

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
August 18, 2020**

Vice Chair, David Hyman, presided over the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development held on Tuesday, August 18, 2020 at 5:00 p.m. via Zoom.

Other Members attending:

Evelyn Smalls
Malcolm Ingram
Thomas A. K. Queenan

Attending from PIDC staff:

Anne Bovaird Nevins, President
Sam Rhoads, Executive Vice President & SVP, Financial Services
Ilene Burak, Esq., Senior Vice President and General Counsel
Cassie Gardner, Executive Assistant to the President

Upon a motion duly made and seconded the Minutes of the meeting held on July 14, 2020 were unanimously approved.

Chairperson Smalls requested approval of the following Resolutions:

- I. A Resolution authorizing PAID to execute a Financial Assistance Agreement with the EDA to accept a \$7,458,000 grant, which is funded under the additional Supplemental Appropriations for Coronavirus Aid, Relief, and Economic Act; and enter into an agreement with PIDC CC to subgrant the \$7,458,000 EDA CARES grant and to transfer the ongoing administration of this grant in perpetuity.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements and do such other acts necessary 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 1, authorizing the issuance of tax-exempt revenue bonds through the Philadelphia PAID in an amount not to exceed \$70,000,000, on behalf of the DeMedici Corporation and/or DeMedici Corporation II.

The proceeds of the bonds will be used by the Borrower to finance (i) the refinancing of all or a part of the Authority's Revenue Bond Series 2013 (Philadelphia Performing Arts Charter School Project), (ii) the refinancing of existing debt used to finance the acquisition, construction and equipping of facilities located at 2630 South Broad Street and 2632 South Broad Street; in the

City of Philadelphia (iii) the funding of a debt service reserve fund and capitalized interest if deemed necessary and (iv) certain costs of issuance relating to the bonds.

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 Borrower 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.

- III. A Resolution, in the form attached as Enclosure 2, authorizing PAID to execute and deliver amendments to certain documents in connection with the Authority's Revenue Bonds (William Penn Charter School), Series A of 2014 and Revenue Bonds (William Penn Charter School), Series B of 2014 which were issued on behalf of the Overseers of the Public School/William Penn Charter School.

The contemplated amendments will allow the School to postpone TD Bank, NA's optional tender right on the Bonds from the 10th anniversary of the original issuance of the Bonds until February 2032, and extend the existing swap agreement with Toronto Dominion Bank, New York Branch termination date to February 2032.

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 School and its affiliates 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.

- IV. A Resolution to amend the contract the Board of Directors of PAID previously approved with Sci-Tek Consultants Inc. to conduct Phase I & II Environmental Site Assessments for five properties in the Lower Schuylkill River.

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: August 18, 2020

AUTHORIZING THE UNDERTAKING BY THE PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT OF THE FINANCING OF A PROJECT FOR THE BENEFIT OF DEMEDICI CORPORATION AND DEMEDICI CORPORATION II (COLLECTIVELY, THE “BORROWER”); AUTHORIZING THE ISSUANCE OF UP TO \$70,000,000 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; AUTHORIZING AN AMENDMENT TO THE FINANCING DOCUMENT EXECUTED IN CONNECTION WITH THE AUTHORITY’S REVENUE BONDS (PHILADELPHIA PERFORMING ARTS CHARTER SCHOOL PROJECT), SERIES OF 2013, TO CLARIFY CERTAIN PROVISIONS RELATED TO THE ISSUANCE OF PARITY INDEBTEDNESS ISSUED THEREUNDER AND AUTHORIZING ALL ACTIONS OF THE AUTHORITY IN CONNECTION THEREWITH.

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 (“DCED”); and

WHEREAS, each of DeMedici Corporation and DeMedici Corporation II (collectively, 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 and/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) the refunding of the Authority's Revenue Bonds (Philadelphia Performing Arts Charter School Project), Series of 2013 (the "2013 Bonds"), issued in the original aggregate principal amount of \$55,500,000;
- (2) the payment of, or reimbursement to the Borrower for, and/or refinancing of a bridge loan (the "Bridge Loan") that financed, the acquisition, construction, renovation and equipping of school facilities and other buildings located at 2632 South Broad Street, Philadelphia, PA 19145 (the "2632 Broad Street Facility") to expand capacity for the operations of Philadelphia Performing Arts: A String Theory Charter School (the "Charter School");
- (3) the payment of, or reimbursement to the Borrower for, the construction, renovation, and equipping of school facilities and other buildings located at its existing campus at 2630 South Broad Street, Philadelphia, PA 19145 (the "2630 Broad Street Facility" and together with the 2632 Broad Street Facility, the "Campus");
- (4) the payment of capitalized interest on the Bonds, if deemed necessary in connection with the sale of the Bonds;
- (5) the funding of any required reserves, if deemed necessary in connection with the sale of the Bonds; and
- (6) the payment of 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 desires to lease, as landlord, all or a portion of the Campus to the Charter School, as tenant, under one or more lease agreements between the Borrower and the Charter School (as may be amended or supplemented from time to time, the "Lease Agreement"); 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 may deliver to the Authority or to the Trustee, for the benefit of the Bondholders, such mortgages, assignments, guaranties, revenue pledges or other security, pursuant to one or more security agreements, including its rights under the Lease Agreement (the "Security Agreements"), as may be necessary in connection with the offering and sale of the Bonds, and 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 any such Security Agreements 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 Truist Securities, Inc., 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; and

WHEREAS, prior to the issuance of the Bonds, the Borrower may determine that it is in the best interest of the Borrower and the Charter School to seek interim financing in the form of the Bridge Loan described above from an interim lender (the "Bridge Loan Lender") and evidenced by a promissory note from the Borrower in favor of the Bridge Loan Lender (the "Bridge Loan Note"); and

WHEREAS, the Bridge Loan Note, if executed and delivered to the Bridge Loan Lender, shall constitute "Parity Indebtedness" under that certain Loan and Trust Agreement dated as of June 1, 2013 (the "2013 LTA"), among the Authority, the Borrower and U.S. Bank National Association, as trustee (the "2013 Trustee"), and such Bridge Loan Note shall be secured on a *pari passu* basis with the 2013 Bonds; and

WHEREAS, in connection with the Bridge Loan, the Borrower will be required to enter into a supplement to the 2013 LTA (the "2013 LTA Supplement") to provide for the issuance of the Bridge Loan Note as "Parity Indebtedness" and other matters in connection therewith; provided, however that, certain amendments to the 2013 LTA are necessary in order to clarify provisions relating to the Bridge Loan Lender's rights with respect to the sharing of control of, or notices related to, the exercise of remedies upon an event of default under the 2013 LTA; and

WHEREAS, pursuant to Section 12.01(a)(iv) of the 2013 LTA, the 2013 LTA may be amended without the consent of the Holders of Obligations described therein provided that such amendment is executed by and among the Authority, the Borrower and the 2013 Trustee; and

WHEREAS, the Authority desires to authorize and approve the 2013 LTA Supplement and such other instruments and documents as shall be necessary or appropriate to effectuate the purposes thereof;

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 \$70,000,000. The Bonds

shall be designated “Philadelphia Authority for Industrial Development Charter School Revenue Bonds (Philadelphia Performing Arts: A String Theory Charter School Project)” 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 (as defined in Section 9 hereof), counsel to the Authority and the Authorized Officer (as defined in Section 6 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. Approval of the 2013 LTA Supplement. The Authority hereby authorizes and approves the execution and delivery of the 2013 LTA Supplement, if such supplement is deemed necessary by the Borrower, and any amendments or supplements thereto, containing such terms and provisions as Bond Counsel (as defined in Section 9 hereof), counsel to the Authority and the Authorized Officer (as defined in Section 6 hereof) of the Authority executing the 2013 LTA Supplement shall approve, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 6. 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, the 2013 LTA Supplement, 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, the Project, and the execution and delivery of the 2013 LTA Supplement 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 7. 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 8. 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, the Bonds and the 2013 LTA Supplement are hereby ratified and approved.

Section 9. Appointment of Bond Counsel, Trustee and Underwriter. Ballard Spahr LLP is hereby appointed Bond Counsel; and Truist Securities, Inc. (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 further authorized to appoint U.S. Bank National Association to serve as bond trustee for the Bonds. The Authorized Officers are authorized to appoint a replacement Bond Counsel, Underwriter or Trustee 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.

Section 10. 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 11. 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 August 18, 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

RESOLUTION

August 18, 2020

AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENTS WITH RESPECT TO AN EXISTING FINANCING FOR THE OVERSEERS OF THE PUBLIC SCHOOL/WILLIAM PENN CHARTER SCHOOL.

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") has previously issued its Revenue Bonds (William Penn Charter School), Series A of 2014 and Revenue Bonds (William Penn Charter School), Series B of 2014 (collectively, the "Bonds"), on behalf of the Board of Overseers of the Public School/William Penn Charter School (the "Borrower"); and

WHEREAS, the Bonds were issued pursuant to a Bond Purchase and Loan Agreement dated as of December 2, 2014 (the "Agreement") among the Authority, the Borrower and TD Bank, N.A. (the "Bank") and secured by the Borrower's Series A of 2014 Note and the Series B of 2014 Note (collectively, the "Notes"), each dated December 2, 2014; and

WHEREAS, the Bonds and the Notes bear interest at a floating rate; and

WHEREAS, in order to manage the interest rate risk thereon, the Borrower entered into a floating to fixed rate swap agreement (the "Swap") with the Toronto Dominion Bank, New York Branch (the "Swap Provider"), which Swap terminates on December 1, 2024; and

WHEREAS, the Bank, at the request of the Borrower, has proposed amendments to the Agreement, the Bonds and the Notes in order to postpone the Bank's optional tender right on the Bonds from the 10th anniversary of the original issuance of the Bonds until February 2032; and

WHEREAS, the Authority, the Borrower and the Bank desire to amend the Agreement, the Bonds and the Notes (the "Amendments"), in order to, among other things, postpone the Bank's optional tender right on the Bonds from the 10th anniversary of the original issuance of the Bonds until February 2032; and

WHEREAS, in connection with the modification of the Bank's optional tender right, the Borrower and the Bank desire to extend the term of the Swap to match the new optional tender date on the Bonds and such extension may result in a termination of the Swap and the delivery of a new interest rate swap obligation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE AUTHORITY AS FOLLOWS:

1. Execution and Delivery of Documents. The Chairperson, Vice Chairperson, Secretary, Assistant Secretary or Treasurer of the Authority is hereby authorized to execute and deliver, in the name of the Authority and on its behalf, the following documents and to approve the final form and substance thereof, and any amendments or supplements thereto before or after the initial execution and delivery thereof, such approvals to be conclusively evidenced by the execution thereof, and any officer or member of the Authority is hereby authorized to affix to all of the following documents the seal of the

Authority and to attest to the same: (a) the Amendments; and (b) such other documents, agreements, security agreements, financing statements, instruments and certifications (including an identification of a qualified hedge, a supplement to the federal tax certificate, and an I.R.S. Form 8038), as the executing officer or member determines to be reasonable and appropriate in connection with the Amendments and the Swap as authorized by this Resolution. For the avoidance of doubt, the proper officers and members of the Authority may, to the full extent permitted by applicable law, execute the documents in connection with the transactions contemplated by this Resolution by digital or other electronic means.

2. Binding Effect of Covenants and Agreements. All covenants, obligations and agreements of the Authority set forth in this Resolution and in the documents authorized hereby shall be deemed to be the covenants, obligations and agreements of the Authority to the full extent authorized or permitted by law, and all such covenants, obligations and agreements shall be binding upon the Authority and its successors from time to time and upon any board or body to which any powers or duties affecting the same shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Authority or the members thereof by the provisions of this Resolution or the documents authorized hereby shall be exercised or performed by such members, officers or other representatives of the Authority as may be required or permitted by law to exercise or perform the same. No covenant, obligation or agreement herein contained or contained in any documents authorized hereby shall be deemed to be a covenant, obligation or agreement of any member, officer, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any officer executing the Amendments or any other document authorized by this Resolution shall be liable personally thereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

3. Further Action. Any officer or member of the Authority is hereby authorized and directed to execute such further documents and do such further things as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

4. Repeal of Inconsistent Resolutions. All prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.

5. Effective Date. This Resolution shall take effect immediately.

Adopted: August 18, 2020

CERTIFICATE OF SECRETARY

The undersigned, (Assistant) Secretary of the Philadelphia Authority for Industrial Development (the "Authority"), hereby certifies that the foregoing is a true and correct copy of the Resolution which was adopted by a majority vote of the Authority, at a meeting thereof held after due public notice as required by law, on August 18, 2020.

(SEAL)

BY: _____
(Assistant) Secretary