

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF  
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT  
June 2, 2020**

Chairperson Evelyn Smalls presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, June 2, 2020 at 5:00 p.m. via teleconference.

Other Members attending:

David Hyman  
Malcolm Ingram  
Christina Wong  
Thomas A. K. Queenan

Attending from PIDC staff:

Anne Bovaird Nevins, President  
Ilene Burak, Esq., Senior Vice President and General Counsel  
Cassie Gardner, Executive Assistant to the President  
Nicole I. Krippel, Manager, Tax Exempt Financing

Upon a motion duly made and seconded the Minutes of the meeting held on May 5, 2020 were unanimously approved.

Chairperson Smalls requested approval of the following Resolutions:

- I. A Resolution, in the form attached as Enclosure 1, authorizing PAID to issue tax exempt financing in an amount not to exceed \$33,000,000 on behalf of Isaac Newton Foundation, Inc.

The proceeds of the bonds will be used to (i) pay for, or reimbursement of, and/or refinancing of a bridge loan that financed, the construction, renovation, improvement, furnishing and equipping of its existing charter school facility located at 6501 New State Road, Philadelphia, PA 19135 (the “Campus”); (ii) pay capitalized interest on and funding any reserves for the Bonds, if deemed necessary; and (iii) costs of issuance.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements and to do such other acts necessary to assist the Foundation upon such terms and conditions as they deem to be in the best interests of PAID.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

- II. A Resolution, in the form attached as Enclosure 2, amending the Initial Resolution (as defined below) adopted on May 5, 2020 by PAID to appoint new bond counsel for the proposed financing.

On May 5, 2020, the PAID Board adopted a resolution on behalf of the Starfinder Foundation which approved a project in the amount of \$2,500,000 to finance (i) the refunding all of the

Foundation's outstanding approximately \$2,226,000 (the original par amount of which was \$2,800,000) 2011 Revenue Note, the proceeds of which refinanced the Foundation's 2008 Revenue Note, the proceeds of which were used to provide funds to acquire the Foundation's 32,000 square foot facility and for certain renovations and equipping thereof, including converting the facility to soccer use, installing artificial turf, netting and curtains, upgrading field lighting and HVAC and mechanical systems, repairing the roof and various other capital improvements; and (ii) cost of issuance.

The Initial Resolution appointed Dinsmore & Shohl LLP to serve as bond counsel in connection with the issuance of the note. Dinsmore shall be replaced with Clark Hill PLC or another Red Book authorized law firm selected by the Borrower.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Foundation upon such terms and conditions as they deem to be in the best interests of PAID.

Upon a motion duly made and seconded, the Members unanimously approved the above Resolution.

There being no further business before the Board, the meeting was adjourned.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

Adopted: June 2, 2020

AUTHORIZING THE UNDERTAKING BY THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT OF THE FINANCING OF A PROJECT FOR THE BENEFIT OF ISAAC NEWTON FOUNDATION, INC. (THE "BORROWER"); AUTHORIZING THE ISSUANCE OF UP TO \$33,000,000 AGGREGATE PRINCIPAL AMOUNT OF ONE OR MORE SERIES OF CHARTER SCHOOL REVENUE BONDS OF THE AUTHORITY (THE "BONDS") PURSUANT TO A PLAN OF FINANCE FOR THE BENEFIT OF THE BORROWER; AUTHORIZING ALL ACTIONS OF THE AUTHORIZED OFFICERS OF THE AUTHORITY, INCLUDING WITHOUT LIMITATION THE APPROVAL, EXECUTION AND DELIVERY OF ALL FINANCING DOCUMENTS, NECESSARY AND APPROPRIATE TO EFFECTUATE THE ISSUANCE AND SALE OF THE BONDS AND FINANCING OF THE PROJECT.

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is organized and existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") pursuant to the Economic Development Financing Law, the Act of August 23, 1967, P.L. 251, as amended (the "Act"); and

WHEREAS, pursuant to the Act, the Authority has the power to issue revenue obligations to pay costs of "educational facilities" as defined in the Act, pending approval by the Department of Community and Economic Development; and

WHEREAS, Isaac Newton Foundation, Inc. (the "Borrower"), is a nonprofit corporation duly organized and existing under the laws of the Commonwealth and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Borrower has made an application to the Authority requesting that the Authority issue its revenue bonds, tax-exempt or taxable, in one or more series pursuant to a plan of finance (the "Bonds") to fund the costs of a project (the "Project") that consists of:

- (1) paying for, or reimbursement for, and/or refinancing of a bridge loan that financed, the construction, renovation, improvement, furnishing and equipping of its existing charter school facility located at 6501 New State Road, Philadelphia, PA 19135 (the "Campus");
- (2) paying capitalized interest on the Bonds, if deemed necessary in connection with the sale of the Bonds;

- (3) funding any reserves, if deemed necessary or required in connection with the sale of the Bonds; and
- (4) paying allowable issuance costs of the Bonds; and

WHEREAS, to finance the Project, the Authority, at the Borrower's request, has determined to issue the Bonds, pursuant to one or more trust indentures or trust agreements (as may be amended or supplemented from time to time, the "Indenture") to be dated as of the dated date to be established (the "Dated Date"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee"), and to loan the proceeds of the Bonds (the "Loan") to the Borrower to pay costs of the Project; and

WHEREAS, pursuant to one or more loan agreements (as may be amended or supplemented from time to time, the "Loan Agreement") dated as of the Dated Date, between the Authority and the Borrower, the Authority will make the Loan to the Borrower and the Borrower will (i) repay the principal and interest on the Loan in the amounts and at the times necessary for the Authority to timely pay debt service on the Bonds and (ii) pay other amounts as required under the Loan Agreement and the Indenture, including without limitation periodic payments to the Authority in amounts sufficient to pay the Authority's administrative expenses; and

WHEREAS, the Borrower will continue to lease, as landlord, the Campus to MaST Community Charter School II, a public charter school duly organized and validly existing under the Pennsylvania Charter School Law (24 P.S. §17-1701-A, *et seq.*), or an affiliate thereof or successor (by merger, consolidation, assignment or otherwise) thereto, as tenant (the "Charter School"), pursuant to that certain Lease dated as of December 1, 2016 (the "Original Lease"), as amended by a First Amendment to Lease dated as of the Dated Date (the "First Amendment to Lease" and, together with the Original Lease, the "Lease Agreement"), each between the Borrower and the Charter School; and

WHEREAS, the Charter School is a nonprofit corporation duly created and validly existing under the laws of the Commonwealth and a tax-exempt organization under Section 501(c)(3) of the Code; and

WHEREAS, to secure its obligations under the Loan Agreement, the Borrower will deliver to the Trustee, as assignee of the Authority, for the benefit of the Bondholders, a promissory note (the "Master Note") to be issued by the Borrower under the terms of a Supplemental Master Trust Indenture No. 2 dated as of the Dated Date, supplementing the Master Trust Indenture dated as of December 1, 2016, as previously supplemented, between the Borrower and U.S. Bank National Association, as master trustee (the "Master Trustee"), which Master Note is to be secured by a mortgage on the Campus previously granted by the Borrower to the Master Trustee; and

WHEREAS, to further secure its obligations under the Loan Agreement, the Authority may pledge and assign its rights under the Loan Agreement (including without limitation the Authority's rights to the loan payments made by the Borrower thereunder) and the Master Note to the Trustee for the benefit of Bondholders pursuant to one or more assignments (the "Assignments"); and

WHEREAS, in connection with the offering and sale of the Bonds, the Authority will enter into a Bond Purchase Agreement (the "Purchase Agreement") with the Borrower, the Charter School and PNC Capital Markets LLC, as underwriter (the "Underwriter"), pursuant to which the Underwriter will offer to purchase the Bonds upon the terms and conditions set forth therein; and

WHEREAS, in connection with the offering and sale of the Bonds, the Authority may prepare and deliver for use by the Underwriter a preliminary official statement or other preliminary offering document (the "Preliminary Offering Document") and a final official statement or other final offering

document (the “Offering Document”) relating to the Project, the Borrower, the Charter School, the Authority and the Bonds; and

WHEREAS, the Authority desires to authorize and approve the Project, the issuance, execution and delivery of the Bonds, and the execution and delivery of the Indenture, the Loan Agreement, the Purchase Agreement, the Assignments, the Preliminary Offering Document, the Offering Document and such other instruments and documents as shall be necessary or appropriate to effectuate the purposes of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the members of the Authority as follows:

Section 1. Approval of Project and Issuance of the Bonds. The Authority hereby authorizes and approves the undertaking of the Project and the issuance of the Bonds to finance all or a portion of the costs of the Project. The Bonds shall be issued in one or more series as tax-exempt and/or taxable bonds and secured pursuant to the Indenture in an aggregate amount not to exceed \$33,000,000. The Bonds shall be designated “Philadelphia Authority for Industrial Development Charter School Revenue Bonds (MaST Community Charter School II Project), Series 20\_\_” with such further designation or sub-designation as shall be set forth in the Indenture. The Bonds shall have a final maturity not exceeding 30 years, shall bear interest at a variable or fixed rate or rates to be established as provided in the Indenture and the Bonds, and shall contain such other terms and conditions as set forth in the Indenture and permitted in the Act.

Section 2. Approval of the Indenture and the Loan Agreement. The Authority hereby authorizes and approves the execution and delivery of the Indenture, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel, counsel to the Authority and the Authorized Officer (as defined in Section 5 hereof) of the Authority executing the Indenture shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

The Authority hereby authorizes and approves the execution and delivery of the Loan Agreement, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel, counsel to the Authority and the Authorized Officer of the Authority executing the Loan Agreement shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 3. Sale of the Bonds; Approval of the Purchase Agreement.

(a) The Authority hereby authorizes and approves the sale of the Bonds to the Underwriter. The Bonds shall be sold at such rates and on such terms and conditions as are set forth in the Purchase Agreement.

(b) The Authority hereby authorizes and approves the execution of the Purchase Agreement containing such terms and provisions as Bond Counsel, counsel to the Authority and the Authorized Officer of the Authority executing the same shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 4. Approval of Preliminary Offering Document and Offering Document. The Authority hereby authorizes and approves the distribution of a Preliminary Offering Document and the distribution and execution of an Offering Document (if any), and any amendments or supplements thereto, in such forms as counsel to the Authority and the Authorized Officer of the Authority executing the same (if any) shall approve. The Authority hereby authorizes and directs any Authorized Officer to certify to the Underwriter that the Preliminary Offering Document and/or the Offering Document, as approved, is deemed final within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

Section 5. Direction to Authorized Officers.

(a) For purposes of this Resolution, the Chairman or Vice Chairman of the Board of the Authority shall be deemed to be an “Authorized Officer.” Each Authorized Officer may act jointly or severally in performing its duties hereunder.

(b) The Board of the Authority hereby authorizes and directs any Authorized Officer to deliver the Preliminary Offering Document and execute and deliver the Bonds, the Indenture, the Loan Agreement, the Assignments, the Purchase Agreement, the Offering Document, and any amendments or supplements thereto and, subject to the approval thereof by counsel to the Authority and the Authorized Officer executing the same, to execute and deliver any other agreement, amendment, supplement, instrument, certificate or other document required to be executed by the Authority in connection with the offering, issuance and delivery of the Bonds and the Project, and such execution and delivery shall be conclusive evidence of the approval thereof by the Board of the Authority.

(c) The Board of the Authority hereby authorizes and directs the Secretary, the Assistant Secretary or another Authorized Officer of the Authority to affix and attest the seal of the Authority to any document as may be required, and to attest the signature of any Authorized Officer where required.

Section 6. Further Action. The Authorized Officers are hereby authorized and directed, jointly and severally, to take such further actions and execute such additional documents, including any amendments or supplements thereto, as may be necessary or appropriate to effectuate the matters contemplated by this Resolution, to implement and complete the Project, to issue and sell the Bonds, or to otherwise effectuate the purposes of this Resolution.

Section 7. Prior Actions. All actions heretofore taken and all documents and instruments heretofore executed by or on behalf of the Authority in connection with the Project and the Bonds are hereby ratified and approved.

Section 8. Appointment of Bond Counsel, Trustee and Underwriter. Ballard Spahr LLP is hereby appointed Bond Counsel; and PNC Capital Markets LLC (or any successor(s) to its underwriting business to be designated by the Borrower) is hereby appointed to serve as Underwriter with respect to the issuance, offering and sale of the Bonds. The Authorized Officers are authorized to appoint a replacement Bond Counsel or Underwriter at the request of the Borrower; provided that any such replacement firm has satisfied the related application approval requirements of the Pennsylvania Department of Community and Economic Development for the issuance of bonds by the Authority under the Act. The Authorized Officers are further authorized to appoint U.S. Bank National Association to serve as bond trustee for the Bonds.

Section 9. Limitation of Liability. The issuance and sale of the Bonds shall not be construed so as to give rise to any pecuniary liability of the Authority or any of its members, officers, or employees, or to give rise to a charge upon the general credit of the Authority or such members, officers or employees, including without limitation in respect of general liability for repayment of the Bonds; any pecuniary liability hereunder of the Authority shall be limited exclusively to the extent provided for in the Indenture and Loan Agreement.

Section 10. Effective Date of Resolution. This Resolution shall take effect immediately.

CERTIFICATION

I, the undersigned (Assistant) Secretary of the Philadelphia Authority for Industrial Development, hereby certify that this is a true and correct copy of the Resolution adopted by the Board of the Philadelphia Authority for Industrial Development on June 2, 2020 at a duly called and convened public meeting of said Board; that public notice of said meeting was given as required by law; and that such Resolution and the votes thereon have been duly recorded in the minutes.

[SEAL]

By: \_\_\_\_\_  
(Assistant) Secretary

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

AMENDMENT TO RESOLUTION

AMENDMENT TO RESOLUTION APPROVING THE FINANCING OF A PROJECT FOR THE STARFINDER FOUNDATION; PROVIDING FOR AND AUTHORIZING THE CREATION, ISSUANCE AND SALE OF THE AUTHORITY'S REVENUE NOTE TO FINANCE SUCH PROJECT; AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF VARIOUS FINANCING DOCUMENTS RELATING TO THE ISSUANCE AND SALE OF THE NOTE; AUTHORIZING OTHER NECESSARY OR DESIRABLE ACTION; RATIFYING PRIOR ACTIONS; AND REPEALING INCONSISTENT RESOLUTIONS.

**Background:**

**WHEREAS**, the Philadelphia Authority for Industrial Development (the "Authority") is organized and existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") pursuant to the Pennsylvania Economic Development Financing Law, as amended (the "Act"), established to promote the health, safety, morals and general welfare of the people of the Commonwealth for the public purpose of alleviating unemployment, maintaining employment at a high level, eliminating and preventing blight, and creating and developing business opportunities by the construction, improvement, rehabilitation, revitalization and financing of industrial, commercial, and other economic activities; and

**WHEREAS**, the Starfinder Foundation Inc. (the "Borrower"), a Pennsylvania nonprofit corporation and a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), previously submitted an application for financing a Project at a May 5, 2020 meeting, which was approved by the Authority.

**WHEREAS**, the Borrower desires the Authority to amend the appointment of bond counsel with respect to issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT AS FOLLOWS:

1. The appointment of the law firm of Clark Hill PLC and/or other Red Book-recognized law firm acceptable to the Borrower and the Authority as Bond Counsel in connection with the issuance of the Note is hereby ratified, approved and confirmed.
2. The Authority hereby ratifies and confirms any and all prior actions taken by or on behalf of the Authority consistent with the intent of this Resolution.
3. This Resolution is effective immediately.

CERTIFICATE OF SECRETARY

The undersigned, (Assistant) Secretary of the Board of the Philadelphia Authority for Industrial Development HEREBY CERTIFIES that:

The foregoing Resolution was duly moved and seconded and adopted by a majority vote of all members of the Board of the Authority at a duly called and convened public meeting of said Board held on June 2, 2020; that public notice of said meeting was given as required by law and that such Resolution and the votes thereon have been duly recorded in the minutes.

WITNESS my hand and seal of the Authority this \_\_\_\_ day of \_\_\_\_, 2020.

(Seal)

\_\_\_\_\_  
(Assistant) Secretary