NEW ISSUE-BOOK ENTRY ONLY

Ratings*:Moody's: A2
S&P: A+

In the opinion of Edwards Wildman Palmer LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Series 2013 E Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986 (the "Code"). Interest on the Series 2013 E Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Under existing law, interest on the Series 2013 E Bonds and any profit on the sale of the Series 2013 E Bonds are exempt from Massachusetts personal income taxes and the Series 2013 E 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 Series 2013 E Bonds. See "TAX EXEMPTION" herein.

Olin College

MassDevelopment

$60,675,000
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
REVENUE BONDS, OLIN COLLEGE ISSUE
SERIES 2013 E

Dated: Date of Issuance **Due:** November 1, as shown on the inside cover

The Series 2013 E Bonds will be issued only as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of the Series 2013 E Bonds will be made in book-entry form only, in the denominations of $5,000 or any integral multiple thereof, and no physical delivery of the Series 2013 E Bonds will be made to purchasers. So long as Cede & Co. is the registered owner of the Series 2013 E Bonds, principal and interest on the Series 2013 E Bonds are payable to DTC by U.S. Bank National Association, as Trustee. See "The Series 2013 E Bonds – Book-Entry-Only System."

The Series 2013 E Bonds will bear interest at the fixed rates and mature in the years and in the principal amounts set forth on the inside cover hereof. Interest on the Series 2013 E Bonds will accrue from their date of delivery and will be payable on May 1 and November 1, commencing on November 1, 2013. The Series 2013 E Bonds will be subject to optional and mandatory redemption prior to maturity, including redemption at par in circumstances as more fully described herein.

The Series 2013 E Bonds shall be special obligations of the Massachusetts Development Finance Agency (the "Issuer") payable solely from the Revenues (as hereinafter defined) of the Issuer, consisting of payments to the Trustee for the account of the Issuer by Franklin W. Olin College of Engineering, Inc. (the "Institution") in accordance with the provisions of the Agreement (as defined herein). Such payments pursuant to the Agreement are a general obligation of the Institution. Reference is made to this Official Statement for pertinent security provisions of the Series 2013 E Bonds.

THE SERIES 2013 E 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, PURCHASE PRICE, REDEMPTION PRICE OF AND INTEREST ON THE SERIES 2013 E 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 Series 2013 E 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 Edwards Wildman Palmer LLP, Boston, Massachusetts, Bond Counsel. Certain legal matters will be passed upon for the Institution by its counsel, Ropes & Gray, LLP, Boston, Massachusetts and for the Underwriter by its counsel, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts. It is expected that the Series 2013 E Bonds in definitive form will be available for delivery to DTC in New York, New York, or its custodial agent, on or about May 9, 2013.

Barclays **Wells Fargo Securities**

April 24, 2013

*See "DESCRIPTION OF RATINGS" herein.

$60,675,000
MASSACHUSETTS DEVELOPMENT FINANCE AGENCY
REVENUE BONDS, OLIN COLLEGE ISSUE
SERIES 2013 E
Maturities, Amounts, Rates, Prices or Yields and CUSIP Numbers

$26,750,000	5.00%	Term Bonds due November 1, 2038,	to Yield 3.550%*	CUSIP†: 57583UVM7
$11,000,000	4.00%	Term Bonds due November 1, 2043,	Price 98.500%	CUSIP†: 57583UVN5
$22,925,000	5.00%	Term Bonds due November 1, 2043,	to Yield 3.650%*	CUSIP†: 57583UVP0

* Yield to first optional redemption date of November 1, 2023.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. The CUSIP numbers are included solely for the convenience of Bondowners and none of the Issuer, the Institution or the Underwriters are responsible for the selection or the correctness of the CUSIP numbers printed herein. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2013 E BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2013 E 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 SERIES 2013 E BONDS TO CERTAIN DEALERS (INCLUDING DEALERS DEPOSITING THE SERIES 2013 E BONDS INTO INVESTMENT TRUSTS) AND CERTAIN DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER OR YIELDS HIGHER THAN THE PUBLIC OFFERING PRICES OR YIELDS STATED ON THE INSIDE COVER PAGE HEREOF AND SAID OFFERING PRICES OR YIELDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

No dealer, broker, salesman 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 Series 2013 E Bonds, other than as contained in this Official Statement, and if given or made, such other information or representation 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 nor shall there be any sale of the Series 2013 E Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

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 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" (but only insofar as it relates to the Issuer). 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, its 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 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.

TABLE OF CONTENTS

OFFICIAL STATEMENT
relating to

$60,675,000 MASSACHUSETTS DEVELOPMENT FINANCE AGENCY REVENUE BONDS, OLIN COLLEGE ISSUE SERIES 2013 E

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 $60,675,000 Revenue Bonds, Olin College Issue, Series 2013 E (the "Series 2013 E 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 March 14, 2013 (the "Resolution") to issue the Series 2013 E Bonds. The Series 2013 E Bonds will be issued under a Loan and Trust Agreement (the "Agreement") dated as of May 1, 2013 among the Issuer, Franklin W. Olin College of Engineering, Inc. (the "Institution") and U.S. Bank National Association, as Trustee (the "Trustee"). The definitions of certain items used and not otherwise defined herein are contained in Appendix C – "DEFINITIONS OF CERTAIN TERMS."

Plan of Refunding

The net proceeds of the Series 2013 E Bonds will be loaned to the Institution for the purpose of (i) currently refunding the outstanding $65,910,000 Massachusetts Development Finance Agency Tax-Exempt Revenue Bonds, Olin College Issue, Series 2003 B (the "Refunded Bonds") on July 1, 2013 and (ii) paying certain costs of issuance of the Series 2013 E Bonds. A more detailed description of the use of the proceeds of the Series 2013 E Bonds, including approximate amounts and purposes, is included herein under "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS."

Simultaneously with the issuance of the Series 2013 E Bonds, at the request of the Institution, the Issuer also expects to issue its $38,255,000 Revenue Bonds, Olin College Issue, Series 2013 D (the "Series 2013 D Bonds") pursuant to the Resolution and under a separate agreement, for the purpose of refunding certain other outstanding bonds of the Institution. RBS Citizens, National Association ("RBS Citizens") is expected to purchase 100% of the Series 2013 D Bonds and enter into a certain Continuing Covenants Agreement with the Institution. The Series 2013 D Bonds are expected to be subject to mandatory redemption in 2023 and have a final maturity in 2043. Under such Continuing Covenants Agreement, the Institution is expected to agree to certain covenants for the benefit of RBS Citizens that are not contained in the Agreement. A more detailed description of Series 2013 D Bonds is included herein under "PLAN OF REFUNDING."

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2013 E BONDS

The Issuer, the Institution, and the Trustee shall execute the Agreement, which provides that to the extent permitted by law, it is a general obligation of the Institution and that the full faith and credit of the Institution are pledged to its performance. With respect to the Series 2013 E Bonds, the Agreement also provides, among other things, that the Institution shall make payments to the Trustee equal to principal or sinking fund installments, as the case may be, interest on the Series 2013 E 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 Series 2013 E Bonds and the interest thereon have been fully paid or until adequate provision for such payments has been made. The Series 2013 E 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 Series 2013 E 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 under the Agreement; (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. The assignment and pledge does not include: (i) the rights of the Issuer pursuant to provisions 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) certain rights of the Issuer to payment of indemnification, reimbursement and administrative fees or (iii) the powers of the Issuer as stated in the Agreement to enforce the rights set forth in (i) and (ii) of this sentence.

The Series 2013 E Bonds are not secured by a mortgage lien or security interest in any real or tangible personal property of the Institution except certain of the funds established under the Agreement. The Agreement does not limit the Institution's ability to incur additional indebtedness or to place liens on the Institution's receipts or any other property of the Institution to secure indebtedness other than the Series 2013 E Bonds.

For a further description of the sources of payment and security for the Series 2013 E Bonds, see Appendix D – "SUMMARY OF THE LOAN AND TRUST AGREEMENT."

THE SERIES 2013 E 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, PURCHASE PRICE, REDEMPTION PRICE OF AND INTEREST ON THE SERIES 2013 E 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 Massachusetts, including the Act, to issue the Series 2013 E Bonds for the purposes described herein and to enter into the Agreement and other agreements and instruments necessary to issue and secure the Series 2013 E Bonds.

The Members of the Board of Directors and the Officers of the Issuer are as follows:

Members of the Board of Directors:

<u>Ex-Officio Members</u>

Chairperson, Secretary of the Executive Office of Housing & Economic Development, The Commonwealth of Massachusetts

Secretary, the Executive Office for Administration & Finance, The Commonwealth of Massachusetts, or his designee

<u>Appointed Members</u>

<u>David Abromowitz</u>, Member; Director, Goulston & Storrs, P.C.

<u>Gerald D. Cohen</u>, Vice Chair and Member; President, SF Properties, Inc.

<u>Keon T. Holmes</u>, Member; Financial Analyst, Cambridge Associates LLC

<u>John F. Hurley</u>, Member; President, Iron Workers District Council of New England

<u>Dennis Kanin</u>, Member; Principal, New Boston Ventures LLC

Richard Kronish, Member; University of Massachusetts Boston (retired)

Meghan T. Lynch, Member; ABT Associates Inc.

Patricia McGovern, Member; Senior Vice President for Corporate and Community Affairs, Beth Israel Deaconess Medical Center

Warren E. Tolman, Esq., Member, Of Counsel, Holland & Knight

There are no vacancies on the Board of Directors.

Officers of the Issuer:

Marty Jones, President and Chief Executive Officer

Simon R. Gerlin, Treasurer, Executive Vice President for Finance & Administration, and Chief Financial Officer

Anne Marie Dowd, Executive Vice President, Legislative and Defense Sector Initiatives

Laura L. Canter, Executive Vice President for Finance Programs

Richard C.J. Henderson, Executive Vice President for Real Estate

George A. Ramirez, Executive Vice President for Devens Operations

Teresa M. Patten, Secretary

Steven J. Chilton, Senior Vice President, Investment Banking (Mr. Chilton has signing authority for bond transactions only.)

The position of General Counsel is currently vacant.

Except for the information contained herein under the caption "THE ISSUER" and "LITIGATION" insofar as it relates to 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 INSTITUTION

The Institution is a private, non-profit, non-sectarian, co-educational undergraduate engineering institution located in Needham, Massachusetts. The Institution was organized in 1997 by The F.W. Olin Foundation (the "Foundation") and is exempt from federal corporate income tax under Section 501(c)(3)of the Internal Revenue Code of 1986, as amended. For more information about the Institution, see Appendices A and B attached hereto.

THE SERIES 2013 E BONDS

General

The Series 2013 E Bonds will be dated the date of delivery thereof and will bear interest from such date, payable on November 1, 2013, and each May 1 and November 1 thereafter, at the rates and maturing on the dates set forth on the inside cover of this Official Statement.

Subject to the provisions discussed under "Book-Entry-Only System," the Series 2013 E Bonds are issuable as fully registered bonds without coupon in the minimum denomination of $5,000 or any multiple integral thereof. Principal or redemption price will be payable at the corporate trust office of the Trustee. Interest on the Series 2013 E Bonds will be paid by check or draft mailed by, or in some cases by wire transfer from, the Trustee to the registered owner, determined as of the close of business on the applicable record date, at its address as shown on the registration books maintained by the Trustee.

Redemption Provisions

Optional Redemption. The Series 2013 E Bonds are subject to redemption on or after November 1, 2023, at the option of the Institution, in whole or in part at any time, at par plus accrued interest to the redemption date.

Purchase in Lieu of Redemption. Any Series 2013 E Bonds called for optional redemption may, at the option of the Institution, be purchased in lieu of redemption by the Institution or by a person designated by the Institution on the redemption date at a price equal to the redemption price thereof.

Mandatory Sinking Fund Redemption.

The Series 2013 E Bonds maturing on November 1, 2038 and bearing interest at 5.00% are subject to redemption without premium on November 1 of each of the years and in the amounts as follows:

Year	Sinking Fund Installment
2034	$4,840,000
2035	5,085,000
2036	5,335,000
2037	5,605,000
2038†	5,885,000

†Final maturity.

The Series 2013 E Bonds maturing on November 1, 2043 and bearing interest at 4.00% are subject to redemption without premium on November 1 of each of the years and in the amounts as follows:

Year	Sinking Fund Installment
2039	$1,880,000
2040	2,145,000
2041	2,235,000
2042	2,325,000
2043†	2,415,000

†Final maturity.

The Series 2013 E Bonds maturing on November 1, 2043 and bearing interest at 5.00% are subject to redemption without premium on November 1 of each of the years and in the amounts as follows:

Year	Sinking Fund Installment
2039	$4,300,000
2040	4,325,000
2041	4,535,000
2042	4,760,000
2043†	5,005,000

†Final maturity.

Purchase of Bonds. The Institution may purchase the Series 2013 E Bonds of any maturity and credit them against the principal payment for such maturity or any sinking fund installment for such series of Series 2013 E Bonds at the principal amount of a series or applicable redemption price, as the case may be, by delivering them to the Trustee for cancellation at least sixty (60) days before the principal payment date or sinking fund installment date.

Selection of Bonds. If less than all of the Outstanding Series 2013 E Bonds of any maturity are to be called for redemption, the Series 2013 E Bonds of that maturity (or portions thereof) shall be selected by the Trustee as provided in the Agreement; provided, however, that so long as DTC or its nominee is the registered owner, if less than all of the Series 2013 E Bonds of a maturity shall be called for redemption, the particular Bonds (or portions thereof) to be redeemed shall be selected by DTC in such manner as DTC may determine.

Effect of Redemption. On the redemption date, the redemption price of each Series 2013 E Bond to be redeemed will become due and payable; and from and after such date, notice having been properly given as required by the Agreement and amounts having been 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.

Notice of Redemption. 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 DTC Participants, by DTC Participants to Indirect Participants and by DTC Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

The Trustee shall mail notice of redemption to the Bondowners in the name of the Issuer not more than forty-five (45) or less than thirty (30) days prior to the date fixed for redemption. The notice of redemption shall state that the redemption is conditioned upon the availability of funds sufficient to pay the redemption price of such Series 2013 E Bonds on the date of redemption. Failure to mail notice to a particular Bondowner or any defect in the notice of such Bondowner shall not affect the redemption of any of the other Series 2013 E Bonds. 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 DTC Participant or otherwise) to notify the Beneficial Owner so affected shall not affect the validity of the redemption.

Acceleration

In addition to the foregoing redemption provisions, the Trustee may declare all of the Series 2013 E Bonds due and payable at par prior to maturity upon the occurrence of an Event of Default under the Agreement. See Appendix D – "SUMMARY OF THE LOAN AND TRUST AGREEMENT."

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2013 E Bonds. The Series 2013 E 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 series of the Series 2013 E Bonds, in the aggregate principal amount of such series of Bonds, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, 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, the "Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Series 2013 E Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2013 E 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 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 Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2013 E Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Series 2013 E Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2013 E 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 Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2013 E Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2013 E Bonds, such as redemptions, defaults, and proposed amendments to the Agreement. For example, Beneficial Owners of the Series 2013 E Bonds may wish to ascertain that the nominee holding the Series 2013 E Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2013 E Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2013 E 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 Series 2013 E Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal (including sinking fund installments), redemption premium, if any, and interest payments on the Series 2013 E 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

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 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 Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2013 E Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2013 E Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

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

For every transfer and exchange of the Series 2013 E 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.

NONE OF THE ISSUER, THE INSTITUTION OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR PARTICIPANTS OR BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2013 E BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDOWNERS OR REGISTERED OWNERS OF THE SERIES 2013 E BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2013 E BONDS.

DTC may discontinue providing its services as securities depository with respect to the Series 2013 E Bonds at any time by giving reasonable notice to the Issuer and 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 Series 2013 E Bonds may be exchanged for an equal aggregate principal amount of the Series 2013 E Bonds in other authorized denominations and of the same series and 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 Series 2013 E 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 Series 2013 E Bonds. The Trustee will not be required to transfer 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.

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DEBT SERVICE REQUIREMENTS

The following table sets forth, for each fiscal year of the Institution ending June 30, the amounts required to be made available in such year by the Institution for payment of the principal of, sinking fund installments and interest on its outstanding indebtedness after the issuance of the Series 2013 E Bonds and the Series 2013 D Bonds and taking into account the refunding of the Refunded Bonds and the bonds refunded by the Series 2013 D Bonds.

Fiscal Year Ending June 30	Total Debt Service on Other Institution Debt[(1)]	Principal and Sinking Fund Installments on the Series 2013 E Bonds	Interest on the Series 2013 E Bonds	Total Debt Service on the Series 2013 E Bonds	Total Annual Debt Service
2014	$2,689,932		$2,858,778	$2,858,778	$5,548,710
2015	2,712,885		2,923,750	2,923,750	5,636,635
2016	2,712,885		2,923,750	2,923,750	5,636,635
2017	2,712,885		2,923,750	2,923,750	5,636,635
2018	2,712,885		2,923,750	2,923,750	5,636,635
2019	2,712,885		2,923,750	2,923,750	5,636,635
2020	2,712,885		2,923,750	2,923,750	5,636,635
2021	2,712,885		2,923,750	2,923,750	5,636,635
2022	2,712,885		2,923,750	2,923,750	5,636,635
2023	2,712,885		2,923,750	2,923,750	5,636,635
2024	2,770,268		2,923,750	2,923,750	5,694,018
2025	2,827,650		2,923,750	2,923,750	5,751,400
2026	2,827,650		2,923,750	2,923,750	5,751,400
2027	2,827,650		2,923,750	2,923,750	5,751,400
2028	2,827,650		2,923,750	2,923,750	5,751,400
2029	2,827,650		2,923,750	2,923,750	5,751,400
2030	2,827,650		2,923,750	2,923,750	5,751,400
2031	2,827,650		2,923,750	2,923,750	5,751,400
2032	2,827,650		2,923,750	2,923,750	5,751,400
2033	2,827,650		2,923,750	2,923,750	5,751,400
2034	7,542,650		2,923,750	2,923,750	10,466,400
2035	10,752,900	$4,840,000	2,802,750	7,642,750	18,395,650
2036	10,842,125	5,085,000	2,554,625	7,639,625	18,481,750
2037	10,901,825	5,335,000	2,294,125	7,629,125	18,530,950
2038	10,957,000	5,605,000	2,020,625	7,625,625	18,582,625
2039	11,022,500	5,885,000	1,733,375	7,618,375	18,640,875
2040	11,067,950	6,180,000	1,441,150	7,621,150	18,689,100
2041	11,138,200	6,470,000	1,145,025	7,615,025	18,753,225
2042	11,202,425	6,770,000	835,925	7,605,925	18,808,350
2043	11,275,475	7,085,000	512,350	7,597,350	18,872,825
2044	4,521,825	7,420,000	173,425	7,593,425	12,115,250

(1) The interest rate on the Series 2008 C-1 Bonds, Series 2008 C-2 Bonds and Series 2008 C-3 Bonds is assumed to be 3.0% per annum, including costs of credit enhancement and remarketing. The interest on the Series 2013 D Bonds reflects an estimated fixed rate until the mandatory tender date in 2023 and an assumed rate of 3.0% per annum thereafter until maturity in 2043.

PLAN OF REFUNDING

The net proceeds of the Series 2013 E Bonds will be loaned to the Institution for the purpose of (i) currently refunding the outstanding Refunded Bonds on July 1, 2013 and (ii) paying certain costs of issuance of the Series 2013 E Bonds.

The Institution and U.S. Bank National Association, as Refunding Bond Trustee (the "Refunding Bond Trustee") will enter into a Refunding Trust Agreement establishing a Refunding Trust Fund for the Refunded Bonds. Proceeds of the 2013 E Bonds will be deposited in the Refunding Trust Fund and used on July 1, 2013 to pay the principal of and interest on the Refunded Bonds. The Refunded Bonds will be redeemed in full on such date at par, plus accrued interest. Amounts on deposit in the Refunding Trust Fund will be invested in government or equivalent obligations as permitted by the agreement for the Refunded Bonds. Upon the issuance of the 2013 E Bonds, the Refunded Bonds will no longer be outstanding under the Agreement.

The proceeds of the Refunded Bonds financed the acquisition of land, site development, construction or alteration of buildings and the acquisition or installation of furnishings and equipment, or a combination of the foregoing, in connection with approximately 420,000 square feet of academic, residential and administrative space, including a campus center/campus power plant building, an academic/administrative/library building, a classroom/laboratory building, and two residence halls, all furnishings and equipment related thereto and other routine capital expenditures.

Simultaneously with issuance of the Series 2013 E Bonds, at the request of the Institution, the Issuer also expects to issue its $38,255,000 Revenue Bonds, Olin College Issue, Series 2013 D (the "Series 2013 D Bonds") pursuant to the Resolution and under a separate agreement, for the purpose of refunding certain other outstanding bonds of the Institution. RBS Citizens, National Association ("RBS Citizens") is expected to purchase 100% of the Series 2013 D Bonds and enter into a certain Continuing Covenants Agreement with the Institution. The Series 2013 D Bonds are expected to be subject to mandatory redemption in 2023 and have a final maturity in 2043. Under such Continuing Covenants Agreement, the Institution is expected to agree to certain covenants for the benefit of RBS Citizens that are not contained in the Agreement, including, but not limited to, maintenance of a minimum debt service coverage ratio and leverage ratio, and limitations on additional indebtedness and liens.

ESTIMATED SOURCES AND USES OF FUNDS

The aggregate proceeds from the sale of the Series 2013 E Bonds are expected to be applied as follows (rounded to the nearest dollar):

Sources of Funds	
Principal Amount of the Series 2013 E Bonds	$60,675,000
Net Original Issue Premium	5,878,325
Institution Contribution	1,730,138
Total Sources of Funds	$68,283,463
Uses of Funds	
Refunding of the Refunded Bonds	$67,636,209
Payment of Costs of Issuance †	647,254
Total Uses of Funds	$68,283,463

† Includes underwriters' discount, initial Trustee and Issuer fees and other costs of issuance allocable to the Series 2013 E Bonds.

TAX EXEMPTION

In the opinion of Edwards Wildman Palmer 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 Series 2013 E Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Series 2013 E Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes; however, such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. 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 Series 2013 E 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 Series 2013 E Bonds. Failure to comply with these requirements may result in interest on the Series 2013 E Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2013 E Bonds. The Issuer and the Institution have covenanted to comply with such requirements to ensure that interest on the Series 2013 E 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 Series 2013 E Bonds and any profit on the sale of the Series 2013 E Bonds are exempt from Massachusetts personal income taxes and that the Series 2013 E Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other Massachusetts tax consequences arising with respect to the Series 2013 E Bonds. Prospective Bondowners should be aware, however, that the Series 2013 E Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Series 2013 E 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 Series 2013 E 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 is set forth in Appendix E hereto.

To the extent the issue price of any maturity of the Series 2013 E Bonds is less than the amount to be paid at maturity of such Series 2013 E Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2013 E 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 Series 2013 E Bonds, which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Series 2013 E Bonds is the first price at which a substantial amount of such maturity of the Series 2013 E Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2013 E Bonds accrues daily over the term to maturity of such Series 2013 E 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 Series 2013 E Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2013 E Bonds. Bondowners should consult their own tax advisors with respect to the tax consequences of ownership of Series 2013 E Bonds with original issue discount, including the treatment of purchasers who do not purchase such Series 2013 E Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2013 E Bonds is sold to the public.

Series 2013 E Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Series 2013 E Bonds, or, in some cases, at the earlier redemption date of such Series 2013 E 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. Holders 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 Series 2013 E 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 Series 2013 E Bonds may adversely affect the value of, or the tax status of interest on, the Series 2013 E Bonds.

Prospective Bondowners 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 Series 2013 E 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 Series 2013 E 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 Series 2013 E 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 Series 2013 E 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 Series 2013 E Bonds may otherwise affect a Bondowner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondowner or the Bondowner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondowners should consult with their own tax advisors with respect to such consequences.

CONTINUING DISCLOSURE

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 Bondowners as described below, and the Issuer shall have no liability to the Bondowners or any other person with respect to such disclosures.

The Institution has covenanted for the benefit of Bondowners to provide certain financial information and operating data relating to the Institution following the end of the Institution's fiscal years (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed within 180 days after each fiscal year end with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system. The event notices will be filed on behalf of the Institution with MSRB through its EMMA system. The specific nature of the information to be contained in the Annual Report or in event notices is summarized in Appendix F – "PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Except as noted in the following sentence, the Institution has not failed in the last five years to comply with its continuing disclosure undertakings with respect to any of its debt. In connection with the issuance of the Series 2013 E Bonds, the Institution learned that notices of rating changes with respect to certain of its bonds backed by a letter of credit from RBS Citizens had not been filed following a downgrade of the rating of RBS Citizens in May, 2009 and subsequent upgrade in January, 2012 by S&P. Corrective notices have been posted to EMMA.

LEGALITY OF THE SERIES 2013 E BONDS FOR INVESTMENT AND DEPOSIT

The Act provides that the Series 2013 E Bonds are legal investments in which all public officers and public bodies of the Commonwealth, its political subdivisions, all municipalities and municipal subdivisions, all insurance companies and associations, all banks, banking associations, trust companies, savings banks and savings associations, including cooperative banks, building and loan associations, investment companies and other fiduciaries may properly and legally invest funds in their control or belonging to them. The Act also provides that the Series 2013 E Bonds are securities which may properly and legally be deposited with and received by all public officers and bodies of the Commonwealth or any agency or political subdivision thereof and all municipalities and public corporations for any purposes for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

COMMONWEALTH NOT LIABLE ON THE SERIES 2013 E BONDS

The Series 2013 E 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 Series 2013 E Bonds. The Act does not in any way create a so-called moral obligation of the Commonwealth 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.

UNDERWRITING

The Series 2013 E Bonds are being purchased for reoffering by the firms listed on the cover page hereof (the "Underwriters"), for whom Barclays Capital Inc. is acting as representative pursuant to a bond purchase contract (the "Purchase Contract") to be entered into among the Institution, the Issuer and the Underwriters prior to the issuance of the Series 2013 E Bonds. The Underwriters will agree to purchase the Series 2013 E Bonds at an aggregate price equal to $66,332,757 (reflecting an underwriters' discount of $220,568 and a net original issue premium of $5,878,325). The Underwriters may offer and sell the Series 2013 E Bonds to certain dealers (including dealers depositing Bonds into investment trusts, certain of which may be sponsored or managed by the Underwriters) and others at prices lower than the public offering price stated on the cover page hereof. The Purchase Contract provides that the Underwriters will purchase all of the Series 2013 E Bonds if any Bonds are purchased and contains the agreement of the Institution, in accordance with the terms of the Purchase Contract, to indemnify the Underwriters and the Issuer and certain other parties against losses, claims, damages and liabilities arising out of any incorrect statements or information, including the omission of material facts, contained in this Official Statement pertaining to the Institution and other specified matters. The public offering price set forth on the cover page of this Official Statement may be changed after the initial offering by the Underwriters.

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 ("WFBNA").

WFBNA, one of the underwriters of the Series 2013 E Bonds, has entered into an agreement (the "Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2013 E Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2013 E Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliates, Wells Fargo Securities, LLC ("WFSLLC") and Wells Fargo Institutional Securities, LLC ("WFIS"), for the distribution of municipal securities offerings, including the Series 2013 E Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, WFIS, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

FINANCIAL ADVISOR

The Institution has retained The Yuba Group LLC ("The Yuba Group") to serve as financial advisor in connection the issuance of the Series 2013 E Bonds. A portion of The Yuba Group's fees for services rendered with respect to the sale of the Bonds is contingent upon issuance and delivery of the Series 2013 E Bonds. The Yuba Group is not obligated to make, and has not undertaken, an independent verification of any of the financial information contained in this Official Statement and makes no guarantee as to the accuracy, completeness or fairness of such information. The Yuba Group is an independent advisory and consulting firm and is not engaged in the underwriting or trading of municipal securities or other negotiable instruments.

DESCRIPTION OF RATINGS

Moody's Investors Service ("Moody's") and Standard & Poor's Ratings Services ("S&P") have assigned long-term ratings of "A2" with a stable outlook and "A+" with a stable outlook, respectively, to the Series 2013 E Bonds based on the financial strength of the Institution. Such ratings reflect only the views of the respective rating agencies. Any explanation of the significance of such ratings may only be obtained from the rating agency furnishing the same. A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings will continue for any given period of time or that they might not be revised downward or withdrawn entirely by the rating agencies, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of the ratings might have an adverse effect on the market price of the Series 2013 E Bonds.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Series 2013 E Bonds by the Issuer are subject to the approval of Edwards Wildman Palmer LLP, Boston, Massachusetts, Bond Counsel, whose opinion approving the validity of the Series 2013 E Bonds, federal tax-exempt status of the Series 2013 E Bonds and Massachusetts tax-exempt status of the Series 2013 E Bonds will be delivered with the Series 2013 E Bonds. A copy of the proposed form of opinion is attached hereto as Appendix E. Certain legal matters will be passed on for the Institution by its counsel, Ropes & Gray LLP, Boston, Massachusetts and for the Underwriter by its counsel, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts.

LITIGATION

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 Series 2013 E Bonds or in any way contesting the existence or the powers of the Issuer relating to the issuance of the Series 2013 E Bonds.

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

MISCELLANEOUS

The references to the Act, the Agreement, the Series 2013 E Bonds and the Continuing Disclosure 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 Series 2013 E 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. A copy of the agreements are on file at the principal office of the Issuer.

Information relating to DTC and the book-entry system described under the headings “THE SERIES 2013 E BONDS – Book-Entry-Only System” is based on information provided by DTC and is believed to be reliable, but the Issuer does not make any representations or warranties whatsoever with respect to such information.

Appendix A contains a letter from the Institution to the Issuer which contains certain information relating to the Institution. With respect to the letter from the Institution, while the information contained therein is believed to be reliable, the Issuer and the Underwriters, except as set forth in the inside cover page hereof, do not make any representations or warranties whatsoever with respect to such information. Appendix B to this Official Statement sets forth the audited financial statements of the Institution and the report of its independent public accountants, Mayer, Hoffman McCann PC. The Issuer and the Underwriters have relied on the information contained in Appendix A.

Appendix C – “DEFINITIONS OF CERTAIN TERMS” and Appendix D – “SUMMARY OF THE LOAN AND TRUST AGREEMENT” have been prepared by Edwards Wildman Palmer LLP, Bond Counsel. The proposed form of opinion of Bond Counsel is set forth in Appendix E. Appendix F contains the proposed form of the Continuing Disclosure Agreement. All Appendices are incorporated as an integral part of this Official Statement.

The Institution has reviewed the portions of this Official Statement describing the Institution, “INTRODUCTION – Plan of Refunding,” “INSTITUTION,” “DEBT SERVICE REQUIREMENTS,” “PLAN OF REFUNDING,” “ESTIMATED SOURCES AND USES OF FUNDS,” “CONTINUING DISCLOSURE,” “LITIGATION” (with respect to the Institution), “MISCELLANEOUS” (with respect to the Institution’s financial statements) and has furnished Appendix A and Appendix B to this Official Statement. At the closing, the Institution will certify that such portions of this Official Statement are true and correct and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were 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," 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.

FRANKLIN W. OLIN COLLEGE OF ENGINEERING

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Franklin W. Olin College of Engineering

April 24, 2013

We are pleased to present the following information with respect to Franklin W. Olin College of Engineering, Inc. ("Olin," "Olin College" or the "College") for inclusion in the Official Statement relating to the Massachusetts Development Finance Agency Revenue Bonds, Olin College Issue, Series 2013 E (the "Bonds"). As used hereinafter, and unless otherwise indicated by the narrative, all academic and financial data for any year refer to the fiscal year ended June 30, and the same for all information in regards to the College.

BACKGROUND AND HISTORY

Olin College is a private, non-profit, non-sectarian, co-educational undergraduate engineering institution. The College is located in Needham, Massachusetts, approximately 14 miles west of Boston, on approximately 75 acres of land. The College is in proximity to Route 128, the inner loop around the city of Boston that is home to many technology companies. The College officially opened in fall 2002 with an inaugural freshman class of 75 students. Olin College has become a highly selective institution, maintaining a five year average acceptance rate below 20%. For the class of 2016, Olin received 782 applications for a class of 83 students. The College maintains a student body of approximately 350 students each year.

The College was organized in 1997 by The F.W. Olin Foundation (the "Foundation"). The Foundation was a New York not-for-profit corporation established in 1938 by Franklin W. Olin, an engineer, entrepreneur and philanthropist, to support a broad range of philanthropic activities. Until 1997, the Foundation had a long-standing program of grants to colleges and universities for the construction of academic buildings. In March 1997, after long-range strategic planning that began in 1993 to consider other possible grant opportunities and to address other issues, including the Foundation's desire to continue to commit substantially all of the Foundation's assets in support of higher education in perpetuity, the Foundation suspended its building grant program, and determined that it would establish a new engineering college. In reaching this decision, the Foundation considered Franklin W. Olin's own clearly expressed interest in having the Foundation supporting the establishment of a new college, as well as the National Science Foundation's call for "broad structural and cultural, rather than incremental" reforms in engineering education. The Foundation's reasons are laid out in the Endowment Grant Agreement (the "Grant Agreement") pursuant to which the funding for the College was provided:

> *With respect to the Foundation's reasons for establishing the College, let it be said that the Foundation does not seek to establish a generic undergraduate engineering college – one that will simply offer programs similar to many others around the country. Olin College is intended to be different – not for the mere sake of being different – but to be an important and constant contributor to the advancement of engineering education in America and throughout the world and, through its graduates, to do good for humankind.*

Beginning in fiscal year 2003, the Foundation provided approximately $460 million in total to the College with specific restrictions on the College in terms of the use of that money. See "INVESTMENTS AND GIFTS." The final transfer from the Foundation occurred in fiscal year 2008 and the Foundation dissolved later in 2008. In addition, the College agreed to adhere to certain founding precepts in perpetuity. See "FOUNDING PRECEPTS."

The following characteristics distinguish Olin College from most other engineering schools:

- 50% Merit-based tuition scholarships granted to all students, with a commitment to meet 100% of demonstrated need;
- Multi-disciplinary approach which integrates traditionally segmented fields of engineering;
- Students receive a strong exposure to design, business and entrepreneurial practices,
- No formal academic departments in order to facilitate multi-disciplinary approaches;
- No traditional tenure for faculty;
- Student/faculty ratio of 10 to 1 or lower;
- Commitment to innovation, learning by discovery, project-based learning, and continuous improvement; and
- Close collaborative relationships with Babson College, a school that specializes in management education and is internationally recognized for its focus on entrepreneurial leadership in a changing global environment, and with Wellesley College, a premier liberal arts college for women.

FACILITIES

The College is located in Needham, Massachusetts on approximately 75 acres of land. There are twelve campus buildings totaling approximately 420,000 square feet. Six of the buildings have been constructed since 2002, including an academic center opened in 2002 (90,650 square feet), a campus center/central plant opened in 2002 (74,631 square feet), Milas Hall, an academic, library and administrative building opened in 2002 (76,000 square feet), West Residence Hall opened in 2002 (58,217 square feet), East Residence Hall opened in 2005 (86,150 square feet) and the Large Projects Building opened in 2010 (3,400 square feet). In addition, the College owns six single family homes which are used as offices and residences. Management believes the campus buildings and infrastructure are in good condition with no deferred maintenance. Olin is geographically located adjacent to Babson College and is within three miles of Wellesley College.

The construction of the campus took part in two phases. Phase 1, completed in 2002, consisted of site development and the construction of Milas Hall, the academic center, the campus center/central plant, and West Residence Hall. Phase 2 consisted of the construction of East Residence Hall, completed in 2005, and the Large Projects Building, completed in 2010.

GOVERNANCE AND ADMINISTRATION

Board of Trustees

The general governance of the business, property and affairs of the College is vested in a Board of Trustees. The Board is a self-perpetuating body of which the only *ex officio* member is the President of Olin College. Under the by-laws of the College, the Board of Trustees consists of not fewer than four Trustees. Trustees are elected for staggered terms of three years and may serve up to three terms consecutively. Two of the founding Trustees have been designated Founding Members and will hold office indefinitely until such Founding Member dies or resigns. In addition, the College's bylaws permit the appointment of Trustees emeriti, who are not entitled to vote.

The current members of the Board of Trustees, their terms of office, and principal business or professional affiliations are as follows:

Name	Initial Year Elected	Current Term Expires	Affiliations
William B. Norden, Chair*	1997	Founding Member	Partner, Seyfarth Shaw LLP
Carla L. Gude, Vice Chair*	2003	10/2013	Former Vice President of Technology, IBM Corporate Staff
Susan Fredholm Murphy '06, Clerk	2011	10/2014	Senior Consultant and Project Manager, PE International
George R. Berbeco	2007	10/2013	President, The Devon Group, Inc.
Thomas Cecil '06	2013	10/2016	Associate, Nelson Bumgardner Casto, P.C.
Sunlin Chou	2008	10/2014	Former Senior Vice President and General Manager, Intel Corporation
Tamara P. Davis	2002	10/2013	Managing Director, Levin & Company, Inc.
Sherwin Greenblatt*	2007	10/2013	Director, MIT Venture Mentoring Service; Former President, Bose Corp.
Paul C. Jennings*	2007	10/2013	Former Provost, California Institute of Technology
R. Douglas Kahn	2010	10/2013	Former Chairman & CEO, Ahura Scientific
Robert N. McBurney	2006	10/2015	Chief Executive Officer, Accelerated Cure Project for Multiple Sclerosis
Lawrence W. Milas	1997	Founding Member	Former Director and President, F. W. Olin Foundation
Richard K. Miller*	1999	*ex officio*	President, Olin College
Douglas G. Rauch	2009	10/2015	Former President, Trader Joe's Company
Howard H. Stevenson	2012	10/2015	Sarofim-Rock Baker Foundation Professor Emeritus, Harvard Business School
Kenneth R. Stokes	2011	10/2014	Former EVP of the Americas & Australia/ New Zealand, Reckitt Benckiser plc

Administrative Officers

The administration of the College is the responsibility of the President. Assisting the President in these responsibilities are the Executive Vice President and Treasurer, the Associate Vice President for Financial Affairs, the Provost and Dean of the Faculty, the Vice President and Dean of Admission, the Vice President for Development, Family and Alumni Affairs, the Vice President for Operations and Chief Information Officer, the Chief Marketing Officer, and the Dean of Student Life.

The principal administrative officers of the College are as follows:

Dr. Richard K. Miller, age 63, became President of Olin College in February 1999. He also holds an appointment as a Professor of Mechanical Engineering. Before joining Olin College as its founding President, Dr. Miller served as Dean of the College of Engineering at the University of Iowa from 1992 to 1999. Prior to that, he spent 17 years on the faculty of the University of Southern California in Los Angeles and the University of California, Santa Barbara. He has published extensively in the field of applied mechanics, and has been recognized for teaching excellence. He serves on the Board of Trustees of Babson College, and on several advisory boards for non-profit organizations and universities. He received a B.S. in Aerospace Engineering from the University of California at Davis in 1971 (where he received the 2002 Distinguished Engineering Alumni Award), an S.M. in Mechanical Engineering from MIT in 1972, and a Ph.D. in Applied Mechanics from the California Institute of Technology in 1976. Dr. Miller is a member of the National Academy of Engineering and in 2013 was awarded the Bernard M. Gordon Prize by the National Academy of Engineering to recognize innovation in engineering and technological education.

Mr. Stephen P. Hannabury, age 59, serves as the Executive Vice President and Treasurer. In this role, he is responsible for the financial affairs of the College, including management of the College's investment and debt portfolios. In addition, he works closely with the President and Trustees on general administrative and operational matters and long-range strategic and financial planning. He also oversees the institutional research, trustee affairs and risk management areas. Since joining the College in August 1999 as the founding Vice President for Administration and Finance, he has also been responsible for the design and construction of the new campus, the development of all administrative and financial processes and systems and the establishment of all operational support functions. Prior to joining Olin, Mr. Hannabury spent fifteen years at Boston University in a variety of positions, including Assistant Dean of the School of Management. His other experience includes working as a civil engineer and as the director of a non-profit public sailing organization. He received his B.S. in Civil Engineering from Northeastern University and an M.B.A from Boston University. He serves on the Board of Trustees and as Treasurer of the Boston Consortium of Higher Education, on the Board of Managers and as Treasurer of Collaborative Educational Ventures of New England, LLC, and on the Board of Managers and as President of Educators Health, LLC.

Ms. Patricia A. Gallagher, age 45, joined Olin College in May 2008, and currently serves as the College's Associate Vice President for Financial Affairs. In this role, she oversees the day-to-day financial functions of the College, including general accounting, budgeting, accounts payable, cash management, grant and contract accounting, and payroll. She is also responsible for the College’s risk management function, including insurance purchasing and risk assessment. In addition, she serves as the Chair of the College’s Retirement Plan Committee. Before joining Olin, Ms. Gallagher served as Controller at South Shore Hospital and the Museum of Fine Arts and as Senior Director of Finance at Signature Healthcare/Brockton Hospital. She received her B.S. in Business Administration with a concentration in Accounting from Stonehill College, and is currently pursuing her M.B.A. at Babson College. She is a Certified Public Accountant and Chartered Global Management Accountant. She currently serves on the Board of Directors at Old Colony Hospice; the Business Visiting Committee at Stonehill College; and is the Chair of the Risk Management Group of the Boston Consortium for Higher Education.

Dr. Vincent P. Manno, age 58, became the Provost and Dean of Faculty in July 2011 and is responsible for overseeing all academic functions of the College. He also holds an appointment as Professor of Engineering. Prior to joining Olin, he was Associate Provost and Professor of Mechanical Engineering at Tufts University in Medford, Massachusetts. At Tufts, he was also Department Chair of Mechanical Engineering from 1993 to 2001, Associate Dean of Engineering from 2002 to 2005, and Interim Dean of Engineering in 2003. Dr. Manno received a B.S. from Columbia University and M.S. and Doctor of Science degrees from MIT in nuclear engineering and science. His research has been supported by government agencies and industry. He is a recipient of the SAE’s Ralph R. Teetor Outstanding Engineering Educator Award, the Harvey Rosten Award for Excellence in the Thermal Analysis of Electronic Equipment, the American Society of Mechanical Engineers (“ASME”) Curriculum Innovation Award, the Tufts University Fischer Award as Engineering Teacher of the Year and the Tufts Seymour Simches Award for lifetime achievement in teaching and advising. He is a Fellow of the ASME and serves on the Board of Directors of the American Society of Engineering Education Engineering Research Council.

Dr. Charles Nolan, age 65, became Vice President and Dean of Admission in June 2006. Dr. Nolan was the former Vice Provost for Enrollment Management at Santa Clara University in Santa Clara, California. For four years prior to that appointment, Dr. Nolan was the founding Dean of Admission at Olin College. Dr. Nolan has over 40 years of experience in the field of admission and recruiting, serving as Director of Admission at Bentley College, Director of Undergraduate Admission at Boston College, Assistant Provost and Dean of Undergraduate Admission at Washington University in St. Louis and Dean of Undergraduate Admission at Babson College. Dr. Nolan has an A.B. from Curry College, a M.A.T. in Political Science from Bridgewater State College and a Ph.D. in Higher Education Administration from Boston College.

Mr. J. Thomas Krimmel, age 63, became the Vice President for Development, Family and Alumni Affairs in March 2008. He is responsible for the identification and cultivation of major donors and oversees the administration of all fund raising programs. In addition, he is responsible for Alumni and Parent programs. Prior to joining Olin, he was the Chief Development Officer at the National Foundation for Teaching Entrepreneurship in New York City. He has been the chief development officer at four different institutions over the last 30 years, including serving as Vice President of Development and Alumni Relations at Babson College from 1990 to 2005. During the 1990s he guided Babson’s $122 million fund-raising campaign. Mr. Krimmel received his B.S. at University of Wisconsin-Parkside and an M.S. in Educational Administration at University of Wisconsin-Milwaukee.

Ms. Joanne Kossuth, age 52, became Vice President for Operations and Chief Information Officer in April 2008. She oversees Information Technology, Human Resources, Dining Services, Facilities, Conference Services and Public Safety at the College. She has served as Chief Information Officer since 1999 and as Associate Vice President for Development from 2005 to 2008. She is also responsible for fostering non-academic relationships with neighboring institutions including Babson College, Wellesley College and Brandeis University. Her prior positions include: Director of Computer Support Services at Boston University's School of Management, Director of Information Technology at Wheelock College and Systems Manager at Fisher College. She was named one of Computerworld's Premier 100 Chief Information Officers in 2005. Ms. Kossuth received her B.A. from the College of the Holy Cross and M.S. from Lesley University.

Ms. Michelle R. Davis, age 56, became the College's first Chief Marketing Officer in August 2012. In this role she is charged with accelerating the national reputation of Olin in support of its mission of spurring innovation in the 21st century. Previously, she served as the Vice President of Marketing and Public Affairs at Children's Hospital Boston, where she oversaw a strategy-driven and integrated effort to build national reputation and volume for one of the country's top ranking pediatric hospitals. Prior to joining Children's, she was the director of public affairs at both Tufts Health Plan and Brigham and Women's Hospital, and director of marketing and community relations at Faulkner Hospital. Ms. Davis has served as a consultant to higher education, health care and lifestyle not-for-profits, including the Association of Independent Colleges and Universities in Massachusetts, Kripalu Yoga Center, the Austen Riggs Center, Hospital Corporation of America, The HealthCare Marketing Group and the New England Life Flight. Under her leadership, her teams have been the recipients of over 100 professional awards in the fields of branding, public affairs and marketing. Ms. Davis received a B.S. from the University of Massachusetts in Economics.

Dr. Roger C. Crafts, Jr., age 66, became Dean of Student Life in August 2000. He is responsible for helping to establish and preserve a rich and diverse campus life that enhances student academic experiences. Among the areas reporting to him are academic advising, residence life, new student orientation, intramurals and recreation, student activities, the honor code and board, health services, psychotherapy and psychiatric services, community service, spiritual life, performing arts, registrar, student accounts and financial aid. Prior to coming to Olin College, Dr. Crafts was Dean of Student Affairs at Brandeis University from 1984 to 2000. He has also held student affairs positions at the University of Rhode Island and Indiana University. He has a B.A. in Biology from Earlham College and M.S.Ed. and Ed.D. degrees from Indiana University. Dr. Crafts will retire in May 2013, and a successor has been hired.

ACCREDITATION

The College is regionally accredited by the New England Association of Schools and Colleges through its Commission on Institutions of Higher Education. Accreditation was first granted in 2006 and reaffirmed in 2011 for a period ending in 2021. The College's three degree programs have also earned accreditation from the ABET Engineering Accreditation Commission, which accredits engineering programs nationally and internationally. ABET accreditation was first granted in July 2007 and that process is currently underway to reaffirm the accreditation for another six years. Recognition from both accreditors was retroactive to the first graduating class in 2006.

VISION AND STRATEGY FOR DECADE TWO

In preparation for its second decade of teaching, the College prepared a Vision and Strategy Statement in 2012. Building upon the founding vision, the new vision contemplates that Olin College will become the recognized leader in the transformation of undergraduate engineering education in America and throughout the world.

To achieve this bold vision, the College will maintain three core priorities to drive strategic resource allocation and decision making. They are:

1. Attract the Best, Produce the Exceptional;
2. Drive Excellence through Innovation; and
3. Maximize Impact in the Academy and Beyond.

The initiatives associated with the plan will be implemented over the next five to ten years.

DESCRIPTION OF ACADEMIC PROGRAMS

Olin is committed to preparing graduates who recognize the complexity of the world, appreciate the relationship of their work to society, and are dedicated to creative enterprises for the good of humankind. Engineering education at Olin is in the liberal arts tradition, with a strong emphasis on the Arts, Humanities, Social Sciences, and Entrepreneurship. The College offers Bachelor of Science degrees in Mechanical Engineering, Electrical and Computer Engineering, and Engineering. The Engineering program offers concentrations in bioengineering, computing, design, materials science, and systems.

The curriculum is designed to rethink the way engineers are taught and the way colleges function. The effort was guided by the reform recommendations made over the last fifteen to twenty years by the National Academy of Engineering, National Science Foundation, the American Society for Engineering Education, and ABET, which call for changes in engineering education including more emphasis on teamwork, project-based learning, and entrepreneurial thinking. Olin engages in active, ongoing curriculum development to ensure that the College continues to identify and implement innovation educational practices in its programs.

Olin College strives to foster in students:

- A deep appreciation and comprehension of the principles of engineering analysis and design;
- A broad knowledge of social and humanistic contexts;
- The ability to articulate a vision and see it to fruition; and
- A dedication to intellectual vitality, community involvement and lifelong personal growth.

The Olin Curriculum

Olin's progressive educational perspective has shaped a curriculum with several distinctive features:

- Hands-on, project-oriented course work that integrates the pedagogies and practices of design, engineering analysis, mathematics, science and entrepreneurship. From the outset, Olin engineers study design by designing, building, and testing real systems. This practical focus is ongoing, with students undertaking significant design projects over the course of their four years.

- Building connections between fundamental science, mathematics, and engineering; between different fields of engineering; between the arts, humanities and social sciences and technical disciplines; and between business, entrepreneurship, and technology. As a result, the Olin curriculum is conceived and taught in a highly interdisciplinary way.
- Emphasis on integrated written and oral communication through purposeful decentralization of requirements so that there is mastery throughout the entire curriculum.
- A focus on entrepreneurship as a process of fulfilling human needs and creating value. Students acquire entrepreneurial skills through a process of learning by doing. Outcomes are assessed and fed back through intensive coaching.
- Opportunity for significant independent study or research, in addition to the experiences of team membership and team leadership.

The Olin curriculum consists of three phases: ***foundation***, which emphasizes mastering and applying technical fundamentals in substantial engineering projects; ***specialization***, in which students develop and apply in-depth knowledge in their chosen fields; and ***realization***, in which students bring their education to bear on problems approaching professional practice. It provides the depth, breadth, cohesion and rigor necessary to produce fully qualified engineering graduates. In all three phases of the curriculum, students are engaged in interdisciplinary engineering projects that require them to put theory into practice, to put engineering in context, and to develop teaming and management skills. As a student progresses, these projects become increasingly open-ended and authentic. Students have significant flexibility in charting their path through the curriculum, but all students are responsible for demonstrating mastery of required material through regular assessment. The programs have been designed to meet the General Criteria outlined by the ABET and ABET Program Criteria.

<u>Major Elements of the Academic Program</u>

Capstone Experiences. All students at Olin take part in one of two "capstone" experiences that bring together what they have learned and translate it to an applied, practical project.

The Senior Capstone Program in Engineering ("SCOPE") is the capstone experience for most students, provides a professional design experience with an outside sponsor, and draws upon knowledge and skills developed earlier in the curriculum. A typical SCOPE project is conducted by a team of four to six students and consists of a substantial engineering project for an external industry, government, or community partner with the goal of giving each Olin student valuable exposure to all of the challenges of the current engineering marketplace. Olin recruits SCOPE projects from engineering companies and other organizations. The projects must be authentic problems of real value to the sponsoring company or organization. Optimal problems are those that are of significant interest to the organization, but that would otherwise be difficult for the company to pursue due to time or human resources constraints. Such problems are neither in the critical path of a time-critical project nor so unimportant to the sponsor that the results are unlikely to be used. SCOPE projects are selected and screened to be appropriately challenging but also feasible for senior students. Academic year 2012-13 sponsors include Autodesk, Boeing, Boston Scientific, Facebook, Raytheon, and others.

Affordable Design and Entrepreneurship is an alternative capstone in which students gain experience innovating to address social challenges through a design and entrepreneurship approach that emphasizes context, collaboration, and sustainability. The focus is on alleviating poverty by deploying innovations in communities that generate income and meet daily human needs in areas such as energy, water, health, agriculture, transportation, and communication. For example, students might create and test the technology for a micro energy utility, such as a concentrated-solar battery charging station, and the business model that makes it viable. The course is run as a firm where students work in teams with community partners nationally and internationally to co-create and launch new products and ventures. Groups of students travel to partner sites in the United States and countries such as India, Morocco, and Ghana to build relationships, gain contextual awareness, and implement projects.

Study Away Program. One of the founding principles of Olin was that each student should have the opportunity to have a learning experience "away" from the College. This ideal was articulated early in the creation of the College with the expressed objective of having students learn to be citizens of the world. The Olin Away Program was created to deliver on this principle and provide students with the opportunity to broaden their perspectives and views of the world. Approximately one quarter of students have participated in study away experiences during their time at Olin.

Students have multiple options for studying away. The College currently has formal relationships with institutions around the world to provide students with a direct exchange. Alternatively, students can attend one of 30 pre-approved programs sponsored by other institutions, attend a program sponsored by another institution that is not currently on Olin's pre-approved list, enroll directly in another institution that does not have a direct exchange agreement with Olin, or enroll in an approved self-designed program.

Educational Objectives. All Olin degree programs share a common set of educational objectives for its graduates to achieve after they have moved on to their careers. These objectives are to teach graduates to:

- Strengthen the teams and communities they are part of by cultivating collaboration, effective communication, and leadership;
- Apply a multi-disciplinary engineering approach to solving important technical and societal challenges;
- Create value for society through entrepreneurial and design thinking that transforms needs and opportunities into systems, products, and solutions; and
- Adaptively and independently extend their learning to excel in fields about which they are passionate.

RELATIONSHIPS WITH OTHER COLLEGES AND UNIVERSITIES

Olin College has endeavored to enrich the college environment for its students, faculty and staff through its relationships with neighboring colleges. These relationships span the range of activities from cross-registration agreements to shared programs and services. In addition, the College collaborates with other local and regional colleges and universities to develop shared programs and services to reduce costs and increase efficiency.

The Three-College Collaboration. The "Three-College Collaboration" is a joint effort among Babson, Olin, and Wellesley Colleges. The goals of the collaboration are to:

- Expand educational opportunities for students;
- Develop interdisciplinary approaches to teaching and problem solving;
- Facilitate faculty research and teaching projects across campuses;
- Share best practices and collaborate in providing administrative functions.

The collaboration moves beyond the activities of most consortia by taking advantage of the schools' complementary strengths and curricula to create innovative approaches to student learning and problem solving and to provide all students with the tools to work across disciplines. Students have the opportunity to cross-register for courses among the three institutions at no extra cost. It also provides opportunities for faculty and staff development, hosts collaborative events, and supports shared curricula through a Sustainability Certificate program available to students at all three schools. Olin students are also able to cross-register for courses at Brandeis University for no additional fee.

Babson College. Because the campuses are adjacent to each other, Olin retains a close relationship with Babson College beyond the Three-College Collaboration, including the provision of certain services and facilities. Olin College relies on Babson College to supply a number of facilities such as athletic and recreational facilities and a student health center. Babson also supplies public safety services for Olin College.

The Boston Consortium for Higher Education. Olin College is one of fifteen members of The Boston Consortium for Higher Education. Member institutions collaborate on various administrative and operational projects and activities ranging from risk management and internal audits to employee recruitment and training. There are over twenty communities of practice in which employees of member institutions may collaborate with their peers.

Collaborative Educational Ventures of New England ("CEVoNE"). Olin is a founding member of CEVoNE, a group currently comprised only of Massachusetts colleges and universities but with plans to expand membership to colleges and universities throughout New England. CEVoNE was formed to explore, develop, and provide special purpose initiatives that may be of particular interest to its members. The first such initiative is Educators Health, discussed below.

Educators Health ("EdHealth"). Olin is a founding member of EdHealth and all of its subsidiary entities. EdHealth was developed by CEVoNE to design and coordinate the administration of each member's employee health care plan through a combination of a self-insured program and stop loss insurance through a reciprocal insurance captive, resulting in lower health care costs for member institutions.

FACULTY AND STAFF

As of December 2012, the College had 38 full-time faculty, including three who are on leave, and 13 part-time and adjunct faculty. The College offers most full-time faculty members five-year contracts that are renewable, subject to peer review. All full-time faculty have earned doctoral degrees, as have many of the part-time faculty members. Women make up 46% of Olin's full-time faculty, while the national average in engineering is only 12%. Consistent with its founding precepts, Olin College does not grant tenure to faculty members in order to promote flexibility in curriculum. In addition, the College does not have any distinct disciplinary departments, and thus the faculty operates as a single unit. See "FOUNDING PRECEPTS."

The student-faculty ratio for the academic year 2012-13 is 9 to 1, based on the total full-time students and the full-time equivalent faculty. Consistent with its founding precepts, the College anticipates maintaining a student-faculty ratio of no more than 10 to 1.

In addition to faculty, the College had 70 full-time staff employees and 4 part-time staff employees. None of the College's employees are represented by labor unions or similar organizations.

This does not include the employees of certain services outsourced to Babson College, Sodexo, Inc. and Aramark Corporation who are also part of the campus environment. The College believes that its relationship with its employees and other service providers is good and that the employees have a strong sense of shared mission.

STUDENT ENROLLMENT AND OUTCOMES

Olin has achieved recognition from various sources. *U.S. News and World Report* ("*U.S. News*") ranks Olin as the #6 undergraduate engineering program in the U.S. in 2012; *The Princeton Review* placed Olin on its lists of Best 377 Colleges, Best in the Northeast, and Best Value Colleges; and the Fiske Guide to Colleges named Olin a "Best Buy" for 2013.

Admission. Based on the *U.S. News* Fall 2011 rankings and reviews**,** Olin was among the top fifty most selective colleges in the United States in terms of its acceptance rate. The selective and personalized admission process is designed to attract and enroll students who can successfully meet the rigors of a demanding curriculum in undergraduate engineering and benefit from the College's unique features. Criteria for admission to Olin include high achievement in high school, a rigorous college preparatory background, and competitive test scores. The College pays particular attention to students' passions outside the classroom, written and oral communication skills, ability to work well on teams, leadership capabilities, entrepreneurial spirit, and understanding of Olin's approach to engineering education. Following initial review of their applications, Candidates for admission are chosen and invited to one of three weekends in late February and early March to participate in a design project, individual interviews and a team exercise. Final Admission decisions are made following these weekends.

The quantity and quality of Olin's applicants are detailed in the table below.

Admission Statistics

Entering Academic Year	Applications Received	Applications Accepted	Acceptance Rate	Enrolled	Matriculation Rate	Middle 50% of SAT Scores for Matriculated Students
2008-09	969	131	13.5%	80	58.0%	2120-2310
2009-10	874	147	16.8	86	58.9	2130-2280
2010-11	567	171	30.2	92	53.2	2060-2240
2011-12	768	126	16.4	87	55.6	2120-2250
2012-13	782	152	19.3	83	55.0	2125-2280

Source: Olin College Records

Academic Year 2010-11 was the first year in which the College decreased its original 100% tuition merit scholarship for all entering students to the current 50% merit scholarship. The decision to reduce the scholarship was made late in the student recruitment cycle which management believes resulted in the drop in the number of applicants that year. Applications have increased since then.

Many of the students who come to Olin are National Merit Finalists. Over the past five years, over 80% of students who enrolled at Olin participated in community service prior to matriculation, 60% are musicians, and over 50% competed on athletic or academic teams. Many also have experience on stage, in research projects, or with robotics. The average high school GPA for students who entered in Fall 2012 was 3.9 and most students took honors and advanced placement courses.

Enrollment. The student body is annually made up of approximately 350 students, including 10-20 exchange or visiting students from other institutions, as detailed in the table below. All students enroll full-time at Olin. The College has retained and graduated students at levels exceeding national averages as detailed in the table below. In comparison, the national average retention rate for four year colleges was approximately 75-77% during the period from 2009 to 2012, while graduation rates, as reported by the National Center for Higher Education Management Systems Information Center for Higher Education Policymaking and Analysis, for bachelor's students averaged 55-56% for the same years.

Enrollment Statistics

Academic Year	Total Enrollment	Degree Student Enrollment	Percent Women	Retention Rate	Six Year Graduation Rate
2008-09	313	307	40%	96%	89%
2009-10	342	335	45	98	95
2010-11	349	341	46	100	90
2011-12	344	326	48	92	96
2012-13	355	342	48	96	94

Source: Olin College Records

Olin has achieved near parity in its students' gender breakdown, while according to National Science Foundation statistics, most engineering colleges enroll only about 20% women. Olin's students come from around the U.S. and the globe, currently representing 38 U.S. states and 10 foreign nations. Twenty-four percent of students are non-Caucasian. All students live on campus while attending Olin, unless studying away or having received special permission to live off campus.

Student Outcomes. The College tracks the outcomes of an Olin education for all graduates. The Office of Post Graduate Planning is available to all students at the College to help with their summer, career, and post-graduate education planning. Staff members in the office assist students in finding internship programs, research experiences, full time jobs, graduate school programs, and fellowship/scholarship opportunities. Faculty are also closely involved in helping students plan their career aspirations, whether they are planning to work directly after graduation or attend graduate school for further study.

The chart below shows the outcomes reported by graduates within six months after graduation.

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Postgraduate Outcomes

Graduation Year	Total Employed or in Graduate School*	Employed	Graduate School	Self-Employed	Average Starting Salary
2008	98%	48%	47%	3%	$58,885
2009	98	57	34	8	63,850
2010	96	48	47	2	66,957
2011	100	66	29	5	69,799
2012	97	75	20	1	80,964

**Differences due to rounding*
Source: Olin College Records

There are other indicators of the values of an Olin education as well. In Summer 2012, 72% of Olin students participated in a research experience or internship. Based on internal competitor analysis, it appears that on a per capita basis, Olin is one of the top producers of National Science Foundation graduate fellowship winners in the country, with graduates earning 41 graduate research awards and 16 honorable mentions among the classes of 2006 through 2012. The College has also produced nine Fulbright Scholars, two Goldwater scholars and one Gates-Cambridge scholar in its first nine classes. Of those who attend graduate school, 44% attend a top ten institution in their field. As of early April 2013, 63% of the class of 2013 have accepted job offers or have offers in hand.

STUDENT FINANCIAL SUPPORT

Since its founding, the College has sought students who have demonstrated high performance and are driven by a passion and purpose to make positive changes in the world and to reward those students by providing them with significant merit scholarships. The College currently offers a half tuition merit scholarship to all entering students. Prior to Fall 2010, entering students received a full tuition merit scholarship. The change to a half tuition merit scholarship was adopted by the Board of Trustees and approved by the surviving Foundation Directors in a series of four amendments to the Founding Precepts as part of a proactive effort to ensure the ongoing fiscal sustainability of the College. The current amendment maintains the half tuition merit scholarship for all classes entering the College through academic year 2015-16, and Management's current expectation is that the half tuition merit scholarship will continue for the foreseeable future.

In addition to the merit scholarship, Olin has also committed to meeting full demonstrated need through its financial aid process to ensure it remains an affordable option for middle and lower income students and their families. Admission to the College is need-blind and all need-based financial aid is in the form of grants and scholarships to minimize the necessity for students and families to take out loans. Aid may be used to meet the full cost of attendance and not just tuition. Students are also encouraged to seek outside scholarships to support their studies.

The following table sets forth the financial aid expenditures for the last four academic years and the budget for the current academic year:

Financial Aid

Academic Year	Unrestricted Institutional	Restricted Institution	Federal	Other
2008-09	$10,947,795	$7,000	$83,950	$428,024
2009-10	12,064,614	67,416	127,669	545,129
2010-11	11,819,135	90,787	192,816	645,185
2011-12	10,449,925	163,430	105,210	769,456
2012-13	10,192,328	193,943	111,418	871,442

Source: Olin College Records

Tuition, fees, and room and board have grown by an average of 3.6% annually over the past five years. Due to the change in the merit scholarship policy discussed previously, the total net price of attendance has risen more quickly; although this has been offset for certain students by the corresponding increase in need-based aid. The following table sets forth these charges for first year students for the past four academic years and the current academic year. Students are charged for room, board and other miscellaneous fees. In addition, first year students are required to purchase a College-specified laptop computer.

Tuition and Fees for First-Year Students

Academic Year	Tuition and Fees	Room and Board	Total Price	Total Price Net of Merit Scholarship*
2008-09	$37,875	$12,400	$50,275	$15,275
2009-10	39,295	13,230	52,525	16,125
2010-11	40,925	13,500	54,425	35,425
2011-12	41,950	14,000	55,950	36,450
2012-13	42,975	14,500	57,475	37,475

* *Growth in the net price has led to a 99% increase in net student revenue in the past five years (see "Schedules of Activities" later in this document).*

Source: Olin College Records

The Board of Trustees has approved the following rates for Academic Year 2013-14: $45,000 for tuition and fees; $15,000 for room and board; $60,000 for total price; and $39,000 for total price net of merit scholarship.

OLIN'S IMPACT ON HIGHER EDUCATION

Olin's mission is not only to educate successful graduates, but also to have a positive impact on engineering education globally. In 2009, the College launched the Initiative for Innovation in Engineering Education ("I2E2") to provide coordination and leadership for conversations aimed at fostering innovation and change in engineering education. I2E2 offers highly participatory faculty workshops and summer institutes to co-design curriculum and empower academic innovators; short and long-term faculty exchanges to learn, develop, and deliver innovative curricula; and customized consulting to help institutions recognize, develop, and meet their innovation needs.

I2E2 hosts a number of outreach activities each year to further Olin's impact on engineering education. On an ongoing basis, I2E2 hosts visitors from other institutions who want to learn about Olin's curriculum and academic culture by meeting with faculty, students, and staff. Since 2010, I2E2 has hosted an annual summer institute at Olin. The program is designed to help conceive and catalyze change in engineering education individually and institutionally. The summer institute has hosted over 100 faculty members from institutions across the U.S. and the world. In 2012, I2E2 implemented two new programs, the summer SEER research program, intended for undergraduates and K-12 teachers interested in engineering education research, and the Argosy Faculty Collaborative Exchange, which will embed faculty from partner schools for year-long residencies at Olin and support planning transformative activities for their home institutions. These efforts have attracted attention and funding from the Argosy Foundation, Advanced Micro Devices, the Davis Educational Foundation, Boeing, Autodesk, and the National Science Foundation. To date, Olin has welcomed visitors from over 200 institutions representing six continents.

Olin faculty present on innovative educational practices at national and international conferences, such as the American Society for Engineering Education, the American Society for Microbiology, and the American Educational Research Association. A number of faculty have authored journal articles on engineering education as well. In February 2013, Olin's three founding academic leaders, Richard Miller, David Kerns and Sherra Kerns, received the Bernard M. Gordon Prize, one of engineering's highest honors. The $500,000 prize is awarded by the National Academy of Engineering to recognize innovation in engineering and technological education.

FINANCIAL PLANNING AND BUDGETING

The annual budget development process is a bottom-up process with program and department managers submitting proposed budgets in December of each year. These requests are compiled and discussed by the President's Cabinet in order to develop a budget target for the following fiscal year. The target is discussed with the Board of Trustees' Finance and Facilities Committee at its February meeting and the Committee's input is incorporated. The final, more detailed budget is prepared with the Cabinet members involved in developing funding priorities. The Finance and Facilities Committee reviews and approves the budget and then recommends it to the full Board of Trustees for approval in May. An annual capital budget is prepared simultaneously with the operating budget and has similar processes and approvals.

College Management takes an overall conservative approach to budgeting, especially in areas with high uncertainty or volatility, such as investment returns, variable interest rates on debt, and financial aid. In addition, the College sets aside funds every year for future facilities renewal and replacement needs, and the annual operating budget contains contingency reserves which can be used to fund unanticipated expenses that may arise during the year.

The College seeks to budget on a break-even basis (i.e., budgeted income, including endowment draw, is equal to budgeted expenses). The College budgets on a cash basis. As such, it does not budget for non-cash expenses and non-cash income. The College budgets its endowment draw based on its cash needs rather than as a fixed percentage draw in order to reduce unnecessary draws on the endowment. Since the College's founding in 2002, it has never drawn more from the endowment than budgeted, and the budgeted draw has always been less than 6% of the twelve-quarter trailing average value of the endowment.

The Executive Vice President and Treasurer and Associate Vice President for Financial Affairs report endowment performance, debt costs, and actual revenues and expenses compared to budget to the Board of Trustees quarterly.

ACCOUNTING MATTERS

The College operates on a fiscal year ending June 30. The financial statements of the College have been prepared in accordance with accounting principles generally accepted in the United States of America on an accrual basis. The following summaries and discussions of financial matters should be read in conjunction with the financial statements of the College, related notes, and the independent auditors' report included as Appendix B to the Official Statement.

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Schedules of Activities
For the Years Ended June 30
(in thousands)

	2012	2011	2010	2009	2008
Operating Revenues					
Tuition and fees	$13,031	$13,245	$12,344	$11,125	$10,228
Room and board	4,646	4,602	4,288	3,805	3,433
Less: Student aid	(10,623)	(11,910)	(12,132)	(10,898)	(10,116)
Student revenues, net	7,054	5,937	4,500	4,032	3,545
Contributions	1,433	1,274	1,828	691	8,450
Government grants and other contracts	1,247	800	379	1,292	1,717
Other	1,234	1,168	1,130	1,102	1,496
Net assets released for:					
Olin Endowment spending	18,750	20,550	21,900	22,100	24,645
Depreciation	3,851	3,871	4,015	4,202	4,392
Total operating revenues	**33,569**	**33,600**	**33,752**	**33,419**	**44,245**
Operating expenses					
Instruction	10,218	10,281	9,976	10,323	11,080
Research	884	958	969	1,200	1,383
Academic support	3,203	2,865	2,972	3,056	3,223
Student services	10,842	10,632	10,778	11,148	12,151
Sponsored programs	1,661	1,135	704	1,823	2,337
Development and fundraising	1,140	1,102	998	733	375
Institutional support	7,477	7,613	7,358	7,352	7,209
Total operating expenses	**35,425**	**34,586**	**33,755**	**35,635**	**37,758**
Change in net assets from operating activities	**(1,856)**	**(986)**	**(3)**	**(2,216)**	**6,487**
Non-operating activities					
Contributions	15	96	74	136	31
Interest and dividend income	4,322	5,286	5,478	5,901	8,280
Net realized and unrealized gain (loss) on long-term investments	(15,498)	50,093	23,145	(124,612)	(8,944)
Change in fair value of interest rate agreements	(10,077)	6,402	(1,897)	(9,821)	(8,181)
Net assets released for:					
Olin Endowment spending	(18,750)	(20,550)	(21,900)	(22,100)	(24,645)
Depreciation	(3,851)	(3,871)	(4,015)	(4,202)	(4,392)
Write off unamortized bond issue costs	-	-		-	(2,684)
Change in net assets from non-operating activities	**(43,839)**	**37,456**	**885**	**(154,698)**	**(40,535)**
Change in net assets	**(45,695)**	**36,470**	**882**	**(156,914)**	**(34,048)**
Net assets, beginning of year	**316,399**	**279,929**	**279,047**	**435,961**	**470,009**
Net assets, end of year	**$270,704**	**$316,399**	**$279,929**	**$279,047**	**$435,961**

Schedules of Financial Position
For the Years Ended June 30
(in thousands)

	2012	2011	2010	2009	2008
Assets					
Cash and cash equivalents	$1,782	$1,583	$1,783	$1,575	$685
Accounts receivable, net	751	691	668	702	516
Contributions receivable, net	779	1,019	1,042	225	190
Prepaid expenses and other assets	1,064	1,130	822	675	1,153
Trusteed funds held for debt service and construction	1,730	1,730	94	2,501	2,768
Unamortized bond issuance costs	2,169	2,267	2,366	2,464	1,733
Short-term investments, capital reserve fund	1,980	1,394	-	-	-
Long-term investments	335,108	366,473	333,637	328,106	469,182
Long-term investments, facilities renewal and replacement fund	3,104	2,592	1,921	554	388
Plant and equipment, net	106,618	111,340	116,160	120,281	124,989
Total assets	**$455,085**	**$490,219**	**$458,493**	**$457,083**	**$601,604**
Liabilities and Net Assets					
Accounts payable and accrued expenses	$4,648	$4,259	$2,761	$4,173	$4,359
Deferred revenue and deposits	399	353	241	247	613
Bonds payable, net	158,977	158,928	158,880	158,831	157,982
Interest rate agreements	20,357	10,280	16,682	14,785	2,689
Total liabilities	**184,381**	**173,820**	**178,564**	**178,036**	**165,643**
Net assets:					
Unrestricted	12,492	13,169	12,262	11,821	13,541
Temporarily restricted	255,936	300,969	265,502	265,135	420,465
Permanently restricted	2,276	2,261	2,165	2,091	1,955
Total net assets	**270,704**	**316,399**	**279,929**	**279,047**	**435,961**
Total liabilities and net assets	**$455,085**	**$490,219**	**$458,493**	**$457,083**	**$601,604**

Management Discussion and Analysis of Recent Financial Performance

Olin's financial model is different from that found at most other colleges and universities. In its early years, the College was highly dependent on the endowment to provide funds to support the annual operating budget. Following the financial crisis of 2008-2009, the College made a deliberate move to diversify its revenue stream by reducing the merit scholarship awarded to all students, thereby generating tuition revenue, increasing revenue from philanthropy, grants and contracts, and other miscellaneous sources. In addition, room and board rates have increased steadily each year over the past five years.

The precipitous decline in the equity markets in 2008-2009 had a significant impact on Olin due to the College's dependence on the endowment. Besides the obvious decline in the long-term assets on the balance sheet, both operating and non-operating revenues were affected. From a balance sheet perspective, long-term investments decreased from $469.6 million to $328.7 million in 2009 (a 30% decline), but have since rebounded to $338.2 million at June 30, 2012, and $354 million at February 28, 2013. Operating revenues were affected due to the decline in the twelve-quarter trailing average (unaudited) calculation, which resulted in a smaller endowment draw. From 2008 to 2009, operating revenues decreased from $44.2 million to $33.4 million (a 24% decrease), and have stayed fairly flat since then, equaling $33.6 million in 2012. Non-operating revenues have been quite volatile since 2008, due to both fluctuations in the market value of the long-term investments and fluctuations in the mark-to-market value of the interest rate swap agreements. Specifically, the College recorded a decrease in net assets of $34 million in 2008, $156.9 million in 2009, and $45.7 million in 2012, with increases in net assets of $0.9 million in 2010 and $36.5 million in 2011. Management attributes the increases in 2010 and 2011 to partial recovery of the equity markets. The decrease in 2012 is primarily attributable to both negative investment returns and changes in the swap valuations. Through 2008, the majority of the operating contributions the College received were from the Olin Foundation. The Olin Foundation ceased making separate operating contributions in 2008 following completion of transfer of the endowment to the College. Thus, the operating contribution level declined from and after 2009.

Management believes that the major financial challenge facing the College at this time is the need to rebuild the College's endowment and diversify its revenue funding sources in order to slow or reverse the decline of its long-term investments (from $469.6 million in 2008 to $338.2 million in 2012), and thus preserve intergenerational equity. For a discussion of the current spending rate of the endowment and limits imposed by the Grant Agreement on spending rates, see "INVESTMENTS AND GIFTS", below.

Pension Plans

Defined Contribution Plan. The College has established a contributory retirement plan (the "Plan") for eligible personnel. The Plan is mandatory for all employees starting on the first day of the month following four months of employment. The Plan is designed in accordance with the provisions of Section 403(b) of the Internal Revenue Code (the "Code"), and the College's expenses under the Plan were $687,000 and $820,000 for the fiscal years ending June 30, 2012 and 2011, respectively.

Deferred Compensation Plan. The College has established a deferred compensation plan in accordance with Section 457(b) of the Code. Under the terms of this plan, no contributions are made by the College, but it is fully funded by voluntary pre-tax contributions by certain highly compensated employees. The assets and liabilities of the plan are recorded in the Statements of Financial Position and totaled $672,000 and $595,000 at June 30, 2012 and 2011, respectively.

Post Retirement Benefits. The College does not provide any post retirement benefits.

APPENDIX A

INVESTMENTS AND GIFTS

Investment Strategy and Endowment Funds

The Olin Endowment was established in June, 2003 when the Foundation began transferring assets to the College. The Foundation made its final transfer to the College in November 2007.

The College Trustee Investment Committee has responsibility for the endowment. After more than six years with a previous outsourced investment officer provider, the College hired Summit Rock Advisors of New York to provide similar services, effective July 1, 2012. Summit Rock Advisors provides a custom, comprehensive portfolio management service encompassing policy review, counsel, investment management, monitoring and reporting, and rebalancing. The College Trustee Investment Committee, the College administration and the Summit Rock team work together to manage the investment program for the endowment with the goals of achieving above-benchmark returns, keeping portfolio risk at a level that is appropriate for an institution that is so dependent on the endowment, and investing for the long term and not responding to short term market fluctuations.

Endowment Statistics

Fiscal Year	Ending Value	Olin Return	Benchmark Return*	Spending Rate	Endowment Spending for Operations
2008	$469,570,000	(3.0%)	(3.0%)	5.82%	$24,650,000
2009	328,660,000	(22.7)	(18.7)	4.69	22,100,000
2010	335,558,000	11.1	11.9	5.18	21,900,000
2011	369,065,000	17.1	19.2	5.43	20,550,000
2012	338,212,000	(2.6)	(0.3)	5.62	18,750,000

Source: Olin College Records
** Source: NACUBO-Commonfund Study of Endowments, 2012*

The preliminary February 28, 2013 fair market value for the portfolio is approximately $354 million, and the preliminary market return for the fiscal year to date as of February 28, 2013 is 7.8%. These estimates are unaudited and are determined in accordance with the College's internal valuation conventions, which rely in part on periodic valuations provided by outside fund managers for investments in certain illiquid asset classes. These estimates do not reflect updated valuations for certain investments for which valuations are only infrequently provided. The estimates are further subject to the continuing effects of volatility, limited liquidity and pricing issues in certain markets.

Spending from the Olin Endowment is calculated on the basis of a twelve calendar quarter trailing average. The approved spending rate based on the twelve calendar quarter trailing average for fiscal year 2013 is 5.89%.

The College's asset allocation as of February 28, 2013* and target allocations are set forth below. For a discussion of liquidity with respect to certain alternative asset classes, see footnote 4 to the audited financial statements included as Appendix B.

Percent of Total Assets

Asset Class	Feb. 28, 2013*	Target
Reserve		
Cash	1.5%	2.0%
Fixed Income	17.0	18.0
Total Fixed Income	18.5%	20.0
Hedged		
Strategic Fixed Income	8.2%	8.0%
Diversified Strategies	9.2	9.0
Hedged Equity	7.9	8.0
Total Hedged	25.3%	25.0%
Directional		
Benchmark Equity	24.1%	20.0%
Select Equity	18.9	20.0
Private Equity	8.2	10.0
Real Assets	2.8	2.5
Natural Resources	2.2	2.5
Total Directional	56.2%	55.0%
Total	**100.0%**	**100.0%**

** Estimated based on preliminary valuations*
Source: Olin College Records

The December 31, 2012 liquidity profile is shown below. Of the approximately $162 million classified as Near-Term, approximately $150 million of that amount is available within one or two days.

Current Asset Value

Near-Term (< 1 year)	$161,930,145	46.7%
Medium-Term (1-3 years)	145,021,253	41.8
Long-Term	39,589,564	11.4
Grand total	346,540,963	100.0

Source: Olin College Records

Restriction on Use of Olin Endowment

The Grant Agreement requires that the moneys received by the College from the Foundation as endowment to be held as a separate endowment (the "Olin Endowment") and be invested to provide a reasonable return to support the College's operating budget. In addition, endowment gifts received by the College from sources other than the Foundation are required to be added to the Olin Endowment unless specifically designated by the donor to be for a different purpose or fund. The Olin Endowment is not permitted to be used for capital needs except for interest payments required with respect to debt incurred for capital expenses, expenses for maintaining capital assets, and a reasonable amount to fund regular and ordinary acquisition and replacement of capital assets. In addition, the Olin Endowment may be used to repay the principal amount of debt used to finance or refinance the construction of Phase 1 and Phase 2 of the College's campus, up to a maximum of $183 million, meaning the endowment can be used to pay the principal amount of these Series E Bonds.

The Grant Agreement also provides that to the extent there is an operating surplus at the end of each fiscal year, the College's Board of Trustees may elect to transfer all or a portion of such surplus to a capital expense reserve or fund. Such reserve or fund, including the income derived therefrom, may be used for capital expenses including the repayment of debt incurred for capital expenses. To the extent such surplus is not transferred to a capital expense reserve or fund, or if so transferred but is no longer needed for such reserve, such balance is required to be added to the Olin Endowment as a permanent part thereof.

The Grant Agreement states that in no event shall the withdrawal from the Olin Endowment exceed six percent of the 12 quarter trailing average except upon the written consent of two-thirds of the total number of members of the College's Board of Trustees.

Gifts and Grants

The College's Development Office works to develop gifts from alumni, parents and friends, while also cultivating major donors such as corporations, foundations and individuals. Since 2008, gifts to Olin have increased 380%. During to the period up to and including 2008, most of the gifts received were from the F.W. Olin Foundation. According to statistics generated by the Council for Aid to Education, Olin's alumni and parent giving rates rank among the highest in all U.S. higher education institutions.

Development Results

Fiscal Year	Gift Revenue	Alumni Participation Rate	Parent Participation Rate
2008	$8,481,000	87%	83%
2009	827,000	87	84
2010	1,902,000	86	84
2011	1,370,000	78	76
2012	1,448,000	78	69

Source: Olin College Records

OUTSTANDING INDEBTEDNESS

The College's outstanding indebtedness was $159.9 million as of its most recent audited financial statements at June 30, 2012 (see Note 7 to the Financial Statements of the College included as Appendix B to this Official Statement). See "DEBT SERVICE REQUIREMENTS" and "PLAN OF REFUNDING" in the front part of this Official Statement.

The table below shows the outstanding debt of the College as of its most recent audited financial statements, June 30, 2012.

	Debt Outstanding (June 30, 2012)
Tax-Exempt Revenue Bonds, Olin College Issue, Series B, Fixed rate of 5.25%, maturing 2033	$65.9 million
Taxable Variable Rate Demand Revenue Bonds, Olin College Issue, Series 2008 C-1, maturing 2043	$10.0 million
Tax-Exempt Variable Rate Demand Revenue Bonds, Olin College Issue Series 2008 C-2 and Series 2008 C-3, maturing 2043	$84.0 million
Total Amount of Debt Outstanding	$159.9 million

The table below shows the outstanding debt of the College following the Plan of Refunding. When issued, the Series 2013 D Bonds are expected to convert $19 million of the Series 2008 C-2 and $19 million of the 2008 C-3 Bonds to an initial ten year, fixed rate direct purchase, which may be extended or refunded through the stated maturity of 2043. The outstanding $10 million of the Series 2008 C-1 Bonds and an aggregate outstanding amount of approximately $46 million of the Series 2008 C-2 and 2008 C-3 Bonds will remain outstanding as variable rate demand bonds with a letter of credit facility. Following the initial ten year period, the Series 2013 D Bonds are subject to mandatory tender in 2023 but the stated maturity is 2043.

	ProForma Debt Outstanding (following Plan of Refunding)
Tax-Exempt Revenue Bonds, Olin College Issue, Series 2013 E, maturing 2043	$59.8 million
Taxable Variable Rate Demand Revenue Bonds, Olin College Issue, Series 2008 C-1, maturing 2043	$10.0 million
Tax-Exempt Variable Rate Demand Revenue Bonds, Olin College Issue Series 2008 C-2 and Series 2008 C-3, maturing 2043	$46.0 million
Tax-Exempt Direct Purchase, Series 2013 D, mandatory tender 2023; maturing 2043	$38.3 million
Total Amount of Debt Outstanding	$154.1 million

Following the Plan of Refunding, the College will have one letter of credit facility in place with respect to its bond indebtedness. RBS Citizens, National Association is the letter of credit provider for the Series 2008 C-1, C-2 and C-3 Bonds. The amount of the letter of credit will be $56 million. The letter of credit is expected to be extended from its current expiration date of September 2014 to an expiration date of May 2016.

Interest Rate Swaps

Olin College has three swaps outstanding. The table below outlines the College's existing swap agreements. See note 7 to the Financial Statements in Appendix B to this Official Statement for further discussion.

Swap Type/ Counterparty	Notional Value (in millions)	Effective Date	Termination Date	College Pays	College Receives	Mark-to-Market Value (in millions)*
Fixed Payer (JP Morgan)	$40.0	2008	2033	5.1227%	3 Month LIBOR	($14.4)
Basis Swap (Wells Fargo)	40.0	2008	2033	1.45 times SIFMA	3 Month LIBOR + 53 bps	(1.3)
Basis Swap (Goldman Sachs)	53.2	2008	2033	1.45 times SIFMA	3 Month LIBOR + 55 bps	(2.0)
Total Swaps	133.2					(17.7)

**As of March 31, 2013 (unaudited); negative mark-to-market (MTM) values are a liability for the College.*
Source: Olin College Records.

Each swap agreement requires the posting of collateral by the College if the mark-to-market liability payable by the College on that particular agreement exceeds a certain threshold. The threshold amount is dependent on the College's lowest credit rating. Based on the current credit rating of the College, the market to market liability threshold is $20 million for each of its swaps. The counterparties also have collateral posting requirements which vary based on their credit ratings.

Operating Line of Credit

The College currently has a committed $2 million uncollateralized line of credit with RBS Citizens, National Association. There are currently no borrowings outstanding on the line of credit. The College has no other debt or material capitalized leases. The agreement expires in March 2014 and is reviewed annually.

INSURANCE

The College is a member of The Boston Consortium of Higher Education Risk Management Group. Property insurance is provided on a blanket basis for an agreed upon replacement cost with a maximum covered amount of $138 million. General liability is provided by a combination of three policies with a combined limit of $77 million. In addition, Educators Legal Liability coverage (directors' and officers' errors and omissions) with a $5 million limit is maintained as well as other miscellaneous coverages.

LITIGATION

The College is not aware of any litigation pending or threatened wherein any unfavorable decision would adversely affect the ability of the College to enter into the Agreement (as defined in the forepart of the Official Statement) and to carry out its obligations thereunder.

FOUNDING PRECEPTS

Pursuant to the terms of the Grant Agreement, the College agreed to adhere to certain founding precepts in perpetuity. These founding precepts are set forth below. Founding precepts 1, 3, 4, 5, 8, 9 and 10 may not be amended and precepts 2, 6 and 7 may be amended under limited circumstances defined in the Grant Agreement.

1. Name of the College

The College shall, in perpetuity, be named FRANKLIN W. OLIN COLLEGE OF ENGINEERING, or in the event it shall be determined upon the written consent of two-thirds of the total number of the members of the College's Board of Trustees that such name is no longer adequately descriptive of the College's programs and courses of study, such name may be changed, provided, however, that: (1) the College's name always shall include the name "Franklin W. Olin"; and (2) no other person's name (or corporate or business name) shall appear in the name. It is also agreed that for marketing and related purposes, the name "Olin College" (or appropriate variations such as "Olin University" and "Olin School"), may be used in written material, provided that when practical there will always appear in such materials a reference to the College's full name.

2. Engineering the Primary Academic Program

The College's primary academic program always will be undergraduate engineering. As such, the number of its full time equivalent (herein "FTE") students working towards an undergraduate engineering degree shall always constitute no less than two-thirds of the total FTE undergraduate enrollment.

3. Commitment to Academic Quality and Diversity

Students shall be recruited on the basis of their academic merit, as determined by their scholastic records and appropriate test results, and other relevant achievements. However, from among the students who qualify on this basis, the College shall endeavor to develop as diverse a student community as is possible. Diversity of many kinds is desirable. Race, gender, creed, religion, ethnicity, economic background, home location, particular skills, talents and experiences, are but a few that are important for achieving a diverse and vital student community. Quality and diversity also shall be sought with respect to the College's faculty and administrative employees. Because current pedagogy makes a low student-faculty ratio an important contributing factor for achieving academic quality, the College will maintain a low student-faculty ratio of about ten to one unless changes in pedagogy through technological developments or other improvements in education are developed which justify departing from this standard.

4. A Culture of Innovation and Constant Improvement

The National Science Foundation and other credible voices from engineering schools and industry have advocated changes in how engineers are educated. Some of the major themes of the changes advocated include interdisciplinary and integrated teaching, hands-on learning and research opportunities for students, improved communication skills, students working as members of teams (the way that engineers in industry work), exposure to other cultures or an international experience, and a better understanding of business and management practices. But for many reasons, including the very simple reason that many, but not all, faculty are resistant to change, progress has been slow and disappointing. The Foundation's decision to establish the College was based in large part on a determination that the need to reform engineering education could be accomplished more easily at a new institution that is not burdened with people and existing programs resistant to change. However, even a new institution can, with the passage of time, become resistant to change. If this were to happen at the College, it would be a tragic loss of opportunity for engineering education, generally, and a terrible disappointment to the Foundation. The need for the College to be continually open to change and to encourage and support a culture of innovation is paramount. Risk taking with respect to new programs or the manner in which engineers are taught should be routine. The College acknowledges that a culture of innovation is a fundamental precept of the planning for Olin College. The College commits itself to the need to be open to change and to support a culture of innovation and constant improvement in every aspect of its operations and programs.

5. A Student Centered and Philanthropic Institution

The Foundation believes that the College must care about its students – not only as scholars and engineers but also as people. Students must be encouraged and given the opportunity to grow both intellectually and socially. Student life policies must assure that no student is forgotten or ignored. A commitment to support the education of students with programs in the arts, humanities and social sciences is vital to the fulfillment and potential of their lives. The College also should nurture a student's appreciation of the role of philanthropy in America. Students should be encouraged to contribute their time and wealth to support philanthropic endeavors of their choice. The College, itself, the product of philanthropy, should find ways to contribute to its community, and beyond, with services natural for it as an educational institution. Policies must be maintained that support these outcomes.

6. Full Tuition Scholarships

The College will always endeavor to operate by offering full tuition scholarships to all regular full time students enrolled in its undergraduate degree programs. The solicitation of additional endowment gifts and annual giving to support tuition and scholarship aid shall be an important goal. In order to provide full tuition scholarships to all students, the College shall adjust its undergraduate enrollment to a number that can be supported by the projected operating budget revenue. Beginning in the 2021 academic year, upon the written consent of ninety percent of the total number of the members of the College's Board of Trustees, the College may elect to reduce full tuition scholarships to an amount that will leave the portion of tuition payable by regular full time students enrolled in its undergraduate degree programs equal to an amount that is not in excess of the average cost of tuition for resident engineering students at the following institutions: the University of California – Berkeley, the Georgia Institute of Technology, the University of Illinois – Urbana, the University of Massachusetts – Amherst, the University of Michigan – Ann Arbor, and the University of Texas – Austin. The decision to reduce full tuition scholarships shall be based on substantial business needs and a determination that the endowment take and other revenue cannot support the number of students needed to sustain the College's academic programs. During such period of time as the College shall only offer partial scholarships, the College may award financial aid to students based on need. After reducing full tuition scholarships, the

College's Board of Trustees may thereafter, by a simple majority vote, at a meeting of the Board called for such purpose, restore full tuition scholarships. Tuition scholarships, whether they fully or only partially cover tuition, always shall be awarded to all students who are admitted to the College regardless of need. This Precept shall not prohibit the College from charging for or providing need-based aid for non-tuition charges such as room, board and student fees.

See "STUDENT FINANCIAL SUPPORT" for information on how this Precept has been modified.

7. Collaboration with Babson College

The conceptual planning for Franklin W. Olin College of Engineering made collaboration with Babson College an important element. Babson's recognized excellence in management and entrepreneurship education were considered to be potential resources for the College's own innovative programs. The College shall endeavor to always work closely with Babson College to develop programs and operating and administrative procedures for their mutual benefit. Similar collaboration with other neighboring colleges, particularly Brandeis University and Wellesley College shall be actively sought.

See "RELATIONSHIPS WITH OTHER COLLEGES AND UNIVERSITIES" for description of existing agreements with Brandeis University and Wellesley College.

8. Faculty Tenure

Knowledge of science and technology is not static but is continually evolving. The ability of the College to offer its students a faculty that is competent in the latest advances in knowledge and in newly emerging fields of science and technology is absolutely essential to the College's goal of offering academic programs with the highest possible quality. The College will, therefore, strive to strike an appropriate balance between the legitimate concerns of faculty for employment security and the College's need to achieve and maintain the quality it seeks. It will do this without offering traditional tenure.

9. The College to Remain Independent

The College shall remain a privately supported institution committed to supporting itself from private, rather than government or public resources. However, government grants from programs subject to peer review and open to other institutions on a competitive basis may be sought. Grants from so-called earmarked funds will be rejected.

10. Economic and Governmental Ideals

The College's policies and operations shall be consistent with and supportive of free enterprise and a capitalistic economy within a democratic nation.

* * *

This letter and the information contained herein are submitted for inclusion in the Official Statement relating to the Bonds. The use of this letter in connection with the initial sale of the Bonds and the execution and delivery thereof by its President, Executive Vice President and Treasurer, and Associate Vice President for Financial Affairs have been duly authorized by the College.

FRANKLIN W. OLIN COLLEGE
OF ENGINEERING, INC.

By: //s// Richard K. Miller
Richard K. Miller
President

By: //s// Stephen P. Hannabury
Stephen P. Hannabury
Executive Vice President and
Treasurer

By: //s// Patricia A. Gallagher
Patricia A. Gallagher
Associate Vice President for
Financial Affairs

APPENDIX B

Financial Statements

Franklin W. Olin College of Engineering, Inc.

June 30, 2012 and 2011

Mayer Hoffman McCann P.C.
An Independent CPA Firm
Tofias New England Division

FRANKLIN W. OLIN COLLEGE OF ENGINEERING, INC.

Financial Statements

Table of Contents

Financial Statements:

Mayer Hoffman McCann P.C.
Tofias New England Division
An Independent CPA Firm

500 Boylston Street ▪ Boston, MA 02116
Tel: 617.761.0600 ▪ Fax: 617.761.0601 ▪ www.cbiztofias.com

Independent Auditors' Report

The Board of Trustees
Franklin W. Olin College of Engineering, Inc.
Needham, Massachusetts

We have audited the accompanying statements of financial position of Franklin W. Olin College of Engineering, Inc. (the "College") as of June 30, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Franklin W. Olin College of Engineering, Inc. as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Mayer Hoffman McCann P.C.

October 27, 2012
Boston, Massachusetts

FRANKLIN W. OLIN COLLEGE OF ENGINEERING

Statements of Financial Position
(in thousands)

	June 30, 2012	June 30, 2011
Assets		
Cash and cash equivalents	$ 1,782	$ 1,583
Accounts receivable, net	751	691
Contributions receivable, net	779	1,019
Prepaid expenses and other assets	1,064	1,130
Trusteed funds held for debt service	1,730	1,730
Unamortized bond issuance costs	2,169	2,267
Short-term investments, capital reserve fund	1,980	1,394
Long-term investments	335,108	366,473
Long-term investments, facilities renewal and replacement fund	3,104	2,592
Plant and equipment, net	106,618	111,340
Total assets	**$ 455,085**	**$ 490,219**
Liabilities and Net Assets		
Accounts payable and accrued expenses	$ 4,648	$ 4,259
Deferred revenue and deposits	399	353
Bonds payable, net	158,977	158,928
Interest rate agreements	20,357	10,280
Total liabilities	**184,381**	**173,820**
Net assets:		
Unrestricted	12,492	13,169
Temporarily restricted	255,936	300,969
Permanently restricted	2,276	2,261
Total net assets	**270,704**	**316,399**
Total liabilities and net assets	**$ 455,085**	**$ 490,219**

See accompanying notes to the financial statements.

FRANKLIN W. OLIN COLLEGE OF ENGINEERING, INC.

Statements of Activities

(in thousands)

Years ended June 30,

	2012				*2011*
		Temporarily	*Permanently*		
Operating revenues					
Tuition and fees	$ 13,031	$ -	$ -	$ 13,031	$ 13,245
Room and board	4,646	-	-	4,646	4,602
Less: Student aid	(10,623)	-	-	(10,623)	(11,910)
Student revenues, net	7,054	-	-	7,054	5,937
Contributions	314	1,119	-	1,433	1,274
Government grants and other contracts	1,247	-	-	1,247	800
Other	1,234	-	-	1,234	1,168
Net assets released for:					
Olin endowment spending	18,750	-	-	18,750	20,550
Other purpose restrictions	924	(924)	-	-	-
Depreciation	3,851	-	-	3,851	3,871
Total operating revenues	**33,374**	**195**	**-**	**33,569**	**33,600**
Operating expenses					
Instruction	10,218	-	-	10,218	10,281
Research	884	-	-	884	958
Academic support	3,203	-	-	3,203	2,865
Student services	10,842	-	-	10,842	10,632
Sponsored programs	1,661	-	-	1,661	1,135
Development and fundraising	1,140	-	-	1,140	1,102
Institutional support	7,477	-	-	7,477	7,613
Total operating expenses	**35,425**	**-**	**-**	**35,425**	**34,586**
Change in net assets from operating activities	**(2,051)**	**195**	**-**	**(1,856)**	**(986)**
Nonoperating activities					
Contributions	-	-	15	15	96
Interest and dividend income	39	4,283	-	4,322	5,286
Net realized and unrealized gain (loss) on long-term investments	(133)	(15,365)	-	(15,498)	50,093
Change in fair value of interest rate agreements	(10,077)	-	-	(10,077)	6,402
Net assets released for:					
Olin endowment spending	-	(18,750)	-	(18,750)	(20,550)
Depreciation	-	(3,851)	-	(3,851)	(3,871)
Transfer to capital reserve fund	1,468	(1,468)	-	-	-
Change in fair value of interest rate agreements	10,077	(10,077)	-	-	-
Change in net assets from nonoperating activities	**1,374**	**(45,228)**	**15**	**(43,839)**	**37,456**
Change in net assets	**(677)**	**(45,033)**	**15**	**(45,695)**	**36,470**
Net assets, beginning of year	**13,169**	**300,969**	**2,261**	**316,399**	**279,929**
Net assets, end of year	**$ 12,492**	**$ 255,936**	**$ 2,276**	**$ 270,704**	**$ 316,399**

See accompanying notes to the financial statements.

FRANKLIN W. OLIN COLLEGE OF ENGINEERING, INC.

Statements of Activities

(in thousands)

Year Ended June 30,

	2011			
	Unrestricted	*Temporarily Restricted*	*Permanently Restricted*	*Total*
Operating revenues				
Tuition and fees	$ 13,245	$ -	$ -	$ 13,245
Room and board	4,602	-	-	4,602
Less: Student aid	(11,910)	-	-	(11,910)
Student revenues, net	5,937	-	-	5,937
Contributions	287	987	-	1,274
Government grants and other contracts	800	-	-	800
Other	1,168	-	-	1,168
Net assets released for:				
Olin endowment spending	20,550	-	-	20,550
Other purpose restrictions	803	(803)	-	-
Depreciation	3,871	-	-	3,871
Total operating revenues	**33,416**	**184**	**-**	**33,600**
Operating expenses				
Instruction	10,281	-	-	10,281
Research	958	-	-	958
Academic support	2,865	-	-	2,865
Student services	10,632	-	-	10,632
Sponsored programs	1,135	-	-	1,135
Development and fundraising	1,102	-	-	1,102
Institutional support	7,613	-	-	7,613
Total operating expenses	**34,586**	**-**	**-**	**34,586**
Change in net assets from operating activities	**(1,170)**	**184**	**-**	**(986)**
Nonoperating activities				
Contributions	-	-	96	96
Interest and dividend income	37	5,249	-	5,286
Net realized and unrealized gain (loss) on long-term investments	315	49,778	-	50,093
Change in fair value of interest rate agreements	6,402	-	-	6,402
Net assets released for:				
Olin endowment spending	-	(20,550)	-	(20,550)
Depreciation	-	(3,871)	-	(3,871)
Transfer to capital reserve fund	1,394	(1,394)	-	-
Transfer to facilities renewal and replacement fund	321	(321)	-	-
Change in fair value of interest rate agreements	(6,402)	6,402	-	-
Reclassification for endowment losses exceeding corpus	10	(10)	-	-
Change in net assets from nonoperating activities	**2,077**	**35,283**	**96**	**37,456**
Change in net assets	**907**	**35,467**	**96**	**36,470**
Net assets, beginning of year	12,262	265,502	2,165	279,929
Net assets, end of year	**$ 13,169**	**$ 300,969**	**$ 2,261**	**$ 316,399**

See accompanying notes to the financial statements.

FRANKLIN W. OLIN COLLEGE OF ENGINEERING, INC.

Statements of Cash Flows
(in thousands)

	Years Ended June 30, 2012	2011
Cash flows from operating activities:		
Change in net assets	$ (45,695)	$ 36,470
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	5,339	5,335
Net realized and unrealized (gain) loss on long-term investments	15,498	(50,093)
Contributions designated for long-term investment	(15)	(96)
Loss on disposal of plant and equipment	-	21
Change in value of interest rate agreements	10,077	(6,402)
Change in trusteed funds held for debt service	-	(1,726)
Changes in operating assets and liabilities:		
Accounts receivable, prepaid expenses and other assets	6	(331)
Contributions receivable	240	23
Accounts payable and accrued expenses, deferred revenues	435	1,610
Net cash used in operating activities	**(14,113)**	**(15,189)**
Cash flows from investing activities:		
Purchases of investments	(220,826)	(403,385)
Sales and maturities of investments	235,595	418,577
Acquisition and construction of property and equipment	(470)	(389)
Change in trusteed funds held for construction	-	90
Net cash provided by investing activities	**14,297**	**14,893**
Cash flows from financing activities:		
Contributions designated for long-term investment	15	96
Net cash provided by financing activities	**15**	**96**
Net increase (decrease) in cash and cash equivalents	**199**	**(200)**
Cash and cash equivalents, beginning of year	**1,583**	**1,783**
Cash and cash equivalents, end of year	**$ 1,782**	**$ 1,583**
Supplemental disclosure of cash flows information:		
Cash paid for interest	$ 4,791	$ 5,202

See accompanying notes to the financial statements.

Notes to Financial Statements
(in thousands)

Note 1 - Nature of Operations

Franklin W. Olin College of Engineering, Inc. (the "College"), was founded in 1997 by the F. W. Olin Foundation, Inc. (the "Foundation"), and graduated its first class in May 2006. The College is an independent, nonsectarian college offering undergraduate engineering degrees. There are approximately 340 students predominantly drawn from across the United States, all of whom receive an eight-semester tuition merit scholarship. The campus is located in Needham, Massachusetts. The College is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is generally exempt from income taxes pursuant to Section 501(a) of the Code. The College is accredited by the New England Association of Schools and Colleges, and the three degree programs are accredited by ABET.

The College's funding was primarily sourced from the F. W. Olin Foundation under the terms of the Grant Agreement (the "Agreement"), which created the Olin Endowment and stipulates a number of financial and other requirements associated with the operations of the College. The Agreement further provides for the use of the Olin Endowment in certain circumstances, such as for the payment of certain debt service should unrestricted net assets be insufficient for that purpose, and for certain capital outlays. The College is obligated to maintain the Olin Endowment in perpetuity, except for the circumstances previously described. For the purposes of financial statement presentation, the endowment sourced from the Foundation is considered temporarily restricted net assets, as defined in Note 2, given the potential for distribution to support debt service and capital outlays that the College may need in the future.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting. The College reports three classes of net assets and the changes in those net assets in the statements of financial position and statement of activities, respectively. The three classes of net assets – unrestricted, temporarily restricted and permanently restricted – are based on the existence or absence of donor-imposed restrictions, either explicit or implicit. The three classifications are defined as follows:

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

Temporarily restricted net assets - Net assets subject to donor-imposed restrictions that permit the College to use or expend the donated assets as specified, and are satisfied by either the passage of time or by actions of the College.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the College. Unexpended appreciation on permanently restricted net assets is included in temporarily restricted net assets.

The College reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Expenses are reported as decreases in unrestricted net assets.

Note 2 - Summary of Significant Accounting Policies (Continued)

Contributions

Contributions, including unconditional promises to give, are recognized as revenue, at their fair value, in the period verifiably committed. Initial recording for pledges expected to be collected in one year or more is arrived at by using the present value of the expected future cash flows, using a risk adjusted rate (ranging from 2.71% to 4.00%) to account for the inherent risk associated with the expected future cash flows, which are considered to be Level 2 fair value inputs. Amortization of the discount is included in contributions revenue. Unconditional promises to give are periodically reviewed to estimate an allowance for doubtful collections. Management estimates the allowance by a review of historical experience and a specific review of collection trends that differ from plan on individual accounts. Conditional promises to give are not included as support until the conditions are substantially met. Gifts that are temporarily restricted are released from restriction when the purpose restrictions are met or by the passage of time, depending on the underlying donor instrument.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in banks, money market funds, and short-term investments with a maturity date from purchase of three months or less. Cash and cash equivalents held by investment managers are considered part of investments. The College maintains cash balances at financial institutions which, at times, may exceed federally insured limits. The College monitors its exposure associated with cash and cash equivalents and has not experienced any losses in such accounts.

Investments

Investments are carried at fair value. Fair value is determined as per the fair value policies described later in this section.

Interest, dividends and net gains or losses on investments are reported as increases or decreases in permanently restricted net assets if the terms of the original gift require that they be applied to the principal of a permanent endowment fund; as increases or decreases in temporarily restricted net assets if the terms of the gift and/or relevant state law impose restrictions on the current use of the income or net gains and losses; and as increases or decreases in unrestricted net assets in all other cases.

Investments are comprised of the assets of the College's endowment, quasi-endowment, and other restricted funds. These funds are considered either unrestricted, temporarily or permanently restricted, but exceed the associated net assets. The difference is from bond proceeds that repaid the College for construction costs previously funded by Foundation gifts. These funds were invested in long-term assets that the College agreed to consider part of the Olin Endowment. This was a condition of the Grant Agreement from the Foundation.

Note 2 - Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

The College reports certain assets and liabilities at fair value on a recurring and nonrecurring basis depending on the underlying accounting policy for the particular item in accordance with fair value standards. Recurring fair value measures include the College's short-term and long-term investments, trusteed funds held for debt service, and interest rate agreements. Nonrecurring measures include contributions receivable. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. In addition, the College reports certain investments using the net asset value per share as determined by investment managers under the so called "practical expedient." The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. Fair value standards also require the College to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories, with Level 1 being the highest level of inputs:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments which are generally included in this category include listed equity and debt securities publicly traded on a stock exchange, publicly traded mutual funds, and other cash equivalents.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Instruments reported in this category include interest rate swaps and investments in funds-of-funds, with an observable net asset value at the measurement date, which are able to be liquidated within one quarter after the reporting period. Level 2 also includes investments reported at net asset value per share with lock up periods of 90 days or less.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation. Instruments that are included in this category generally include certain hedge funds, private equity funds, private real estate funds, and other marketable and non-marketable alternative investments with limited liquidity. This category also includes investments with an observable net asset value at the measurement date, but which are less liquid than Level 2. Level 3 also includes investments reported at net asset value per share with lock up periods in excess of 90 days.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Note 2 - Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that changes in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements.

Management has determined that fair value approximates carrying value for cash and cash equivalents, accounts receivable and accounts payable, given the short-term nature of these instruments. Management has no practical or cost effective way of assessing fair value for contributions receivable. The fair value of the College's debt approximates $170,240 and $162,190 at June 30, 2012 and 2011, respectively, using Level 2 inputs, based on rates that the College would have to pay to a creditworthy third party to assume its obligation (although the College is prohibited from doing so) and do not reflect an additional liability to the College. See Notes 4 and 8 for the required fair value hierarchy disclosures.

Trusteed Funds Held for Debt Service

Trusteed funds held for debt service are carried at fair value using Level 1 inputs and consist primarily of funds held for debt service that have been invested in accordance with the various bond agreements.

Plant and Equipment

Land, buildings, and equipment are reported at cost at the date of acquisition or at fair value as indicated above at the date of donation in the case of gifts. Fair value of donated property is effectively determined using Level 3 market inputs. For assets placed in service, depreciation is provided using the straight-line method over the estimated useful lives of the assets. Expenditures for new construction, and major renewals, replacements and equipment are capitalized. Gift funded assets that restrict the use of the assets are classified as temporarily restricted net assets, and released in the amount of depreciation each year. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of land, buildings and equipment are recorded as unrestricted support at fair value as described earlier in this section.

Note 2 - Summary of Significant Accounting Policies (Continued)

Plant and Equipment (Continued)

Depreciation is provided on a straight-line basis over the following estimated useful lives:

	Years
Buildings and improvements	15 to 40
Equipment	3 to 20

Interest Rate Agreements

The College reports the value of its interest rate agreements at fair value, per the fair value policies described earlier in this section using Level 2 inputs.

Operating and Nonoperating Activities

The College recognizes revenue on grants and contracts for research as operating revenue as related costs are incurred. Payments received in advance of expenditures are recorded as deferred revenue. Advance payments received for student-related activities are recorded as deposits.

The cost of providing the College's operating activities has been summarized on a functional basis in the accompanying statements of activities. Expenses associated with the College's facilities costs, including depreciation, operations, maintenance and interest expenses, are functionally allocated based on estimated space utilized.

Nonoperating activities include returns associated with long-term investments, permanently restricted contributions, transfers to the facilities renewal and replacement fund and capital reserve fund, reclass of endowment losses exceeding corpus, and changes in the fair value of the interest rate swap agreements associated with the College's debt.

Tax Status

The College is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from Federal and state income taxes on related income. Given the limited taxable activities of the College, management has concluded that disclosures relative to tax provisions are not necessary.

(in thousands)

Note 2 - Summary of Significant Accounting Policies (Continued)

Uncertain Tax Positions

The College accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The College has identified its tax status as a tax exempt entity as its only significant tax position; however, the College has determined that such tax position does not result in an uncertainty requiring recognition. The College is not currently under examination by any taxing jurisdictions. The College’s Federal and State tax returns are generally open for examination for three years following the date filed.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, as of the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Significant management estimates included in the financial statements relate to the allowance for doubtful accounts and contributions receivable, fair value of certain investments, fair value of interest rate swap agreements, and the allocation of common expenses over program functions.

Subsequent Events

The College has evaluated subsequent events through October 27, 2012, the date the financial statements were issued.

Note 3 - Contributions Receivable, Net

Contributions receivable consisted of the following at June 30:

	2012	2011
Amounts due in:		
Less than one year	$ 388	$ 425
One to five years	451	733
Total due	**839**	**1,158**
Less:		
Unamortized discount	19	82
Allowance for doubtful accounts	41	57
Contributions receivable, net	**$ 779**	**$ 1,019**

(in thousands)

Note 4 - Investments

The following are major categories of investments measured at fair value at June 30, 2012 grouped by fair value hierarchy:

	Total	Level 1	Level 2	Level 3
Short-term investments:				
Cash and cash equivalents	$ 1,980	$ 1,980	$ -	$ -
Long-term investments, including facilities renewal and replacement fund:				
Cash and cash equivalents	48,394	48,394	-	-
Equity funds - U.S. equity	77,616	-	77,616	-
Equity funds - international equity	40,305	14,830	25,475	-
Fixed income funds - U.S. fixed income	54,498	-	54,498	-
Real asset funds - commodities	13,950	-	13,950	-
Real asset funds - natural resources and real estate	9,268	-	-	9,268
Hedge funds - equity long/short	15,515	-	15,515	-
Hedge funds - multi-strategy	48,792	-	16,049	32,743
Hedge funds - distressed debt	7,270	-	-	7,270
Private equity funds	10,206	-	-	10,206
Venture capital funds	12,398	-	-	12,398
Subtotal	338,212	63,224	203,103	71,885
Trusteed funds held for debt service	1,730	1,730	-	-
	$ 341,922	**$ 66,934**	**$ 203,103**	**$ 71,885**

At June 30, 2012, the College was in the process of transferring the management of its long-term investments to a new external consultant; accordingly, the asset allocation at June 30, 2012 included a higher allocation to cash and cash equivalents than usual. Specifically, several hedge fund investments were sold prior to June 30, 2012 but the proceeds were not reinvested in new hedge fund investments until after June 30, 2012.

(in thousands)

Note 4 - Investments (Continued)

The following are major categories of investments measured at fair value at June 30, 2011 grouped by fair value hierarchy:

	Total	*Level 1*	*Level 2*	*Level 3*
Short-term investments:				
Cash and cash equivalents	$ 1,394	$ 1,394	$ -	$ -
Long-term investments, including facilities renewal and replacement fund:				
Cash and cash equivalents	481	481	-	-
Equity funds - U.S. equity	94,996	-	94,996	-
Equity funds - international equity	53,116	18,718	34,398	-
Fixed income funds - U.S. fixed income	39,154	-	39,154	-
Fixed income funds - global fixed income	14,379	-	14,379	-
Fixed income funds - inflation-protected				-
securities	7,858	-	7,858	-
Real asset funds - commodities	21,416	-	21,416	-
Real asset funds - natural resources and real estate	5,747	-	-	5,747
Hedge funds - equity long/short	31,064	-	31,064	-
Hedge funds - multi-strategy	74,748	-	19,979	54,769
Hedge funds - distressed debt	7,390	-	-	7,390
Private equity funds	7,524	-	-	7,524
Venture capital funds	11,192	-	-	11,192
Subtotal	369,065	19,199	263,244	86,622
Trusteed funds held for debt service	1,730	1,730	-	-
	$ 372,189	**$ 22,323**	**$ 263,244**	**$ 86,622**

(in thousands)

Note 4 - Investments (Continued)

Investment management expenses, which include custody, advisory, and reporting fees and fund administrative expenses, and exclude incentive/performance fees, are estimated to be $4,145 and $4,881 for the years ended June 30, 2012 and 2011, respectively.

The following is a reconciliation of the beginning and ending balances for investments measured at fair value using significant unobservable inputs (Level 3) for 2012 and 2011, respectively:

	Real Asset Funds	*Hedge Funds*	*Private Equity Funds*	*Venture Capital Funds*	*Total*
Balance, July 1, 2010	**$ 3,840**	**$ 58,657**	**$ 4,017**	**$ 8,108**	**$ 74,622**
Purchases/contributions	1,026	6,402	2,443	2,198	12,069
Sales/distributions	(234)	(6,694)	-	(710)	(7,638)
Realized gains	13	10	-	62	85
Unrealized gains	1,102	3,784	1,064	1,534	7,484
Balance at June 30, 2011	**5,747**	**62,159**	**7,524**	**11,192**	**86,622**
Purchases/contributions	1,838	352	3,015	1,770	6,975
Sales/distributions	(318)	(18,905)	(582)	(940)	(20,745)
Realized gains (losses)	120	(203)	42	265	224
Unrealized gains (losses)	1,881	(3,390)	207	111	(1,191)
Balance at June 30, 2012	**$ 9,268**	**$ 40,013**	**$ 10,206**	**$ 12,398**	**$ 71,885**
Unrealized gains related to Level 3 investments still held at June 30, 2011	**$ 1,102**	**$ 4,102**	**$ 1,064**	**$ 1,534**	**$ 7,802**
Unrealized gains (losses) related to Level 3 investments still held at June 30, 2012	**$ 1,881**	**$ (3,390)**	**$ 207**	**$ 111**	**$ (1,191)**

(in thousands)

Note 4 - Investments (Continued)

A summary of the significant categories of investments utilizing the net asset value practical expedient (which is all Level 2 and 3 investments) and their attributes are as follows:

	Fair Value June 30, 2012	***Unfunded Commitments***	***Redemption Frequency (If Currently Eligible)***	***Redemption Notice Period (If Currently Eligible)***
Equity funds	$ 103,091	$ -	Daily, monthly	0-30 days
Fixed income funds	54,498	-	Weekly, monthly	5 days
Real asset funds-commodities	13,950	-	Monthly	30 days
Real asset funds-natural resources and real estate	9,268	5,280	N/A	N/A
Hedge funds	71,577	1,434	Quarterly, Semiannual	90-95 days
Private equity funds	10,206	13,038	N/A	N/A
Venture capital funds	12,398	3,495	N/A	N/A
	$ 274,988	**$ 23,247**		

Equity funds – U.S. and international equity – includes investments in funds of funds and index funds that invest primarily in public U.S. and non-U.S. equity securities. These funds are included in the portfolio to provide growth (primarily capital appreciation). Within this category, the College invests in several different funds of funds, in order to diversify among strategies and managers.

Fixed income funds – U.S. and global fixed income – includes investments in funds of funds that invest primarily in U.S. and/or non-U.S. debt securities. These funds are included in the portfolio to provide a deflation hedge and to add current yield.

Note 4 - Investments (Continued)

Fixed income funds – inflation-protected securities – includes investments in funds of funds that invest in inflation-indexed securities such as U.S. Treasury inflation-indexed securities and non-U.S. dollar denominated inflation-indexed securities. These funds are included in the portfolio to provide an inflation hedge.

Real asset funds – commodities – includes investments in fund of funds that invest in a broad spectrum of commodity-oriented asset categories. These funds are included in the portfolio to provide an inflation hedge.

Real asset funds – natural resources and real estate – includes an investment in funds which invest in partnerships offered by natural resources managers focusing primarily on private equity or property acquisition strategies in oil and natural gas production, energy services, power infrastructure, alternative energy, mining and timber. This category also includes an investment in a fund that invests in office, industrial, multi-family and retail properties in the U.S. It is an open-ended, commingled fund that pursues a diversified value-add national strategy with a focus on seven target markets.

Hedge funds – includes investments in funds that use at least one or more of several strategies: equity long/short, event-driven, diversifying, or credit opportunities/distressed debt. These investments are included in the portfolio to reduce volatility while providing enhanced returns over the long term.

Non-marketable alternatives – includes investments in various funds, well diversified by managers, strategies, and vintage years. These investments are included in the portfolio in order to provide further diversification, reduced volatility, and enhanced returns. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next 1 to 14 years. The particular types of funds include:

- ***Private equity funds*** – includes investments in funds which invest in partnerships offered by U.S. or international private equity managers, for the purposes of growth equity financing, management buyouts, corporate restructurings, turnaround/distressed situations, consolidations and recapitalizations.

- ***Venture capital funds*** – includes investments in funds which invest in partnerships offered by venture capital managers, which invest primarily in early stage, high growth private companies, principally in the information technology, life sciences/healthcare and cleantech fields worldwide.

(in thousands)

Note 5 - Plant and Equipment, Net

Plant and equipment consisted of the following at June 30:

		2012		2011
Land	$	14,605	$	14,605
Buildings and improvements		131,171		130,954
Equipment		9,081		9,013
Construction in progress		66		24
		154,923		154,596
Less accumulated depreciation		(48,305)		(43,256)
Plant and equipment, net	**$**	**106,618**	**$**	**111,340**

Note 6 - Pension Plans

Defined Contribution Plan

The College has established a contributory retirement plan (the "Plan") for eligible personnel. The Plan is mandatory for all eligible employees starting on the first day of the month following four months of employment. The Plan is designed in accordance with the provisions of Section 403(b) of the Code. The College's expenses under the Plan were $687 and $820 for the years ended June 30, 2012 and 2011, respectively.

The College also has a supplemental retirement plan under Section 403(b) of the Code, which is funded by voluntary employee contributions. Effective December 31, 2010, these plans merged such that the College has one 403(b) plan.

Deferred Compensation Plan

The College also maintains a plan in accordance with Section 457(b) of the Code. Under the terms of this plan, no contributions are made by the College, but it is fully funded by voluntary pre-tax contributions by highly-compensated employees. The assets and liabilities of this plan are recorded in the statements of financial position and total $672 and $595 at June 30, 2012 and 2011, respectively. The assets and liabilities are recorded in other assets and accounts payable and accrued expenses, respectively.

(in thousands)

Note 7 - Bonds Payable

Bonds payable consisted of the following as of June 30:

		2012		***2011***
Tax-Exempt Revenue Bonds Series B, at a fixed rate of 5.25%, maturing serially from 2028 to 2033	$	65,910	$	65,910
Taxable Variable Rate Demand Revenue Bonds Series C-1, maturing serially from 2034 to 2038, at an average rate of 0.19% in 2012 and 0.42% in 2011		10,000		10,000
Tax-Exempt Variable Rate Demand Revenue Bonds Series C-2, maturing serially from 2034 to 2038, at an average rate of 0.13% in 2012 and 0.30% in 2011		42,000		42,000
Tax-Exempt Variable Rate Demand Revenue Bonds Series C-3, maturing serially from 2034 to 2038, at an average rate of 0.13% in 2012 and 0.30% in 2011		42,000		42,000
		159,910		159,910
Less unamortized bond discount		(933)		(982)
Bonds payable, net	**$**	**158,977**	**$**	**158,928**

The College issued the Series B bonds in August 2003. The proceeds from these bonds were used toward construction of the main campus (including reimbursement to the College for expenditures made prior to the bond closing). The bonds are secured by approximately 42.6 acres of the College's land, along with the associated buildings, facilities and improvements.

The Series C-1, C-2, and C-3 Variable Rate Demand Bonds were issued in September 2008 to refund a prior series of outstanding auction variable rate bonds. The Series C bonds are secured by an irrevocable direct pay Letter of Credit, which is collateralized by a parity mortgage and expires on September 4, 2014.

Interest expense was $4,762 and $5,149 for the years ended June 30, 2012 and 2011, respectively, and the fee paid by the College for the Letter of Credit was $507 and $625 in 2012 and 2011, respectively.

Unamortized bond discount and issue costs are being amortized using the straight-line method through the final maturity date of each respective bond issue.

The terms of the various bond issuances and Letter of Credit include certain financial covenants such as maintaining certain values of net assets available for debt service and a certain ratio of investments to liabilities, with which the College is in compliance at June 30, 2012 and 2011.

The College maintains an uncollateralized line of credit agreement with a financial institution. The borrowing limit was $2,000 in 2012 and 2011. There were no outstanding borrowings under this agreement at June 30, 2012 or 2011. The agreement expires on March 31, 2013 and will be reviewed annually to determine whether the line of credit should be continued or renewed.

(in thousands)

Note 8 - Interest Rate Agreements

The College has entered into various interest rate swap agreements in order to partially hedge variable interest rate exposure on certain debt issues, thereby managing the interest cost and risk associated with its outstanding debt. The College does not enter into derivative instruments for trading or speculative purposes.

The terms of the three swap agreements, entered into in October 2008, are as follows:

Notional Amount	Termination Date	Interest Rate Received	Interest Rate Paid	2012 Fair Value (Liability)	2011 Fair Value (Liability)
$ 40,000	July 1, 2033	USD-3M LIBOR	5.1227%	$ (16,902)	$ (6,681)
40,000	July 1, 2033	USD-3M LIBOR + 0.53%	SIFMA x 1.45	(1,364)	(1,476)
53,190	July 1, 2033	USD-3M LIBOR + 0.55%	SIFMA x 1.45	(2,091)	(2,123)
$ 133,190				**$ (20,357)**	**$ (10,280)**

USD 3M LIBOR and SIFMA were 0.46% and 0.18%, respectively, at June 30, 2012.

The swaps are categorized as Level 2 in the fair value hierarchy.

(in thousands)

Note 8 - Interest Rate Agreements (Continued)

Each swap agreement requires the posting of collateral by the College if the mark to market liability payable by the College on that particular agreement exceeds a certain threshold. The threshold amount is dependent on the College's credit rating. Based on the current credit rating of the College, the mark to market liability threshold is $30,000 for each of the swaps. The counterparties also have collateral posting requirements which vary based on their credit ratings.

As a result of the use of derivative instruments, the College is exposed to risk that the counterparties will fail to meet their contractual obligation. To mitigate the counterparty risk, the College only enters into contracts with selected major financial institutions based upon their credit ratings and other factors, and continually assesses the creditworthiness of counterparties. At June 30, 2012 and 2011, all of the counterparties to the College's interest rate swaps had investment grade ratings. To date, all counterparties have performed in accordance with their contractual obligations.

Note 9 - Net Assets and Endowment Matters

Unrestricted Net Assets

Unrestricted net assets are comprised of the following:

Operating – Discretionary funds available for carrying on the operating activities of the College, including certain property and equipment.

Board-designated – Funds set aside by the Board of Trustees for specific purposes.

	2012	*2011*
Operating	$ 7,408	$ 9,183
Board-designated - facilities renewal and replacement fund	3,104	2,592
Board-designated - capital reserve fund	1,980	1,394
	$ 12,492	**$ 13,169**

The facilities renewal and replacement fund is a Board-designated quasi-endowment fund, which is used by the College to set aside funding for future capital renewals and replacements.

The capital reserve fund has a short-term focus, and was established by the Board of Trustees in 2011 in order to fund capital-related needs in 2012 through 2014.

(in thousands)

Note 9 - Net Assets and Endowment Matters (Continued)

Temporarily Restricted Net Assets

Temporarily restricted net assets are comprised of the following:

Temporarily restricted portion of the Olin Endowment **-** The funding received from the F.W. Olin Foundation under the Agreement (see Note 1), plus accumulated unspent interest and dividend income and realized and unrealized investment gains and losses.

Purpose restricted **-** Amounts received with donor restrictions which have not yet been expended for their designated purposes.

Accumulated income/gains on permanently restricted investments **-** In accordance with U.S. generally accepted accounting principles and Massachusetts state law, these amounts represent unappropriated income and gains on permanently restricted endowment investments.

Time restricted - Investment in property and equipment (to be released over time), plus certain promises to give, expected to be collected in future years.

	2012	***2011***
Temporarily restricted portion of the Olin Endowment	$ 185,145	$ 226,383
Purpose restricted	2,085	1,711
Accumulated income/gains on permanently restricted investments	179	348
Time restricted	68,527	72,527
	$ 255,936	**$ 300,969**

Permanently Restricted Net Assets

Permanently restricted net assets are comprised of amounts restricted by donors against any expenditure of principal. Substantially all the income earned on principal may be used for general or donor restricted purposes and is recorded in unrestricted net assets or temporarily restricted net assets, as appropriate.

(in thousands)

Note 9 - Net Assets and Endowment Matters (Continued)

Permanently Restricted Net Assets (Continued)

Permanently restricted net assets consisted of the following at June 30:

	2012	2011
Endowment contributions whose income and net gains are restricted for the following purposes:		
Faculty chairs	$ 1,752	$ 1,750
Library support	225	225
Scholarships	175	175
Permanently restricted portion of the Olin Endowment	99	90
Other	25	21
	$ 2,276	**$ 2,261**

Net Assets Released from Restrictions

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

	2012	2011
Olin Endowment spending	$ 18,750	$ 20,550
Depreciation of gifted plant and equipment	3,851	3,871
Transfer to capital reserve fund	1,468	1,394
Transfer to facilities renewal and replacement fund	-	321
Scholarships and financial aid	298	225
Interest rate agreements	10,077	(6,402)
Other	626	578
	$ 35,070	**$ 20,537**

See Note 1 for additional discussion of the Olin Endowment. The amounts released for depreciation and interest rate agreements are non-cash releases and are excluded from the following table that outlines the endowment asset activity.

(in thousands)

Note 9 - Net Assets and Endowment Matters (Continued)

	Unrestricted Net Assets	*Temporarily Restricted Net Assets*	*Permanently Restricted Net Assets*	*Total*
Endowment assets and those functioning as endowment assets at July 1, 2010	**$ 1,911**	**$ 331,482**	**$ 2,165**	**$ 335,558**
Gifts and additions	-	-	96	96
Investment returns:				
Interest and dividends, net of investment expenses	35	5,274	-	5,309
Net realized and unrealized gains (losses)	315	49,778	-	50,093
Total investment returns	350	55,052	-	55,402
Expenditures for operations	-	(21,991)	-	(21,991)
Reclassifications:				
Reclassification for endowment losses exceeding corpus	10	(10)	-	-
Reclassification to facilities renewal and replacement fund	321	(321)	-	-
Total reclassifications	331	(331)	-	-
Endowment assets and those functioning as endowment assets at June 30, 2011	**2,592**	**364,212**	**2,261**	**369,065**
Gifts and additions	-	-	14	14
Investment returns:				
Interest and dividends, net of investment expenses	38	4,257	-	4,295
Net realized and unrealized gains (losses)	(133)	(15,365)	-	(15,498)
Total investment returns	(95)	(11,108)	-	(11,203)
Expenditures for operations	-	(20,271)	-	(20,271)
Reclassifications:				
Reclassification to facilities renewal and replacement fund from capital reserve fund	607	-	-	607
Total reclassifications	607	-	-	607
Endowment assets and those functioning as endowment assets at June 30, 2012	**$ 3,104**	**$ 332,833**	**$ 2,275**	**$ 338,212**

Note 9 - Net Assets and Endowment Matters (Continued)

All unrestricted endowment assets as of June 30, 2012 and 2011 represent Board-designated endowment funds in the facilities renewal and replacement fund.

Interpretation of Relevant Law and Spending Policy

The College classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the College in a manner consistent with the standard of prudence prescribed by state law.

Distributions from long-term investments are made using the total return method. Under the total return method, distributions consist of interest, dividends, realized and unrealized gains.

State law allows the Board of Trustees to appropriate a percentage of net asset appreciation as is prudent considering the College's long- and short-term needs, present and anticipated financial requirements, and expected total return on investments, price level trends, and general economic conditions. The College's endowment spending policy is computed based on the average market value of the funds invested as endowment for the previous twelve quarters, through December 31 of the prior year. The Endowment Grant Agreement stipulates that the cash basis endowment spending rate may generally not exceed 6% of the Olin Endowment. Endowment spending beyond this 6% limit requires affirmative Board appropriation. The cash basis endowment spending rate was 5.6% and 5.4% for the years ended June 30, 2012 and 2011, respectively. Excluding internal transfers to Board-designated funds, the cash basis endowment spending rate was 5.3% and 5.0% for the years ended June 30, 2012 and 2011, respectively. Accrued draws in excess of 6% are permitted without Board approval.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the College to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets. These deficiencies resulted from unfavorable market fluctuations. There were no funds with deficiencies as of June 30, 2012 or 2011.

Note 9 - Net Assets and Endowment Matters (Continued)

Return Objectives and Risk Parameters

The College's investment portfolio is managed to provide for the long-term support of the College. Accordingly, these funds are managed with disciplined longer-term investment objectives and strategies designed to meet cash flow and spending requirements. Management of the assets is designed to attain the maximum total return consistent with acceptable and agreed upon levels of risk. On an annualized, net-of-fees basis, the return of the total endowment portfolio over the long-term is expected to equal or exceed the spending rate plus inflation.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the College relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The College targets an asset allocation strategy wherein assets are diversified among several asset classes. The pursuit of maximizing total return is tempered by the need to minimize the volatility of returns and preserve capital. As such, the College seeks broad diversification among assets having different characteristics with the intent to endure lower relative performance in strong markets in exchange for greater downside protection in weak markets.

Note 10 - Commitments and Contingencies

Various legal cases arise in the normal course of the College's operations. The College believes that there are currently no outstanding cases which would have a material adverse effect on the financial position of the College.

All funds expended by the College in connection with government grants are subject to review or audit by governmental agencies. There were no reviews or audits in process by governmental agencies as of June 30, 2012.

The College has long-term employment agreements with certain faculty and staff that stipulate a variety of business terms typical in the education sector.

The College outsources services in connection with its dining, facilities management, and public safety activities under long-term contracts with suppliers. Management believes these arrangements are under commercially reasonable terms.

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DEFINITIONS OF CERTAIN TERMS

The following are definitions of certain terms used in the Agreement and used in this Official Statement:

"Act" means Massachusetts General Laws, Chapter 23G and, to the extent made applicable by §8 thereof, Chapter 40D, unless otherwise specified in the Agreement, each as amended from time to time.

"Agreement" means the Loan and Trust Agreement dated as of May 1, 2013 among the Massachusetts Development Finance Agency, Franklin W. Olin College of Engineering, Inc. and U.S. Bank National Association, as Trustee.

"Authorized Officer" means in the case of the Issuer, the President and Chief Executive Officer; Executive Vice President for Finance & Administration, and Chief Financial Officer; Secretary; General Counsel; Executive Vice President, Legislative and Defense Sector Initiatives; Executive Vice President for Finance Programs; Executive Vice President for Real Estate; Executive Vice President for Devens Operations and Senior Vice President, Investment Banking, and when used with reference to an act or document of the Issuer also means any other person authorized to perform the act or execute the document, and means in the case of the Institution, the Institution's Executive Vice President and Treasurer or Associate Vice President for Financial Affairs, and when used with reference to an act or document of the Institution, also means any other person or persons authorized to perform the act or execute the document.

"Bonds" means the Massachusetts Development Finance Agency Revenue Bonds, Olin College Issue, Series 2013 E, and any bond or bonds duly issued in exchange or replacement therefor.

"Bondholder," "Bondowner," "Holder" or "Owner" means the registered owner of any of the Bonds from time to time as shown in the books kept by the Trustee as bond registrar and transfer agent.

"Business Day" means a day on which banks in the city in which the principal office of the Trustee is located are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"Code" or "IRC" means the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder or applicable thereto.

"Commonwealth" means The Commonwealth of Massachusetts.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement between the Institution and the Trustee, dated the date of issuance of the Bonds as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"DTC" means The Depository Trust Company, New York, New York.

"Event of Default" means an Event of Default as defined under the heading "Default and Remedies" in Appendix D.

"Fiscal Year" means the fiscal year of the Institution, which at the time of execution of the Agreement is July 1 to June 30.

"Government or Equivalent Obligations" means (i) direct general obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America; and (ii) 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 in a special account segregated from the unencumbered assets of such custodian.

"Institution" means Franklin W. Olin College of Engineering, Inc., and its successors.

“Issuer” means the Massachusetts Development Finance Agency.

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

“Outstanding,” when used to modify Bonds, refers to Bonds issued under the Agreement, excluding: (i) Bonds which have been exchanged or replaced or delivered to the Trustee for credit against a principal payment or a sinking fund installment; (ii) Bonds which have been paid; (iii) Bonds which have become due and for the payment of which moneys have been duly provided to the Trustee; and (iv) Bonds for which there have been irrevocably set aside with the Trustee sufficient funds, or Government or Equivalent Obligations bearing interest at such rates and with such maturities as will provide sufficient funds, to pay the principal of, premium, if any, and interest on such Bonds.

“Project” means the existing projects originally financed with proceeds of the Issuer’s Tax-Exempt Revenue Bonds, Olin College Issue, Series B (2003), located at the Borrower’s campus at 1000 Olin Way, Needham, Massachusetts, all of which are owned and operated by the Borrower and used for educational purposes, consisting of the acquisition of land, site development, construction or alteration of buildings or the acquisition or installation of furnishings and equipment, or any combination of the foregoing, in connection with the development of approximately 420,000 square feet of academic, residential and administrative space, including a campus center/campus power plant building, an academic/administrative/library building, a classroom/laboratory building and two residence halls, all furnishings and equipment related thereto and other routine capital expenditures. The word “Project” also refers to the facilities which result or have resulted from the foregoing activities.

“Project Costs” means the costs of issuing the Bonds and the costs of carrying out the Project, including repayment of external loans and internal advances for the same and including interest prior to, during and up to one year after construction is substantially complete, but excluding general administrative expenses, overhead of the Institution and interest on internal advances.

“Rebate Year” means each one year period (or shorter period from the date of original issuance of the Bonds) ending on June 30.

“S&P” means Standard & Poor’s Rating Services, or any successor rating agency.

“Tax Certificate” means the Tax Certificate and Agreement pertaining to the Bonds executed by the Institution and the Issuer in connection with the original issuance of the Bonds.

“Trustee” means U.S. Bank National Association.

“UCC” means the Massachusetts Uniform Commercial Code.

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

SUMMARY OF THE LOAN AND TRUST AGREEMENT

The following is a brief summary, prepared by Edwards Wildman Palmer LLP, Bond Counsel, of certain provisions of the Loan and Trust Agreement dated as of May 1, 2013 (the "Agreement") among the Issuer, the Institution and the Trustee pertaining to the Bonds. 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.

Assignment and Pledge of the Issuer

The Issuer assigns and pledges to the Trustee in trust upon the terms of the Agreement (a) all revenues to be received from the Institution or derived from any security provided under the Agreement, (b) all rights to receive such revenues and the proceeds of such rights, (c) all funds and investments held from time to time in the funds established under the Agreement and (d) 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. This assignment and pledge does not include: (i) the rights of the Issuer pursuant to provisions 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 certain provisions of the Agreement; or (iii) the powers of the Issuer as stated in the Agreement to enforce the provisions of the Agreement. As additional security for its obligations to make payments to the Bond Fund, and for its other payment obligations under the Agreement, the Institution grants to the Trustee a security interest in its interest in the moneys and other investments held from time to time in the funds established under the Agreement. (Section 201)

Bond Fund

A Bond Fund is established with the Trustee and moneys shall be deposited therein as provided in the Agreement. The moneys in the Bond 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 and interest on the Bonds. Promptly after July 1 of each year, if the amount deposited by the Institution in the Bond Fund during the preceding twelve months 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 Bond Fund or Rebate Fund or to the Trustee or the Issuer, in which case the excess shall be applied to such payments.
(Section 303)

Rebate Fund

A Rebate Fund shall be established by the Trustee for the purpose of complying with IRC Section 148(f) and the regulations thereunder (the "Rebate Provision"). Amounts in the Rebate Fund shall not be available to pay principal or interest on the Bonds. Within forty-five (45) days after the close of each fifth Rebate Year, the Institution shall compute and certify to the Trustee and the Issuer in reasonable detail the rebatable amount, if any, as of the close of such Rebate Year and the Institution shall pay such amount to the Trustee.

Within sixty (60) days after the close of the fifth Rebate Year, and at least once in each five-year period thereafter, the Trustee shall pay from the Rebate Fund to the United States on behalf of the Issuer the full amount then required to be paid under the Rebate Provision. Within sixty (60) days after the Bonds have been paid in full, the Trustee shall pay to the United States from the Rebate Fund on behalf of the Issuer the full amount then required to be paid under the Rebate Provision. If the amount in the Rebate Fund is insufficient to pay the amount required to be paid under the Rebate Provision, the Institution shall pay the amount of such deficiency to the Trustee for deposit into the Rebate Fund prior to the Rebate Payment Date. (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 solely to the payment or reimbursement of the costs of issuing the Bonds. The Trustee shall pay from the Expense Fund the costs of issuing the Bonds, as directed in writing by the Institution, including the reasonable fees and expenses of financial consultants and bond counsel, and any recording or similar fees and any expenses of the Institution in connection with the issuance of the Bonds. After all costs of issuing the Bonds have been paid any amounts remaining in the Expense Fund shall be transferred to the Bond Fund. To the extent the Expense Fund is insufficient to pay any of the above costs, the Institution shall be liable for the deficiency. (Section 305)

Application of Moneys

If available moneys in the Bond Fund are not sufficient on any day to pay all principal and interest on the Outstanding Bonds then due or overdue, such moneys shall, after payment, pro rata, of all charges and disbursements of the Trustee in accordance with the Agreement and all amounts due to the Issuer for its own account under the Agreement, be applied 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 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 as 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 306)

Payments by the Institution

The Institution shall pay to the Trustee for deposit in the Bond Fund at least one (1) calendar day before each date on which payment of principal or interest on the Bonds shall become due an amount in funds available on such date equal to the payment then coming due less the amount, if any, then in the Bond Fund and available to pay the same.

The payments to be made under the foregoing paragraph shall be appropriately adjusted to reflect the date of issue of Bonds, any accrued interest deposited in the Bond Fund, and any purchase or redemption of Bonds so that there will be available on each payment date in the Bond Fund the amount necessary to pay the interest and principal installment due or coming due on the Bonds.

At any time when any principal of the Bonds is overdue, the Institution shall also have a continuing obligation to pay to the Trustee for deposit in the Bond Fund an amount equal to interest on the overdue principal but the installment payments required under the Agreement shall not otherwise bear interest.

Payments by the Institution to the Trustee for deposit in the Bond 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 and interest on the Bonds when due, the Institution shall supply the deficiency.

The Institution shall pay the Issuer on demand for reimbursement or prepayment of any and all costs, expenses and liabilities reasonably paid or incurred or to be paid or incurred by the Issuer or any of its directors, officers, employees or agents, including reasonable fees of counsel and disbursements thereof, and requested by the Institution or required by the Agreement or required by the Act with respect to the Bonds or the Project.

Within thirty (30) days after notice from the Issuer, the Institution shall pay to the Issuer all expenditures (except general administrative expenses or overhead) reasonably incurred by the Issuer by reason of the Agreement.

Within thirty (30) days after notice from the Trustee, the Institution shall pay to the Trustee the reasonable fees and expenses of the Trustee as set forth in the Agreement. (Section 307)

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 308)

Investments

Pending their use under the Agreement, moneys in the Funds 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. Any investments pursuant to the Agreement 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. The Trustee shall not be liable for any loss pertaining to a Permitted Investment and shall be without liability to the Institution, the Issuer, any Bondowner or any other person in the event that any investment made in accordance with the written instructions of the Institution in Permitted Investments shall cause any or all of the Bonds to become arbitrage bonds within the meaning of the Code.

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.

The term “Permitted Investments” means (A) Government or Equivalent Obligations, (B) “tax exempt bonds” as defined in IRC §150(a)(6), other than “specified private activity bonds” as defined in IRC §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 §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, (C) negotiable certificates of deposit or other evidences of deposit issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank, which have assets of not less than $1,000,000,000, provided that the senior debt obligations of the issuing institution are rated “Aa3” or “AA-” or better by Moody’s or S&P and mature not more than two years after the date of purchase, (D) 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, (E) Repurchase Agreements, (F) money market funds rated at least “Aam” or “AAm-G” by S&P, (G) investment agreements with providers whose rating or whose guarantor’s rating at the time the agreement is entered into is at least “A+” and “A1” by S&P and Moody’s, respectively, (H) collateralized investment agreements with providers rated at least “A-” and “A3” by S&P and Moody’s, respectively, (I) Federal Agency Securities and participation certificates issued by 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, and (J) commercial paper which is rated at the time of purchase at least “A-1+” by S&P or “P-1” by Moody’s and which matures not more than 270 days after the date of purchase. 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 Issuer or 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 or the Issuer, as the case may be, 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.

Notwithstanding the immediately preceding paragraph, Permitted Investments shall not include the following: (A) Government or Equivalent Obligations, certificates of deposit and bankers' acceptances, in each case with yields lower than either (i) the yield available on comparable obligations then offered by the United States Treasury, or (ii) the highest yield published or posted by the provider of the Permitted Investments to be currently available from the provider on reasonably comparable investments; or (B) Repurchase agreements or investment agreements, unless (i) at least three (3) bids are obtained on the proposed repurchase agreement or investment agreement from persons other than those with an interest in the Bonds, (ii) the highest yielding repurchase agreement or investment agreement for which a qualifying bid is received is purchased, (iii) the provider of the repurchase agreement or investment agreement certifies that the yield on the repurchase agreement or investment agreement is not less than the yield then available from the provider on reasonably comparable repurchase agreements or investment agreements, as applicable, if any, offered to persons who are purchasing the agreement from a source other than proceeds of tax-exempt bonds, (iv) the terms of the repurchase agreement or investment agreement, including collateral requirements, are reasonable, and (v) a written record of the yield offered by each bidder is maintained.

Any of the requirements described under this heading shall not apply to (A) investment agreements that are addressed in the Tax Certificate or (B) moneys as to which the Trustee and the Issuer shall have received an opinion of nationally recognized bond counsel to the effect that such requirements are not necessary to preserve the exclusion of interest on the Bonds from the gross income of the owner thereof for federal income tax purposes. Permitted Investments shall not include any investment that would cause any of the Bonds to be federally guaranteed within the meaning of IRC §149(b).

Any security interest with respect to Permitted Investments shall be perfected in such manner as may be provided by law. In the case of a repurchase agreement, if under applicable law, including the federal bankruptcy code, the agreement is recognized as transferring ownership in the underlying securities to the investing party with a right to liquidate the securities and apply the proceeds against the repurchase obligation, all free and clear of the claims of creditors and transferees of the other party, the interest of the investing party shall be regarded as the equivalent of a perfected security interest for the purposes of this paragraph. In any case, however, if the underlying securities or the securities subject to the security interest are certificated securities (as opposed to uncertificated or book entry securities), they shall be delivered to the Trustee or to a depository satisfactory to the Trustee either as agent for the Trustee or as bailee with appropriate instructions and acknowledgement, at the time of or prior to the investment, or, if the security interest is perfected without delivery, delivery shall be made within three (3) Business Days. Possession by the Trustee of the security for an obligation of the Trustee shall not be deemed to satisfy the requirements described in this paragraph unless the Trustee receives an opinion of counsel satisfactory to the Trustee to the effect that such possession satisfies the requirements described in this paragraph.

The Trustee may hold undivided interests in Permitted Investments for more than one Fund (for which they are eligible) and may make interfund transfers in kind. (Section 310)

Unclaimed Moneys

Except as may otherwise be required by applicable law, in case any moneys deposited with the Trustee for the payment of the principal of, or interest or premium, if any, on any Bond remain unclaimed for three (3) years after such principal, interest or premium has become due and payable, the Trustee may and upon receipt of a written request of the Institution shall pay over to the Institution the amount so deposited in immediately available funds, without interest on such funds, and thereupon the Trustee and the Issuer shall be released from any further liability with respect to the payment of principal, interest or premium and the owner of such Bond shall be entitled (subject to any applicable statute of limitations) to look only to the Institution as an unsecured creditor for the payment thereof. (Section 311)

Insurance

The Institution shall maintain insurance against such risks and in such amounts as is customary for institutions of a similar character and purpose. (Section 405)

Default and Remedies

Events of Default by the Institution; 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.

(i) *Debt Service*. Any debt service on the Bonds shall not be paid to Bondowners when due or the Institution shall fail to make any debt service payment required of it under the Agreement within seven (7) days after the same becomes due and payable, or shall fail to make any payment of interest on any overdue principal or any payment of redemption price and accrued interest when the same becomes due and payable.

(ii) *Other Obligations.* The Institution shall fail to make any other payment required under the Agreement, and such failure is not remedied within seven (7) days after written notice thereof is given by the Trustee (or, in the case of any payment due to the Issuer for its own account, by 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 to the Institution.

(iii) *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 to the Institution.

(iv) *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.

(v) *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.

(vi) *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.

(vii) *Breach of Other Agreements.* A breach shall occur (and continue beyond any applicable grace period) with respect to a payment by the Institution of other indebtedness of the Institution for borrowed money with respect to loans exceeding $1,000,000, or an event shall occur with respect to provisions of any such agreement, and in either case the 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 as described in this paragraph (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, (B) the power of acceleration ceases to be in effect, or (C) such breach or event is remedied and the acceleration is wholly annulled. The Institution shall notify the Trustee in writing 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 Trustee may reasonably request for the purpose of determining whether a breach or event described in this paragraph has occurred and whether such 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 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; Acceleration. If an Event of Default occurs and is continuing , 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. (Section 502)

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 securities in the Bond Fund, Rebate Fund and Expense Fund, including the right to sell or redeem such securities and the right to retain the securities in satisfaction of the obligations of the Institution thereunder. 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 UCC Sections 9-610 and 9-611, or any successor provision of law shall constitute reasonable notification of such event. (Section 503)

Court Proceedings. The Trustee may enforce the obligations of the Institution under the Agreement by legal proceedings for the specific performance of any covenant, obligation or agreement contained in the Agreement, whether or not any Event of Default exists, or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Institution 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 of the Institution under the Agreement. The Issuer may likewise enforce obligations to it under the Agreement which it has not assigned to the Trustee. (Section 504)

Revenues after Default. The proceeds from the exercise of the rights and remedies of the Trustee under the foregoing three paragraphs shall, after payment or reimbursement of the reasonable expenses of the Trustee or the Issuer in connection therewith be applied as described under the heading "Application of Moneys" in this Appendix D. (Section 505)

Trustee May Perform Obligations. If the Institution fails to perform any covenant contained in the Agreement, and if, with notice and the passage of time such failure could become an Event of Default under the Agreement, the Trustee may, but shall not be obligated to, reasonably perform the same in its own name or in the Institution's name, if necessary to maintain the security of the Bondowners or the tax-exempt status of the Bonds, and is irrevocably appointed the Institution's attorney-in-fact for such purpose. The Trustee shall give at least seven (7) days' notice to the Institution before taking action as described in this paragraph, except that in the case of emergency as reasonably determined by the acting party, it may act on lesser notice or give the notice promptly after rather than before taking the action. The reasonable cost of any such action by the Trustee shall be paid or reimbursed by the Institution pursuant to the Agreement. (Section 506)

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 of the Issuer 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 or of the right to exercise any remedy for the violation. (Section 507)

The Trustee

Performance of the Issuer's Obligations. If the Issuer shall fail to observe or perform any covenant or obligation contained in the Agreement, the Trustee may take whatever legal proceedings may be required to compel full performance by the Issuer of its obligations, and in addition, the Trustee may (but shall not be obligated to), to whatever extent it deems appropriate for the protection of the Bondowners, itself or the Institution, perform any such obligation in the name of the Issuer and on its behalf. (Section 602)

Actions for Protection of Bondowners. The Trustee shall not be required to monitor the financial condition of the Institution and, unless otherwise expressly provided, shall not have any responsibility with respect to reports, notices, certificates or other documents filed with it under the Agreement, except to make them available for inspection by Bondowners. Upon a failure of the Institution to make any payment to the Trustee required for debt service when due under the Agreement the Trustee shall give written notice thereof to the Issuer and the Institution. The Trustee shall not be required to take notice of any other breach or default by the Institution or the Issuer except when given written notice thereof by the owners of at least ten percent (10%) in principal amount of the Outstanding Bonds. The Trustee shall accelerate payments as described under the subheading "Remedies for Events of Default; Acceleration" in this Appendix D when instructed to do so by the written direction of the owners of at least twenty-five percent (25%) in principal amount of the Outstanding Bonds. The Trustee shall proceed as described under the subheading "Court Proceedings" in this Appendix D for the benefit of the Bondowners in accordance with the written directions of the owners of a majority in principal amount of the Outstanding Bonds. The Trustee shall not be required, however, to take any remedial action (other than acceleration or the giving of notice) unless reasonable indemnity satisfactory to it is furnished for any expense or liability to be incurred therein.

Upon receipt of written notice, direction or instruction and indemnity, as described above, and after making such investigation, if any, as it deems appropriate to verify the occurrence of any event of which it is notified as aforesaid, the Trustee shall promptly pursue the remedy provided by the Agreement or any of such remedies (not contrary to any such direction) as it deems appropriate for the protection of the Bondowners, and in its actions under this paragraph, the Trustee shall act for the protection of the Bondowners with the same promptness and prudence as would be expected of a prudent person in the conduct of such person's own affairs. (Section 602)

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 may be removed (i) by not less than thirty (30) days' 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 not less than thirty (30) days' written notice from the Institution to the Trustee, the Issuer and the Bondowners, if the Institution is not then in default under the Agreement, or (iii) for cause by not less than thirty (30) days' written notice from the Issuer to the Trustee, the Institution and the Bondowners. (Section 604)

Successor Trustee. Any corporation or association which succeeds to the corporate trust business of the Trustee as a whole or substantially as a whole, whether by sale, merger, consolidation or otherwise, shall thereby become vested with all the property, rights and powers of the Trustee under the Agreement, without any further act or conveyance.

In case the Trustee resigns or is removed or becomes incapable of acting, or becomes bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property is appointed, or if a public officer takes charge or control of the Trustee, or of its property or affairs, a successor shall be appointed by the Institution. The Institution shall notify the Bondowners and the Issuer of the appointment in writing within twenty (20) days from the appointment. If no appointment of a successor is made within forty-five (45) days after the giving of written notice in accordance with the Agreement or after the occurrence of any other event requiring or authorizing such appointment, the outgoing Trustee or any Bondowner may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor. (Section 605)

Proceedings by Bondowners

No Bondowner shall have any right to institute any legal proceedings for the enforcement of the obligations of the Issuer and the Institution under the Agreement or any applicable remedy under the Agreement, unless the Bondowners have directed the Trustee in writing 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. (Section 802)

Covenants of the Institution

Corporate Organization, Authorization and Powers. The Institution represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth, with the power to enter into and perform the Agreement, that it is a nonprofit educational institution within the Commonwealth 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 therein 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 shall not take or omit to take any action if such action or omission (i) would cause the Bonds to be "arbitrage bonds" under Section 148 of the IRC, (ii) would 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. To the extent consistent with its status as a nonprofit educational institution, the Institution agrees that it will not take any action or omit to take any action if such action or omission would cause any revocation or adverse modification of such federal income tax status of the Institution.

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. (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)

Maintenance of Corporate Existence. The Institution shall maintain its existence as a nonprofit corporation qualified to do business in Massachusetts and shall not dissolve or dispose of all or substantially all of its assets, 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 described in Section 501(c)(3) of the Code and has the status and powers set forth under the subheadings "Corporate Organization, Authorization and Powers" and "Securities Law Status" in this Appendix D, (b) the transaction does not result in a conflict, breach or default referred to under the subheading "Corporate Organization, Authorization and Powers" in this Appendix D (as applied to the new entity) and (c) the surviving, resulting or transferee entity or entities, if not the Institution, each assumes by written agreement with the Issuer and the Trustee all the obligations of the Institution under the Agreement. (Section 905)

Continuing Disclosure. The Institution covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement applicable to it. The Issuer shall have no liability to the owners of the Bonds or any other person with respect to such disclosure matters. Notwithstanding any other provision of the Agreement, failure of the Institution or the dissemination agent to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the written request of the owners of at least 25% aggregate principal amount of Outstanding Bonds, shall), or any owner (including a beneficial owner) of Bonds may, seek specific performance of the Institution's obligations to comply with its obligations under the Continuing Disclosure Agreement or as described in this paragraph and not for money damages in any amount. (Section 906)

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 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 described in the foregoing paragraph, the Agreement may be amended only with the written consent of the owners of 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 to the effect that the amendment is permitted by the Agreement. (Section 1001)

Defeasance

When the Bonds have been paid or redeemed in full as provided in the Agreement, or after there have been deposited with the Trustee sufficient funds, or funds invested in non-callable Government or Equivalent Obligations 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, and all other obligations secured by the Agreement have been paid in full, 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 thereof, the security interests created by the Agreement (except in such funds and investment) shall terminate, the Bonds shall be deemed paid, 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. Upon such defeasance, the funds and investments required to pay or redeem the Bonds in full shall be irrevocably set aside for the purpose and moneys held for defeasance shall be invested only as described above in this paragraph. Any funds or property held by the Trustee and not required for payment of the Bonds in full shall be distributed, after satisfaction of all the rights of the Issuer and the Trustee and after allowance for payment into the Rebate Fund, to the Institution upon such indemnification, if any, as the Issuer or the Trustee may reasonably require.
(Section 203)

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APPENDIX E

[PROPOSED FORM OF BOND COUNSEL OPINION]

[Date of Closing]

Massachusetts Development Finance Agency
160 Federal Street
Boston, Massachusetts 02110

$60,675,000
Massachusetts Development Finance Agency
Revenue Bonds, Olin College Issue, Series 2013 E
Dated 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 (the "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 May 1, 2013 (the "Agreement"), among the Agency, Franklin W. Olin College of Engineering, Inc. (the "Institution") and U.S. Bank National Association, 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 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 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 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

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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 construction or operation of the Project (as defined in the Agreement) being financed by the Bonds.

Reference is made to an opinion of even date of Ropes & Gray LLP, counsel to the Institution, with respect to, among other matters, the corporate existence of the Institution, 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, including, without limitation, the current qualification of the Institution as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"). We note that such opinion is 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 individual or corporate alternative minimum taxes. However, such interest is included in adjusted current earnings when calculating corporate

alternative minimum taxable income. 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 is 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.

EDWARDS WILDMAN PALMER LLP

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated May _, 2013 (this "Disclosure Agreement") is executed and delivered by Franklin W. Olin College of Engineering, Inc. (the "Institution") and U.S. Bank National Association, as trustee (the "Trustee") in connection with the issuance of the Massachusetts Development Finance Agency Revenue Bonds, Olin College Issue, Series 2013 E (the "Series 2013 E Bonds"). The Series 2013 E Bonds are being issued pursuant to a Loan and Trust Agreement dated as of May 1, 2013 (the "Agreement") among the Massachusetts Development Finance Agency (the "Issuer"), the Institution and the Trustee, and the proceeds of the Series 2013 E 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; Beneficiaries. This Disclosure Agreement is being executed and delivered by the Institution and the Trustee for the benefit of the Bondholders 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 Bondholder, with respect to any such reports, notices or disclosures. The Trustee, except as provided in Section 3(b), has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Bondholder, with respect to any such reports, notices or disclosures except for its negligent failure to comply with its obligations under Section 3(b).

Section 2. Definitions. The following words and terms used in this Disclosure Agreement shall have the following respective meanings:

(a) "Annual Report" shall mean any Annual Report provided by the Institution pursuant to, and consistent with the requirements of Sections 3 and 4 of this Disclosure Agreement.

(b) "EMMA" means the MSRB's Electronic Municipal Market Access system, or its successor as designated by the MSRB.

(c) "Fiscal Year" shall mean the twelve months beginning on July 1 and ending on June 30 in each calendar year.

(d) "MSRB" means the Municipal Securities Rulemaking Board.

(e) "Participating Underwriter" shall mean any of the original underwriters of the Series 2013 E Bonds required to comply with the Rule in connection with offering of the Series 2013 E Bonds.

(f) "Rule" means Rule 15c2-12 promulgated by the SEC under the Securities and Exchange Act of 1934, as amended (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretation thereof.

(g) "SEC" means the United States Securities and Exchange Commission.

All capitalized words and terms used in this Disclosure Agreement and not otherwise defined herein shall have the meaning ascribed to such words and terms in the Official Statement dated April 24, 2013 (the "Official Statement") pertaining to the Series 2013 E Bonds.

Section 3. Provision of Annual Reports. (a) The Institution, not later than 180 days after the end of each Fiscal Year (the "Filing Deadline"), shall provide to MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. 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 Institution submits its audited financial statements 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 provide a copy of the Annual Report and the audited financial statements, if submitted separately, to the Issuer and the Trustee.

(b) The Institution shall file a report with 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; such report shall include a certification from the Institution that the Annual Report complies with the requirements of this Disclosure Agreement. If the Trustee has not received the report described in the preceding sentence by the Filing Deadline or is unable to verify that an Annual Report has been provided to MSRB by the Filing Deadline, the Trustee shall in a timely manner 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.

SECTION 4. Content of Annual Reports. The Institution's Annual Report shall contain or incorporate by reference financial information and operating data as set forth below:

(a) Audited financial statements;

(b) Table with information on first year applications (in substantially the same level of detail as is found in the table entitled "Admission Statistics" on page A-13 in Appendix A to the Official Statement);

(c) Table showing total student enrollment (in substantially the same level of detail as is found in the table entitled "Enrollment Statistics" on page A-14 in Appendix A to the Official Statement);

(d) Table showing any tuition, room and board charges, and student fees charged to students (in substantially the same level of detail as is found in the table entitled "Tuition and Fees for First-Year Students" on page A-16 in Appendix A to the Official Statement); and

(e) Table showing any financial aid granted to students and the source of that financial aid (in substantially the same level of detail as is found in the table entitled "Financial Aid" on page A-16 in Appendix A to the Official Statement).

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 has been made publicly available through the MSRB's EMMA system. The Institution shall clearly identify each such other document so incorporated by reference.

Section 5 Reporting of Significant Events. Upon the occurrence of any of the following listed events with respect to the Series 2013 E Bonds, the Institution shall give, or cause to be given, to EMMA in a timely manner not in excess of ten business days after the occurrence of the event, notice of such occurrence (numbered in accordance with the provisions of the Rule):

(i) principal and interest payment delinquencies;

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

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

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

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

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2013 E Bonds or other material events affecting the tax status of the Series 2013 E Bonds;

(vii) modifications to rights of any owners of the Series 2013 E Bonds, if material;

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

(ix) defeasances;

(x) release, substitution or sale of property securing repayment of the Series 2013 E Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the Authority;

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

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

For the purposes of the event identified in subparagraph (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority 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.

The Institution shall provide a copy of each notice required by this Section 5 to the Issuer and the Trustee.

SECTION 6. 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 Series 2013 E Bonds or upon delivery to the Trustee of an opinion of counsel expert in federal securities laws selected by the Institution and acceptable to the Trustee 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 7. Dissemination Agent. The Institution may, from time to time with 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 notice to the Trustee and the Issuer, discharge any such third-party Dissemination Agent, with or without appointing a successor Dissemination 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 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Institution and the Trustee may amend this Disclosure Agreement (and, except as provided in the last sentence of this Section 8, 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 both the Institution and the Trustee 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 Series 2013 E 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 determines, or the Trustee receives an opinion of counsel expert in federal securities laws and acceptable to the Trustee to the effect that, the amendment does not materially impair the interests of the Bondholders or (ii) the amendment is consented to by the Bondholders as though it were an amendment to the Agreement pursuant to Section 1001 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 9. 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 an event listed in Section 5, 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 an event listed in Section 5, 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 an event listed in Section 5.

SECTION 10. Default. In the event of a failure of the Institution, or its Dissemination Agent, to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of registered owners representing at least 25% in aggregate principal amount of Outstanding Series 2013 E 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 Bondholder 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 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. As to the Trustee, Article 7 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. 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, directors, 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 attorney's 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.

The Trustee shall have no obligation under this Disclosure Agreement to report any information to MSRB or any Bondholder. 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 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To Institution:	Franklin W. Olin College of Engineering, Inc. 1000 Olin Way Needham, Massachusetts 02492 Attn: Executive Vice President and Treasurer
To the Trustee:	U.S. Bank National Association One Federal Street, Boston, Massachusetts 02110 Attn: John Correia

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

SECTION 14. Disclaimer. No Annual Report or notice of an event listed in Section 5 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 Series 2013 E 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.

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Massachusetts Development Finance Agency
Name of Bond Issue:	Revenue Bonds, Olin College Issue, Series 2013 E
Name of Obligated Person:	Franklin W. Olin College of Engineering, Inc.
Date of Issuance:	

NOTICE IS HEREBY GIVEN that Franklin W. Olin College of Engineering (the "Institution") has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated May _, 2013 between the Institution and U.S. Bank National Association, as trustee (the "Trustee").

Dated:__________________________

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[TRUSTEE/DISSEMINATION AGENT
on behalf of] FRANKLIN W. OLIN COLLEGE OF ENGINEERING, INC.

[cc: Franklin W. Olin College of Engineering]

Franklin W. Olin
College of Engineering

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