

BOND PURCHASE AGREEMENT

\$16,000,000
BUFFALO AND ERIE COUNTY INDUSTRIAL
LAND DEVELOPMENT CORPORATION
TAX-EXEMPT REVENUE BONDS
(THE CANISIUS COLLEGE OF BUFFALO, NEW YORK PROJECT), SERIES 2010

December 29, 2010

Buffalo and Erie County Industrial Land
Development Corporation
275 Oak Street
Buffalo, New York 14203

The Canisius College of Buffalo, New York
2001 Main Street
Buffalo, New York 14208

Ladies and Gentlemen:

Manufacturers and Traders Trust Company (“**Purchaser**”) hereby offers to enter into this Bond Purchase Agreement (this “**Agreement**”) with the Buffalo and Erie County Industrial Land Development Corporation (the “**Issuer**”) and The Canisius College of Buffalo, New York, an education corporation organized and existing under a charter approved by the Board of Regents of the University of New York (the “**Institution**”). This Agreement will be effective and binding upon your acceptance of this offer and the execution and delivery of this Agreement by all parties.

Unless otherwise defined in this Agreement, capitalized terms have the respective meanings given them in the Trust Indenture dated as of December 1, 2010 (the “**Indenture**”) between the Issuer and Manufacturers and Traders Trust Company, as trustee (the “**Trustee**”).

1. On the terms and subject to the conditions contained in this Agreement, Purchaser hereby agrees to purchase all (but not less than all) of the Issuer’s Tax-Exempt Revenue Bonds (The Canisius College of Buffalo, New York Project), Series 2010 in the aggregate principal amount of \$16,000,000 (the “**Series 2010 Bonds**”). The Series 2010 Bonds will be issued by the Issuer under the Indenture.

2. The Institution represents, warrants and covenants to Purchaser and Issuer as of the time of acceptance hereof and as of the Closing that:

(a) The Institution's execution and delivery of this Agreement, the Indenture, the Loan Agreement, and the Bond Purchase and Bank Covenants Agreement dated as of December 29, 2010 between the Institution and Purchaser (the "**Covenants Agreement**"), and all other documents contemplated thereby in connection with the issuance and purchase of the Series 2010 Bonds (collectively, the "**Institution Documents**"), are within the corporate power of the Institution, have been duly authorized by all necessary proceedings of the Institution, and do not violate or conflict with, or result in a breach of, the charter or bylaws of the Institution or any existing law, rule, regulation, judgment, order, writ, injunction or decree of any governmental authority, body, agency or other instrumentality or court having jurisdiction over the Institution or any of its properties, and no approval or other action by any governmental authority or agency is required in connection therewith, except approvals which have been obtained.

(b) The Institution Documents, when executed and delivered by the Institution, will be legal, valid and binding obligations of the Institution, enforceable in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally.

(c) The Institution intends that all representations and warranties made by it in or in connection with the Institution Documents be deemed to have been relied upon by the Issuer and Purchaser, notwithstanding any investigation made by Purchaser, and that all of Purchaser's rights under the Institution Documents survive delivery of the Series 2010 Bonds.

3. The Issuer represents, warrants and covenants to Purchaser and Institution as of the time of acceptance hereof and as of the Closing that:

(a) The Issuer's execution and delivery of the Indenture, the Series 2010 Bonds, the Loan Agreement, this Agreement and all other documents contemplated thereby in connection with the issuance and purchase of the Series 2010 Bonds (the "**Issuer Documents**"), and the performance by the Issuer of its obligations under the Issuer Documents, are within the corporate power of the Issuer, have been duly authorized by all necessary proceedings of the Issuer, and do not violate or conflict with, or result in a breach of, the charter or bylaws of the Issuer or any existing law, rule, regulation, judgment, order, writ, injunction or decree of any governmental authority, body, agency or other instrumentality or court having jurisdiction over the Issuer or any of its properties, and no approval or other action by any governmental authority or agency is required in connection therewith, except approvals which have been obtained.

(b) At the Closing, the Series 2010 Bonds will be duly authorized, executed, authenticated, issued and delivered by the Issuer, and the Series 2010 Bonds will constitute a legal, valid and binding special and limited non-recourse obligation of the Issuer in accordance with their terms and this Agreement.

(c) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending of which the Issuer has knowledge or, to the best knowledge of the Issuer, threatened against or affecting the Issuer, or

to the best knowledge of Issuer is there any basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse affect on the validity or enforceability, of this Agreement, the Series 2010 Bonds or any other of the Issuer Documents.

(d) The Issuer Documents, when executed and delivered by the Issuer, will be legal, valid and binding obligations of the Issuer, enforceable in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally.

4. Purchaser hereby represents, warrants and covenants to the Issuer and the Institution as of the time of acceptance hereof and as of the time of the Closing that:

(a) It is duly authorized and empowered to execute and deliver, and perform its obligations under, this Agreement.

(b) This Agreement has been duly executed and delivered by Purchaser and constitutes a valid and binding obligation of Purchaser, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally.

5. On December 29, 2010, or on such other date as the parties mutually agree, the Trustee will, subject to the terms and conditions hereof, deliver to Purchaser the Series 2010 Bonds, in definitive form or in temporary form satisfactory to Purchaser, and Purchaser will accept such delivery and pay the purchase price of the Series 2010 Bonds. This payment and delivery is the "Closing."

6. Purchaser's obligation hereunder to purchase and pay for the Series 2010 Bonds at the Closing is subject to the conditions that: (i) the Issuer has executed and delivered the Issuer Documents, and the Issuer Documents are valid and binding obligations of the Issuer; and (ii) the Institution has executed and delivered the Institution Documents, and the Institution Documents are valid and binding obligations of the Institution; and (iii) the respective representations and warranties of the Issuer and the Institution contained in this Agreement are true and correct on and as of the Closing.

7. The Institution shall pay all expenses of the Issuer and Purchaser incident to the transaction contemplated in the Agreement as provided in the Institution Documents.

8. The Institution hereby agrees to indemnify, defend and hold harmless the Issuer, Purchaser and their respective officers, directors, employees, agents, representatives, successors and assigns (each, an "Indemnified Person") in connection with any losses, claims, damages, liabilities, obligations, penalties, actions, suits, costs, charges and actual expenses, including reasonable attorneys' fees, (i) of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement and any other Bond Document, or the transactions contemplated hereby or thereby, and with respect to any investigation, litigation or proceeding (including any bankruptcy, insolvency or appellate

proceeding) related to this Agreement or the other Bond Documents or the transactions contemplated hereby or thereby or the use of any of the Bond Proceeds, whether or not any Indemnified Person is a party thereto and (ii) which may be incurred by or asserted against such Indemnified Person in connection with or arising out of any pending or threatened investigation, litigation, or proceeding (including any bankruptcy or insolvency proceeding) or any action taken by any Person, with respect to any environmental claim or suit arising out of or related to any property of the Issuer or the Institution (all of the foregoing, the “**Indemnified Liabilities**”). Notwithstanding the foregoing, the Institution shall have no obligation to any Indemnified Person for any Indemnified Liabilities to the extent arising from the gross negligence or willful misconduct of such Indemnified Person as determined in a final, non-appealable decision of a court of competent jurisdiction or of an arbitration panel, or as otherwise provided in the Loan Agreement.

9. The respective agreements, representations and warranties and other statements of Institution set forth in, or made pursuant to, this Agreement shall remain in full force and effect regardless of any investigations, or statement as to the results thereof, made by or on behalf of Purchaser or any of its directors, officers, partners, members, agents or employees or any controlling person, and shall survive delivery of and any payment for the Series 2010 Bonds.

10. Any notice or other communication to be given to the parties under this Agreement may be given by delivering the same in writing at the address of such party set forth below:

If to: Manufacturers and Traders Trust Company
 One M&T Plaza
 Buffalo, New York 14203
 Attn: Susan Freed-Oestreicher
 Tel: (716) 848-7721
 Email: sfreed-oestreicher@mandtbank.com

With a copy which shall not constitute notice to:

Harter Secrest & Emery LLP
Twelve Fountain Plaza, Suite 400
Buffalo, New York 14202
Attn: Anthony D. Mancinelli, Esq.
Tel: (716) 844-3733
Fax: (716) 853-1617
Email: amancinelli@hselaw.com

If to: The Canisius College of Buffalo, New York
2001 Main Street
Buffalo, New York 14208
Attn: Patrick E. Richey, Vice President for Business & Finance
and Treasurer
Tel: (716) 888-3221
Email: richeyp@canisius.edu

With a copy which shall not constitute notice to:

Phillips Lytle LLP
3400 HSBC Center
Buffalo, New York 14203
Attn: Raymond H. Seitz, Esq.
Tel: (716) 847-7065
Fax: (716) 852-6100
Email: rseitz@phillipslytle.com

If to: Buffalo and Erie County Industrial Land Development Corporation
275 Oak Street
Buffalo, New York 14203
Attn: Chief Operating Officer
Tel: (716) 856-6525 x122

With a copy which shall not constitute notice to:

Harris Beach PLLC
726 Exchange Street, Suite 1000
Buffalo, New York 14210
Attn: Robert Murray, Esq.
Tel: (716) 200-5180
Fax: (716) 200-5204
Email: bmurray@harrisbeach.com

11. This Agreement is made solely for the benefit of Purchaser, the Issuer and Institution and the successors and assigns thereof, and no other person shall acquire or have any right hereunder or by virtue hereof.

12. The construction and enforcement of this Agreement shall be governed by the laws of the State of New York.

13. The obligations and agreements of the Issuer contained in this Agreement and the other Issuer Documents and any other instrument or document executed in connection therewith, and any other instrument or document supplemental thereto, shall be deemed the general non-recourse obligations and agreements of the Issuer, and not of any member, director, officer, agent

(other than Institution) or employee of the Issuer and they shall not be liable personally hereon or thereon or be subject to any personal liability as a result of any transaction contemplated hereby or thereby.

14. The obligations and agreements of the Issuer contained in the Issuer Documents do not constitute or give rise to an obligation of the State of New York or the County of Erie, and neither the State of New York nor the County of Erie shall be liable herein, and, further, such obligations and agreements do not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited, non-recourse obligations of the Issuer payable solely from the payments it receives under the Loan Agreement. The Issuer has no taxing power. The Issuer makes no representations or warranties, express or implied, with respect to the merchantability, condition or workmanship of any part of the Project or the suitability of the Project for the Institution's purposes or needs, or the extent to which the proceeds derived from the sale of the Bonds will be sufficient to pay the costs of the Project.

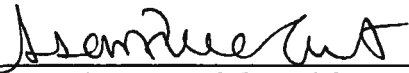
15. No order or decree of specific performance with respect to any of the obligations of the Issuer hereunder or under the other Issuer Documents shall be sought or enforced against the Issuer unless (i) the party seeking such order or decree shall first have requested the Issuer in writing to take the action sought in such order or decree of specific performance and ten (10) days shall have elapsed from the date of receipt of such request, and the Issuer shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, (ii) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Issuer an amount or undertaking sufficient to cover such reasonable fees and expenses, and (iii) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents (other than Institution) or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify and hold harmless the Issuer and its members, officers, agents and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Issuer, furnish to the Issuer satisfactory security to protect the Issuer and its members, officers, agents (other than Institution) and employees against all liability expected to be incurred as a result of compliance with such request.

16. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures were upon the same instrument.

[Signature page follows]

Very truly yours,

MANUFACTURERS AND TRADERS TRUST COMPANY

By: 

Name: Susan Freed-Oestreicher

Title: Vice President

Confirmed, Accepted and Approved as
of the date hereof:

THE CANISIUS COLLEGE OF BUFFALO, NEW YORK

By: _____

Name: Patrick E. Richey

Title: Vice President for Business &
Finance and Treasurer

**BUFFALO AND ERIE COUNTY INDUSTRIAL LAND
DEVELOPMENT CORPORATION**

By: 

Name: David Kerchoff

Title: Authorized Representative

Very truly yours,

MANUFACTURERS AND TRADERS TRUST COMPANY

By: _____
Name: Susan Freed-Oestreicher
Title: Vice President

Confirmed, Accepted and Approved as
of the date hereof:

THE CANISIUS COLLEGE OF BUFFALO, NEW YORK

By: Patrick E. Richey
Name: Patrick E. Richey
Title: Vice President for Business &
Finance and Treasurer

**BUFFALO AND ERIE COUNTY INDUSTRIAL LAND
DEVELOPMENT CORPORATION**

By: _____
Name: David Kerchoff
Title: Authorized Representative