section 148(b)(2), provided either that the fund has all of its assets invested in such "tax exempt bonds" of such rating quality or, if such obligations are not so rated, that the fund has comparable creditworthiness through insurance or otherwise and which fund is rated "Aam" or "AAm-G" if rated by S&P, at the time of acquisition thereof; (C) Obligations of any state or political subdivision thereof rated at least "AA-" and "Aa3" by S&P and Moody's, respectively, at the time of acquisition thereof; (D) negotiable certificates of deposit maturing not more than two years after the date of purchase, and interest-bearing deposit accounts and other bank deposit products of a national association or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank, which (i) has assets of not less than \$1,000,000,000, provided that the senior debt obligations of the issuing institution are rated at least Aa1 by Moody's or AA- by S&P at the time of acquisition thereof, or (ii) funds are guaranteed by the Federal Deposit Insurance Corporation, or (iii) funds are fully collateralized by Government or Equivalent Obligations; (E) bills of exchange or time drafts drawn on and accepted by a commercial bank (otherwise known as bankers acceptances), provided that such bankers acceptances may not exceed 180 days maturity, and provided further that the accepting bank has the highest short-term letter and numerical rating as provided by

Moody's or S&P at the time of acquisition thereof; (F) Repurchase Agreements; (G) (i) the Massachusetts Development Finance Agency Short Term Asset Reserve (STAR) Fund or any other similar fund established by, or on behalf of, the Issuer, which is rated "AAAm-G," "AAAm" or "AAm" by S&P at the time of acquisition thereof, and (ii) money market funds which have a rating of "AAAm-G," "AAAm" or "AAm" by S&P at the time of acquisition thereof, provided that the fund is registered under the Federal Investment Company Act of 1940 and whose shares are registered under the Federal Securities Act of 1933; (H) investment agreements with providers rated not lower than the second highest category (without regard to gradations within such category), at the time of acquisition thereof, by at least one nationally recognized rating agency, provided that if the investment agreement is guaranteed by a third party, then such rating requirement shall apply to the guarantor only, and provided further that if the provider is downgraded by one or more nationally recognized rating agency to below the second highest category, the agreement shall (i) be fully collateralized at 104% by Government or Equivalent Obligations or 105% by securities outlined in clause (J) of this definition of permitted investments, or (ii) terminate; (I) collateralized investment agreements with providers rated not lower than the third highest category (without regard to gradations within such category), at the time of acquisition thereof, by at least one nationally recognized rating agency, provided that if the investment agreement is guaranteed by a third party, then such rating requirement shall apply to the guarantor only, and provided further that in all cases such rating requirements shall apply only at the time the investment agreement is executed; (J) forward purchase and sale agreements with providers rated not lower than the third highest category (without regard to gradations within such category), at the time of acquisition thereof, by at least one nationally recognized rating agency, provided that if the investment agreement is guaranteed by a third party, then such rating requirement shall apply to the guarantor only, and provided further that in all cases such rating requirements shall apply only at the time the investment agreement is executed; (K) senior debt obligations and participation certificates issued by an agency or instrumentality established by an act of Congress, including but not limited to the Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank System, Student Loan Marketing Association, World Bank or Federal Agricultural Mortgage Corporation ("Federal Agency Securities"), in each case rated not lower than the second highest category (without regard to gradations within such category), at the time of acquisition thereof, by at least one nationally recognized rating agency; (L) commercial paper that is rated at the time of purchase at least "A-1+" by S&P or "P-1" by Moody's at the time of acquisition thereof and that matures not more than 270 days after the date of purchase; and (M) notes issued by corporate entities rated at least "AA-" and "Aa3" by S&P and Moody's, respectively, at the time of acquisition thereof. The term "Repurchase Agreement" shall mean a written agreement under which a bank or trust company which has a capital and surplus of not less than \$50,000,000 or a government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York sells to, and agrees to repurchase from the Trustee obligations issued or guaranteed by the United States; provided that the market value of such obligations is at the time of entering into the agreement at least one hundred and three percent (103%) of the repurchase price specified in the agreement and that such obligations are segregated from the unencumbered assets of such bank or trust company or government bond dealer; and provided further that unless the agreement is with a bank or trust company, such agreement shall require the repurchase to occur on demand or on a date certain which is not later than one (1) year after such agreement is entered into and shall expressly authorize the Trustee to liquidate the purchased obligations in the event of the insolvency of the party required to repurchase such obligations or the commencement against such party of a case under the federal Bankruptcy Code or the appointment of or taking possession by a trustee or custodian in a case against such party under the Bankruptcy Code. Any such investments may be purchased from or through the Trustee. Ratings of Permitted Investments referred to in the Agreement shall be determined at the time of purchase of such Permitted Investments. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments. (Section 311)

Project Fund.

The moneys in the Project Fund and any investments held as part of such Fund shall be held in trust and, except as otherwise provided in the Agreement, shall be applied by the Trustee solely to the payment or reimbursement of Project Costs. If there is an Event of Default known to the Trustee with respect to payments to the Debt Service Fund or to the Issuer or the Trustee, the Trustee may use the Project Fund without requisition to make up the deficiency, and the Institution shall restore the funds so used.

Disbursements from the Project Fund shall be made by the Trustee to pay directly to reimburse the Institution for Project Costs, as directed by requisitions signed on behalf of the Institution by an Authorized Officer. (Section 401)

Use of Project

Compliance with Law. In the acquisition, construction, maintenance, improvement and operation of the Project, the Institution covenants that it has complied and will comply in all material respects with all applicable building, zoning, land use, environmental protection, historical preservation, sanitary, safety and educational laws, rules and regulations, and all applicable grant, reimbursement and insurance requirements, and will not permit a nuisance thereon; but it shall not be a breach of this subsection if the Institution fails to comply with such laws, rules, regulations and requirements (other than Chapter 21E of the Massachusetts General Laws, as amended) during any period in which the Institution is diligently and in good faith contesting the validity thereof.

Payment of Lawful Charges. The Institution shall make timely payment of all taxes and assessments and other municipal or governmental charges and all claims and demands for work, labor, services, materials or other objects which, if unpaid, might by law become a lien on the Project or any part thereof; but it shall not be a breach of this subsection if the Institution fails to pay any such item during any period in which the Institution is diligently and in good faith contesting the validity thereof, provided that the laws applicable to contesting its validity do not require payment thereof and proceedings for a refund and that the security created or intended to be created by the Agreement is not unreasonably jeopardized thereby.

Permitted Purposes. The Institution agrees that the Project shall be used only for the purposes described in the Act. The Institution acknowledges that it is fully familiar with the physical condition of the Project and that it is not relying on any representation of any kind by the Issuer or the Trustee concerning the nature or condition thereof. Neither the Issuer nor the Trustee shall be liable to the Institution or any other person for any latent or patent defect in the Project. The Institution further agrees that no part of the Project shall be used for any purpose which would cause the Issuer's financing and refinancing of the Project to constitute a violation of the First Amendment of the United States Constitution. In particular, the Institution agrees that no part of the Project, so long as it is owned or controlled by the Institution, shall be used for any sectarian instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination; and any proceeds of any sale, lease, taking by eminent domain of the Project or other disposition thereof shall not be used for, or to provide a place for, such instruction, worship or program. (Section 403)

Repair and Current Expenses

The Institution agrees that it will maintain and repair the Project and keep the same in good and serviceable condition and in at least as good condition and repair (reasonable wear and tear and casualty loss excepted) as it was on the date the same was placed in service. The Institution shall pay all costs of maintaining and operating the Project. (Section 404)

Insurance

The Institution shall maintain insurance with insurance companies authorized to transact business in The Commonwealth of Massachusetts on such of its properties, in such amounts and against such risks as is customarily maintained by similar institutions of higher education operating in the area and promptly file with the Trustee upon request from time to time certificates of all such insurance. (Section 405)

Default and Remedies

Default by the Institution.

Events of Default; Default. "Event of Default" in the Agreement means any one of the events set forth below and "default" means any Event of Default without regard to any lapse of time or notice.

Debt Service. Any principal of, interest or redemption premium on the Bonds shall not be paid when due (whether at maturity, by acceleration, upon redemption or otherwise) or the Institution shall fail to make payment of principal or interest or payment of interest on overdue principal required of it under the Agreement when the same becomes due and payable.

Other Obligations. The Institution shall fail to make any other required payment to the Trustee, and such failure is not remedied within seven (7) days after written notice thereof is given by the Trustee or

the Issuer to the Institution, or the Institution shall fail to perform its obligations under the Agreement to maintain insurance, and such failure is not remedied within seven (7) days after written notice thereof is given by the Trustee or the Issuer to the Institution; or the Institution shall fail to observe or perform any of its other agreements, covenants or obligations under the Agreement and such failure is not remedied within sixty (60) days after written notice thereof is given by the Trustee or the Issuer to the Institution.

Warranties. There shall be a material breach of warranty made in the Agreement by the Institution as of the date it was intended to be effective and the breach is not cured within sixty (60) days after written notice thereof is given by the Trustee or the Issuer to the Institution.

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

Appointment of Receiver. A trustee, receiver, custodian or similar official or agent shall be appointed for the Institution or for any substantial part of its property and such trustee or receiver shall not be discharged within sixty (60) days.

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

Breach of Other Agreements. A breach shall occur (and continue beyond any applicable grace period) with respect to the payment of other indebtedness of the Institution for borrowed money with respect to loans exceeding \$250,000,000, or with respect to the performance of any agreement securing such other indebtedness or pursuant to which the same was issued or incurred, or an event shall occur with respect to provisions of any such agreement relating to matters of the character referred to in this paragraph, so that a holder or holders of such indebtedness or a trustee or trustees under any such agreement accelerates any such indebtedness; but an Event of Default shall not be deemed to be in existence or to be continuing under this clause (vii) if (A) the Institution is in good faith contesting the existence of such breach or event and if such acceleration is being stayed by judicial proceedings or (B) such breach or event is remedied and the acceleration is wholly annulled. The Institution shall notify the Issuer and the Trustee of any such breach or event immediately upon the Institution's becoming aware of its occurrence and shall from time to time furnish such information as the Issuer or the Trustee may reasonably request for the purpose of determining whether a breach or event described in this clause (vii) has occurred and whether acceleration continues to be in effect.

Waiver. If the Trustee determines that a default has been cured before the entry of any final judgment or decree with respect to it, the Trustee may waive the default and its consequences, including any acceleration, by written notice to the Institution and shall do so, with the written consent of the Issuer, upon written instruction of the Owners of at least twenty-five percent (25%) in principal amount of the Outstanding Bonds. (Section 501)

Remedies for Events of Default. If an Event of Default occurs and is continuing:

Acceleration. The Trustee may by written notice to the Institution and the Issuer declare immediately due and payable the principal amount of the Outstanding Bonds and the payments to be made by the Institution therefor, and accrued interest on the foregoing, whereupon the same shall become immediately due and payable without any further action or notice.

If, at any time after such declaration and before the entry of a judgment or decree for payment of the money due, all amounts payable under the Agreement except principal and interest on the Bonds that are due solely by reason of such declaration and acceleration shall have been paid or provided for by deposit with the Trustee and all existing Events of Default shall have been cured, then, unless otherwise directed in writing by the registered owners of Bonds representing a majority of the principal amount of the Outstanding Bonds, the Trustee shall rescind and

annul such declaration and acceleration, but no such rescission shall affect any subsequent Event of Default or the consequences thereof.

Rights as a Secured Party. The Trustee may exercise all of the rights and remedies of a secured party under the UCC with respect to the securities in the funds held by it under the Agreement, including the right to sell or redeem such securities and the right to retain the securities in satisfaction of the obligations of the Institution under the Agreement. Notice sent by registered or certified mail, postage prepaid, or delivered during business hours, to the Institution at least seven (7) days before an event under the UCC, or any successor provision of law shall constitute reasonable notification of such event. (Section 502)

Court Proceedings

The Trustee may enforce the obligations under the Agreement by legal proceedings for the specific performance of any covenant, obligation or agreement contained in the Agreement, whether or not an Event of Default exists, or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach of the provisions of the Agreement, including (to the extent the Agreement may lawfully provide) court costs, reasonable attorneys' fees and other costs and expenses incurred in enforcing the obligations under the Agreement. (Section 503)

Revenues after Default

The proceeds from the exercise of the rights and remedies under the Agreement shall be remitted to the Trustee upon receipt and in the form received. After payment or reimbursement of the reasonable expenses of the Trustee and the Issuer in connection therewith, the same shall be allocated to the Bonds. The portion allocable to the Bonds shall be applied, first to the remaining obligations of the Institution under the Agreement (other than obligations to make payments to the Issuer for its own use) in such order as may be determined by the Trustee, and second, to any unpaid sums due the Issuer for its own use. Any surplus thereof shall be paid to the Institution. (Section 504)

Remedies Cumulative

The rights and remedies under the Agreement shall be cumulative and shall not exclude any other rights and remedies allowed by law, provided there is no duplication of recovery. The failure to insist upon a strict performance of any of the obligations of the Institution or to exercise any remedy for any violation thereof shall not be taken as a waiver for the future of the right to insist upon strict performance by the Institution or of the right to exercise any remedy for the violation. (Section 505)

Resignation or Removal of the Trustee

The Trustee may resign on not less than thirty (30) days' notice given in writing to the Issuer, the Bondowners and the Institution, but such resignation shall not take effect until a successor has been appointed. The Trustee will promptly certify to the Issuer that it has mailed such notice to all Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required by the Agreement. The Trustee may be removed upon thirty (30) days written notice (i) by written notice from the Owners of a majority in principal amount of the Outstanding Bonds to the Trustee, the Issuer and the Institution; (ii) with or without cause by the Institution with the approval of the Issuer if the Institution is not in default or (iii) with cause by the Issuer. (Section 604)

The Bondowners

Action by Bondowners. Any request, authorization, direction, notice, consent, waiver or other action provided by the Agreement to be given or taken by Bondowners may be contained in and evidenced by one or more writings of substantially the same tenor signed by the requisite number of Bondowners or their attorneys duly appointed in writing.

Any request, consent or vote of the Owner of any Bond shall bind all future Owners of such Bond. Bonds owned or held by or for the account of the Issuer or the Institution shall not be deemed Outstanding Bonds for the purpose of any consent or other action by Bondowners. (Section 801)

Proceedings by Bondowners. No Bondowner shall have any right to institute any legal proceedings for the enforcement of the Agreement or any applicable remedy under the Agreement, unless the Bondowners have directed the Trustee to act and furnished the Trustee indemnity as provided in the Agreement and have afforded the Trustee reasonable opportunity to proceed, and the Trustee shall thereafter fail or refuse to take such action.

Subject to the foregoing, any Bondowner may by any available legal proceedings enforce and protect its rights under the Agreement and under the laws of The Commonwealth of Massachusetts. (Section 802)

The Institution

Corporate Organization, Authorization and Powers. The Institution represents and warrants that it is a corporation duly organized on May 30, 1650 by act of the Colony of Massachusetts Bay confirmed, as amended, in the Constitution of 1780 of The Commonwealth of Massachusetts, with the power to enter into and perform the Agreement; that it is a nonprofit educational institution within the Commonwealth authorized by law to provide a program of education beyond the high school level and that by proper corporate action it has duly authorized the execution and delivery of the Agreement. The Institution further represents and warrants that the execution and delivery of the Agreement and the consummation of the transactions contemplated in the Agreement will not conflict with or constitute a breach of or default under any bond, indenture, note or other evidence of indebtedness of the Institution, the charter or by-laws of the Institution, any gifts, bequests or devises pledged to or received by the Institution, or any contract, lease or other instrument to which the Institution is a party or by which it is bound or cause the Institution to be in violation of any applicable statute or rule or regulation of any governmental authority. (Section 901)

Tax Matters. The Institution represents and warrants that (i) it is an organization described in Section 501(c)(3) of the IRC and it is not a “private foundation” as defined in Section 509 of the IRC; (ii) it has received letters from the Internal Revenue Service to that effect; (iii) such letters have not been modified, limited or revoked; (iv) it is in compliance with all terms, conditions and limitations, if any, contained in such letters; and (v) it is exempt from federal income taxes under Section 501(a) of the IRC. (b) The Institution shall not take or omit to take any action if such action or omission would (i) cause the Bonds to be “arbitrage bonds” under Section 148 of the IRC, including, without limitation, as a result of computing the yield on any investment acquired with Bond proceeds other than on the basis of the “fair market value” (within the meaning of Treas. Reg. §1.148-5(d)(6)) of such investment at the time of acquisition, (ii) cause the Bonds to not meet any of the requirements of Section 149 of the IRC, or (iii) cause the Bonds to cease to be “qualified 501(c)(3) bonds” under Section 145 of the IRC. Without limiting the foregoing, the Institution shall not permit the \$150,000,000 nonhospital bond limitation of IRC §145(b) to be exceeded. To the extent consistent with its status as a nonprofit educational institution, the Institution agrees that it will not take any action or omit to take any action if such action or omission would cause the Institution to fail to qualify as an organization described in Section 501(c)(3) of the IRC. Partly in furtherance of the foregoing, the Issuer and the Institution are entering into the Tax Certificate with respect to matters of federal tax law pertaining to the Bonds issued under the Agreement. (Section 902)

Securities Law Status. The Institution represents and warrants that it is an organization organized and operated exclusively for charitable purposes and not for pecuniary profit; and that no part of its net earnings inures to the benefit of any person, private stockholder or individual, all within the meaning of the Securities Act of 1933, as amended. The Institution shall not take any action or omit to take any action if such action or omission would change its status as set forth in this paragraph. (Section 903)

Annual Reports and Other Current Information. The Institution shall from time to time render such other reports concerning the condition of the Project or compliance with the Agreement as the Issuer or the Trustee may reasonably request. Not later than March 1 of each year, the Institution shall furnish to the Trustee and the Issuer, and to Bondowners requesting the same, copies of its audited financial statements unless such audited financial statements are available for public access on the Electronic Municipal Market Access (“EMMA”) website or the Institution’s website. If such statements are not so available, then copies of the reports and statements required to be filed with the Trustee pursuant to this paragraph shall be filed with the Trustee in sufficient quantity to permit the Trustee to retain at least one copy for inspection by Bondowners and to permit the Trustee to mail a copy to each Bondowner who requests it. The Trustee shall maintain a list of Bondowners who have made such a request. The Institution shall furnish to the agencies rating the Bonds such information as they may reasonably require for current reports to their subscribers. The Trustee shall have no obligation or duty to review any financial statements (audited

or otherwise) filed with it and shall not be deemed to have notice of the content of such statements or a default based on such content and shall have no obligation or duty to verify the accuracy of such statements. (Section 904)

Maintenance of Corporate Existence. The Institution shall maintain its existence as a nonprofit corporation qualified to do business in Massachusetts and shall not dissolve, dispose of or spin off all or substantially all of its assets, or consolidate with or merge into another entity or entities, or permit one or more other entities to consolidate with or merge into it, except that it may consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it, or transfer all or substantially all of its assets to one or more other entities (and thereafter dissolve or not dissolve as it may elect), if (a) the surviving, resulting or transferee entity or entities each is a corporation having the status and powers set forth in the Agreement, (b) the transaction does not result in a conflict, breach or default referred to in the Agreement, (c) the surviving, resulting or transferee entity or entities each (i) assumes by written agreement with the Issuer and the Trustee all the obligations of the Institution under the Agreement, (ii) notifies the Issuer and the Trustee of any change in the name of the Institution, and (iii) executes, delivers, registers, records and files such other instruments as the Issuer or the Trustee may reasonably require to confirm, perfect or maintain any security granted under the Agreement. (Section 905)

Amendment

The Agreement may be amended by the parties without Bondowner consent for any of the following purposes: (a) to subject additional property to the lien of the Agreement, (b) to provide for the establishment or amendment of a book entry system of registration for the Bonds through a securities depository (which may or may not be DTC), (c) to add to the covenants and agreements of the Institution or to surrender or limit any right or power of the Institution, or (d) to cure any ambiguity or defect, or to add provisions which are not inconsistent with the Agreement and which do not impair the security for the Bonds.

Except as provided in the foregoing paragraph, the Agreement may be amended only with the written consent of the Owners of at least a majority in principal amount of the Outstanding Bonds; provided, however, that no amendment of the Agreement may be made without the unanimous written consent of the affected Bondowners for any of the following purposes: (i) to extend the maturity of any Bond, (ii) to reduce the principal amount or interest rate of any Bond, (iii) to make any Bond redeemable other than in accordance with its terms, (iv) to create a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (v) to reduce the percentage of the Bonds required to be represented by the Bondowners giving their consent to any amendment.

Any amendment of the Agreement shall be accompanied by an opinion of Bond Counsel (which shall include the Trustee as an addressee or shall expressly permit reliance by the Trustee) to the effect that the amendment (i) is permitted by the Agreement and (ii) will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

When the Trustee determines that the requisite number of consents have been obtained for an amendment that requires Bondowner consent, it shall, within ninety (90) days, file a certificate to that effect in its records and mail notice to the Bondowners. No action or proceeding to invalidate the amendment shall be instituted or maintained unless it is commenced within sixty (60) days after such mailing. The Trustee will promptly certify to the Issuer that it has mailed such notice to all Bondowners and such certificate will be conclusive evidence that such notice was given in the manner required by the Agreement. A consent to an amendment may be revoked by a notice given by the Bondowner and received by the Trustee prior to the Trustee's certification that the requisite consents have been obtained. (Section 1001)

Defeasance

When there are in the Debt Service Fund and the Redemption Fund sufficient funds, or Government or Equivalent Obligations described in clause (i), (ii), (iii) or (v) of the definition thereof in such principal amounts, bearing interest at such rates and with such maturities as will provide sufficient funds to pay or redeem the Bonds in full, and when all the rights under the Agreement of the Issuer and the Trustee have been provided for, upon written notice from the Institution to the Issuer and the Trustee, the Bondowners shall cease to be entitled to any benefit or security under the Agreement except the right to receive payment of the funds deposited and held for payment and other rights which by their nature cannot be satisfied prior to or simultaneously with termination of the lien of the Agreement, the security interests created by the Agreement (except in such funds and investments) shall terminate, and the Issuer and the Trustee shall execute and deliver such instruments as may be necessary to discharge the lien

and security interests created under the Agreement; provided, however, that if any such Bonds are to be redeemed prior to the maturity thereof, the Trustee and the Institution, as applicable, shall have taken all action necessary to redeem such Bonds and notice of such redemption shall have been duly mailed in accordance with the Agreement or irrevocable instructions so to mail shall have been given to the Trustee. Upon such defeasance, the funds and investments required to pay or redeem the Bonds in full shall be irrevocably set aside for that purpose, subject, however, to the provisions of the Agreement regarding unclaimed moneys, and moneys held for defeasance shall be invested only as provided above in this section. To the extent allowed by applicable law, any funds or property held by the Trustee and not required for payment or redemption of the Bonds in full shall, after satisfaction of all the rights of the Issuer and the Trustee and after allowance for payment to the United States under IRC Section 148(b), be distributed to the Institution upon such indemnification, if any, as the Issuer or the Trustee may reasonably require. In connection with any advance refunding, the Issuer, the Institution and the Trustee may request a verification report or other evidence of sufficiency. (Section 202)

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APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

[Delivery Date of Bonds]

Massachusetts Development Finance Agency
99 High Street, 11th Floor
Boston, MA 02110

\$ _____
Massachusetts Development Finance Agency
Revenue Bonds
Harvard University Issue, Series 2026A (the “Bonds”)
Dated their Date of Delivery

We have acted as bond counsel to the Massachusetts Development Finance Agency (the “Agency”) in connection with the issuance by the Agency of the above-referenced Bonds. In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion, including the Loan and Trust Agreement dated as of April 1, 2026 (the “Agreement”) among the Agency, President and Fellows of Harvard College (the “Institution”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

As to questions of fact material to our opinion we have relied upon representations and covenants of the Agency and the Institution contained in the Agreement and in the certified proceedings relating to the Bonds and other certifications of public officials furnished to us, and certifications of officials of the Institution and others, without undertaking to verify the same by independent investigation.

The Bonds are being issued pursuant to the Agreement. The Bonds are payable solely from funds to be provided therefor by the Institution pursuant to the Agreement. Under the Agreement, the Institution has agreed to make payments sufficient to pay when due the principal (including sinking fund installments) and purchase or redemption price of and interest on the Bonds. Such payments and other moneys payable to the Agency or the Trustee under the Agreement, including proceeds derived from any security provided thereunder (collectively the “Revenues”), and the rights of the Agency under the Agreement to receive the same (excluding, however, certain administrative fees, indemnification and reimbursements), are pledged and assigned by the Agency as security for the Bonds. The Bonds are payable solely from the Revenues.

We express no opinion with respect to compliance by the Institution with applicable legal requirements with respect to the Agreement or in connection with the operation of the Project (as defined in the Agreement) being financed and refinanced by the Bonds.

Reference is made to an opinion of even date of Epstein, Becker & Green, P.C., counsel to the Institution, with respect to, among other matters, the corporate existence of the Institution, the power of the Institution to carry out the Project, the power of the Institution to enter into and perform its obligations under the Agreement and the authorization, execution and delivery of the Agreement by the Institution. We have relied on such opinion with regard to such matters and to the other matters addressed therein and we have relied on the opinion of even date of Ropes & Gray LLP, special tax counsel to the Institution, with regard to the current qualification of the Institution as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). We note that such opinions are subject to the limitations and conditions described therein. Failure of the Institution to maintain its status as an organization described in Section 501(c)(3) of the Code or to use the Project in activities of the Institution that do not constitute unrelated trades or businesses of the Institution within the meaning of Section 513 of the Code may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of issuance of the Bonds.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Agency is a duly created and validly existing body corporate and politic and a public instrumentality of The Commonwealth of Massachusetts with the power to enter into and perform the Agreement and to issue the Bonds.

2. The Agreement has been duly authorized, executed and delivered by the Agency and is a valid and binding obligation of the Agency enforceable against the Agency. As provided in Chapter 23G of the General Laws of The Commonwealth of Massachusetts, the Agreement creates a valid lien on the Revenues and on the rights of the Agency or the Trustee on behalf of the Agency to receive Revenues under the Agreement (except certain rights to indemnification, reimbursements and fees).

3. The Bonds have been duly authorized, executed and delivered by the Agency and are valid and binding special obligations of the Agency, payable solely from the Revenues.

4. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, although we observe that such interest will be taken into account in computing "adjusted financial statement income" of certain corporate holders of the Bonds for purposes of computing the alternative minimum tax imposed on certain corporations. In rendering the opinions set forth in this paragraph, we have assumed compliance by the Agency and the Institution with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Institution and, to the extent necessary, the Agency have covenanted in the Agreement to comply with all such requirements. Failure by the Agency or the Institution to comply with certain of such requirements may cause interest on the Bonds to become included in gross income

for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

5. Interest on the Bonds and any profit on the sale of the Bonds are exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds and the Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

HINCKLEY, ALLEN & SNYDER LLP

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by President and Fellows of Harvard College (the “Institution”) and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”) in connection with the issuance of \$_____ Massachusetts Development Finance Agency Revenue Bonds, Harvard University Issue, Series 2026A (the “Bonds”). The Bonds are being issued pursuant to a Loan and Trust Agreement dated as of April 1, 2026, among the Massachusetts Development Finance Agency (the “Issuer”), the Trustee and the Institution (the “Agreement”), and the proceeds of the Bonds are being loaned by the Issuer to the Institution pursuant to the Agreement. The Institution and the Trustee covenant and agree as follows.

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Institution and the Trustee for the benefit of the Bondowners and in order to assist the Participating Underwriters (defined below) in complying with the Rule (defined below). The Institution and the Trustee acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Bondowner, with respect to any such reports, notices or disclosures. The Trustee, except as provided in Section 3(c), has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Bondowner, with respect to any such reports, notices or disclosures except for its negligent failure to comply with its obligations under Section 3(c).

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

“Annual Report” shall mean any Annual Report provided by the Institution pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Bondowner” shall mean the registered owner of a Bond and any beneficial owner thereof, as established to the reasonable satisfaction of the Trustee or Institution.

“Dissemination Agent” shall mean any Dissemination Agent or successor Dissemination Agent designated in writing by the Institution and which has filed with the Institution, the Trustee and the Issuer a written acceptance of such designation. The same entity may serve as both Trustee and Dissemination Agent. The initial Dissemination Agent shall be the Trustee. In the absence of a third-party Dissemination Agent, the Institution shall serve as the Dissemination Agent.

“Financial Obligation” shall mean, for purposes of the Listed Events numbers 15 and 16 set out in Section 5(a) of this Disclosure Agreement, a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Agreement. Filing information relating to the MSRB is set forth in Exhibit B hereto.

“Official Statement” shall mean the final official statement dated ____, 2026, relating to the Bonds.

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

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Dissemination Agent, not later than March 1 of each year, commencing in 2027 (the “Filing Deadline”), shall provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. Not later than five (5) Business Days prior to said date, the Institution (if it is not the Dissemination Agent) shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Institution may be submitted separately from, and at a later date than, the balance of the Annual Report if such audited financial statements are not available as of the date set forth above. If the Dissemination Agent submits the audited financial statements of the Institution at a later date, it shall provide unaudited financial statements by the above-specified deadline and shall provide the audited financial statements as soon as practicable after the audited financial statements become available. The Institution shall submit the audited financial statements to the Dissemination Agent and the Trustee as soon as practicable after they become available and the Dissemination Agent shall submit the audited financial statements to the MSRB as soon as practicable thereafter. The Institution shall provide a copy of the Annual Report to the Issuer and the Trustee.

(b) The Dissemination Agent shall file a report with the Institution, the Issuer and the Trustee certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided (the “Compliance Certificate”); such report shall include a certification from the Institution that the Annual Report complies with the requirements of this Disclosure Agreement.

(c) If the Trustee has not received a Compliance Certificate by the Filing Deadline, the Trustee shall send, and the Institution hereby authorizes and directs the Trustee to submit on its behalf, a notice to the MSRB in substantially the form attached as Exhibit A.

(d) If the Dissemination Agent has not provided the Annual Report to the MSRB by the Filing Deadline, the Institution shall send, or cause the Dissemination Agent to send, a notice substantially in the form of Exhibit A irrespective of whether the Trustee submits such notice.

SECTION 4. Content of Annual Reports. The Institution’s Annual Report shall contain or incorporate by reference the following:

(a) Quantitative information for the preceding fiscal year of the type presented under the heading captioned “Student Applications and Enrollment” in Appendix A to the Official Statement.

(b) General information with respect to endowment assets, and income and expenses as found in Appendix B to the Official Statement.

In the event the Institution's audited financial statements provided pursuant to Section 3 of this Disclosure Agreement contain any of the information described in clauses (a) and (b) above, the requirement of this Section 4 shall be deemed to be satisfied with respect to including such information in the Institution's Annual Report.

The financial statements provided pursuant to Sections 3 and 4 of this Disclosure Agreement shall be prepared in conformity with generally accepted accounting principles, as in effect from time to time. Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Institution is an "obligated person" (as defined by the Rule), which (i) are available to the public on the MSRB Internet Web site, or (ii) have been filed with the Securities and Exchange Commission. The Institution shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. 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 of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bondowners, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Institution; *

13. The consummation of a merger, consolidation, or acquisition involving the Institution or the sale of all or substantially all of the assets of the Institution, 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;

14. Appointment of a successor or additional trustee or the change of name of the Trustee, if material;

15. Incurrence of a Financial Obligation of the Institution, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Institution, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Institution, any of which reflect financial difficulties.

(b) Upon the occurrence of a Listed Event, the Institution shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file or cause to be filed a notice of such occurrence with the MSRB. The Institution shall provide a copy of each such notice to the Issuer and the Trustee. The Dissemination Agent, if other than the Institution, shall have no duty to file a notice of an event described hereunder unless it is directed in writing to do so by the Institution, and shall have no responsibility for verifying any of the information in any such notice or determining the materiality of the event described in such notice.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Institution's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or upon delivery to the Trustee of an opinion of counsel expert in federal securities laws selected by the Institution to the effect that compliance with this Disclosure Agreement no longer is required by the Rule. If the Institution's obligations under the Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Institution and the original Institution shall have no further responsibility hereunder.

SECTION 8. Dissemination Agent. The Institution may, from time to time with written notice to the Trustee and the Issuer appoint or engage a third-party Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may, with written notice to the Trustee and the Issuer, discharge any such third-party Dissemination Agent, with or without appointing a successor Dissemination

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

Agent. The Dissemination Agent (if other than the Institution) may resign upon 30 days' written notice to the Institution, the Trustee and the Issuer.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Institution and the Trustee may amend this Disclosure Agreement (and, subject to the last sentence of this Section 9, the Trustee shall agree to any amendment so requested by the Institution) and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the Institution to the effect that such amendment or waiver would not, in and of itself, violate the Rule. Without limiting the foregoing, the Institution and the Trustee may amend this Disclosure Agreement if (a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Institution or of the type of business conducted by the Institution, (b) this Disclosure Agreement, as so amended, would have complied with the requirements of the Rule at the time the Bonds were issued, taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) (i) the Trustee receives an opinion of counsel expert in federal securities laws to the effect that, the amendment does not materially impair the interests of the Bondowners or (ii) the amendment is consented to by the Bondowners as though it were an amendment to the Agreement pursuant to Section 1101 of the Agreement. The annual financial information containing the amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. Neither the Trustee nor the Dissemination Agent shall be required to accept or acknowledge any amendment of this Disclosure Agreement if the amendment adversely affects its respective rights or immunities or increases its respective duties hereunder.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Institution from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Institution chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Institution shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Institution or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of Bondowners representing at least 25% in aggregate principal amount of Outstanding Bonds, shall), take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Institution or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. Without regard to the foregoing, any Bondowner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Institution or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Institution or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. As to the Trustee, Article VI of the Agreement is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Agreement. In the event that the Trustee serves as Dissemination Agent, the same privileges and protections afforded to the Trustee under Article VII of the Agreement shall be equally applicable to the Trustee in the performance of its duties as

Dissemination Agent hereunder. The Dissemination Agent (if other than the Institution) shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Institution agrees to indemnify and save the Dissemination Agent (if other than the Institution), its officers, director, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Institution under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Institution covenants that whenever it is serving as Dissemination Agent, it shall take any action required of the Dissemination Agent under this Disclosure Agreement. Neither the Trustee nor the Dissemination Agent (if other than the Institution) shall have a duty to review the Annual Report, nor shall they be deemed to have notice of the contents of such Annual Report or a default based on such content, nor shall they have a duty to verify the accuracy of such Annual Report.

The Trustee shall have no obligation under this Disclosure Agreement to report any information to the MSRB or any Bondowner. If an officer of the Trustee obtains actual knowledge of the occurrence of an event described in Section 5 hereunder, whether or not such event is material, the Trustee shall timely notify the Institution of such occurrence, provided, however, that any failure by the Trustee to give such notice to the Institution shall not affect the Institution's obligations under this Disclosure Agreement or give rise to any liability by the Trustee for such failure.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Institution, the Trustee, the Dissemination Agent, the Participating Underwriters and the Bondowners, and shall create no rights in any other person or entity.

SECTION 14. Disclaimer. No Annual Report or notice of a Listed Event filed by or on behalf of the Institution under this Disclosure Agreement shall obligate the Institution to file any information regarding matters other than those specifically described in Section 4 and Section 5 hereof, nor shall any such filing constitute a representation by the Institution or raise any inference that no other material events have occurred with respect to the Institution or the Bonds or that all material information regarding the Institution or the Bonds has been disclosed. The Institution shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

SECTION 15. Notices. Unless otherwise expressly provided, all notices to the Issuer, the Institution, the Trustee and the Dissemination Agent shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered or sent by facsimile during business hours to such parties at the address specified in Section 1003 of the Agreement or, as to all of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the party giving notice.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 17. Governing Law. This instrument shall be governed by the laws of the Commonwealth of Massachusetts.

Date: April __, 2026

PRESIDENT AND FELLOWS OF HARVARD COLLEGE

By: _____
Name:
Title:

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

By: _____
Name:
Title:

[Signature Page to Series 2026A Continuing Disclosure Agreement]

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Massachusetts Development Finance Agency

Name of Bond Issue: Revenue Bonds, Harvard University Issue, Series 2026A

Name of Obligated Person: President and Fellows of Harvard College

Date of Issuance: April __, 2026

NOTICE IS HEREBY GIVEN that President and Fellows of Harvard College (the “Institution”) has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated April __, 2026 between the Institution and The Bank of New York Mellon Trust Company, N.A.

Dated: _____

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A. on behalf of
PRESIDENT AND FELLOWS OF HARVARD
COLLEGE

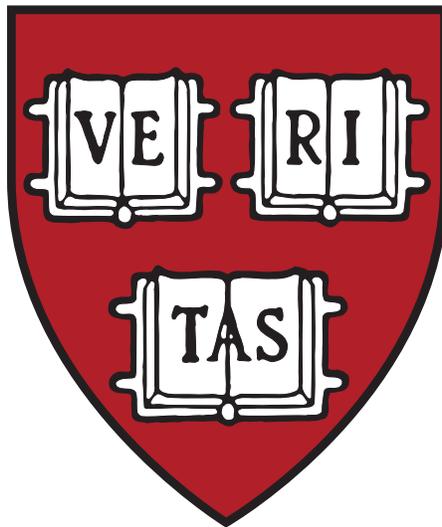
cc: Institution

EXHIBIT B

Filing information relating to the Municipal Securities Rulemaking Board is as follows:

Municipal Securities Rulemaking Board

<http://emma.msrb.org>



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