

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT**

JULY 15, 2014

Thomas A.K. Queenan, Chairman, presided at the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development on Tuesday, July 15, 2014, at 5:00 p.m. in PIDC's Board Room, 26th floor, Centre Square West, 1500 Market Street, Philadelphia, PA.

Members attending:

David L. Hyman, Esquire
Harold Yaffe, DDS

Attending from the PIDC staff:

John Grady	President, PIDC
Sam Rhoads	Executive Vice President, PIDC
Anthony Simonetta	Senior Vice President, Operations, PIDC
Ilene Burak, Esq.	Senior Vice President/General Counsel
Wanda Speight	Senior Vice President, Financial Services
Meg Clark	Executive Assistant, Office of the President

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Minutes of the Meeting of the PAID Board held on June 17, 2014 were approved.

Mr. Grady requested approval of the following:

1. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to provide a loan in the amount of \$2,300,000 for a term of 15 years at a fixed interest rate of 2.75% to Rhoads Industries, Inc. or its nominee or assignee. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and do such other acts necessary to assist Rhoads Industries, Inc. or its nominee or assignee upon such terms and conditions as they deem to be in the best interests of this Corporation.

Upon motion made by Dr. Yaffe and seconded by Mr. Hyman, the Members unanimously approved the above Resolution.

2. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into an agreement with the Philadelphia Industrial Development Corporation (PIDC) regarding the repayment of capital advances made by PIDC for PAID-owned infrastructure improvements at The Navy Yard (TNY). The

repayments are expected to occur over a 20-year period as cash is available from the sale of unencumbered real estate or real estate operations without a charge for interest. The appropriate officers of PAID are authorized and empowered to execute all necessary documents and agreements in connection with this agreement.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolution.

3. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to lease approximately 2.7 acres of land in the Eastwick Industrial Park to D'Angelo Brothers, Inc. (D'Angelo) for materials storage related to construction of the new Comcast tower at 18th and Arch Streets. The parcel is located at 7401 Holstein Avenue. The proposed lease term is three years, beginning on August 1, 2014. The proposed monthly rent is \$2,700. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to take such other actions as may be required to implement this resolution.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolution.

4. A Resolution authorizing the Philadelphia Authority for Industrial Development ("PAID" or the "Authority") consent for the issuance of bank qualified tax-exempt bonds (the "Bonds") in an amount up to \$5,000,000 through the Narberth Borough Industrial Development Authority, on behalf of Germantown Friends School (the "School") in the form attached hereto as Enclosure 1. The Narberth Borough Industrial Development Authority is a qualified small issuer and eligible issuer of bank-qualified tax-exempt bonds. The proceeds of the Bonds will be used by the School to finance various capital projects, including but not limited to deferred maintenance to campus facilities, installation of a data network, roof repairs, and the cost of issuance of 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 School upon such terms and conditions as they deem to be in the best interests of the Authority.

Upon motion made by Dr. Yaffe and seconded by Mr. Hyman, the Members unanimously approved the above Resolutions.

5. A Resolution authorizing the Philadelphia Authority for Industrial Development's ("PAID" or the "Authority") consent for the issuance of a bank qualified tax-exempt note (the "Note") in an amount up to \$7,400,000 through the Lower Salford Industrial Development Authority ("LSIDA"), on behalf of the Settlement Music School (the "School" or "Borrower") in form attached hereto as Enclosure 2. LSIDA is a qualified small issuer and eligible issuer of bank-

qualified tax-exempt notes. The proceeds of the proposed financing will finance the refunding of the Borrower's existing tax-exempt debt issued through PAID in 2009. 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 the Authority.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolution.

6. A Resolution authorizing the issuance of tax-exempt bonds (the "Bonds") through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority") in the form attached hereto as Enclosure 3, in an amount not to exceed \$250,000,000, on behalf of The Children's Hospital of Philadelphia and The Children's Hospital of Philadelphia Foundation (collectively the "Borrowers"). The proceeds of the bonds will be used by the Borrowers to finance (i) the construction of the Buerger Center, a 12-story, 700,000 square feet ambulatory care center, including a 5-level underground parking garage for 1,500 cars; (ii) the reimbursement of certain project costs incurred and paid by the Borrowers; (iii) bond reserves and capitalized interest during construction and (iv) the 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 Borrowers upon such terms and conditions as they deem to be in the best interests of the Authority.

Upon motion made by Dr. Yaffe and seconded by Mr. Hyman, the Members unanimously approved the above Resolutions.

7. A Resolution authorizing the issuance of one or more series of revenue bonds (the "Bonds") through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority") in the form attached hereto as Enclosure 4, in an amount not to exceed \$65,000,000, on behalf of Paul's Run and Artman Lutheran Home (the "Borrowers"). The proceeds of the Bonds will be used by the Borrowers to finance (i) the current refunding of the Authority's \$43,285,000 Variable Rate Demand Revenue Bonds (Liberty Lutheran Services Project), Series of 2008, (ii) improvements to and equipping of the Paul's Run Retirement Community and Artman Lutheran Home facilities as well as (iii) the Bonds' 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 Borrowers upon such terms and conditions as they deem to be in the best interests of the Authority.

Mr. Grady informed the Members that Suzanne Mayes, Esquire, a Member of the Board of PIDC, is Chair, Public & Project Finance for Cozen O'Connor, the bond counsel in the financing for this project.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolution.

There being no further business, the Meeting was adjourned.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

APPROVING THE UNDERTAKING OF A PROJECT BY THE
NARBERTH BOROUGH INDUSTRIAL DEVELOPMENT
AUTHORITY OF A PROJECT ON BEHALF OF GERMANTOWN
FRIENDS SCHOOL

WHEREAS, Germantown Friends School (the "*Borrower*"), a Pennsylvania nonprofit corporation and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*"), operates a private school located at and around Germantown and Coulter Streets within the City of Philadelphia, Pennsylvania; and

WHEREAS, the Borrower has requested that the Narberth Borough Industrial Development Authority (the "*Narberth Authority*") provide financial assistance to the Borrower through the issuance by the Narberth Authority of up to \$5,000,000 of its bank-qualified tax-exempt School Revenue Bonds (the "*2014 GFS Bonds*") to finance the costs of various capital projects of the Borrower, including without limitation, upgrades, replacements and deferred maintenance to campus facilities, including installation of data network, roof repairs and other general facilities improvements and additions, and paying the costs of issuing the 2014 GFS Bonds (collectively, the "*2014 GFS Project*"); and

WHEREAS, the Narberth Authority desires to approve and undertake the financing of the 2014 GFS Project with the consent and approval of PAID; and

WHEREAS, in connection with the financing by the Narberth Authority of the 2014 GFS Project, PAID will be required to cooperate with appropriate officials of the City of Philadelphia to conduct a public hearing for the purpose of securing the necessary public approval required under Section 147(f) of the Code; and

NOW, THEREFORE, BE IT RESOLVED, by the Philadelphia Authority for Industrial Development as follows:

1. PAID hereby consents to and approves the financing of the 2014 GFS Project by the Narberth Authority through the issuance of "qualified small issue bonds" under section 265(b)(3) of the Code, as described herein and as described in the financing application of the Narberth Authority prepared under the Pennsylvania Economic Development Financing Law, a copy of which has been provided to PAID.

2. The appropriate officers of PAID are hereby authorized and directed to take such action as may be necessary or desirable to do and perform for or on behalf of PAID to assist the Narberth Authority in connection with the 2014 GFS Project including, without limitation conducting a public hearing with respect to the 2014 GFS Project and the issuance of the 2014 GFS Bonds by the Narberth Authority and to report thereon to the Mayor of the City of Philadelphia, all as required by section 147 of the Code.

3. All costs of the 2014 GFS Project, including fees and expenses of PAID shall be paid by the Borrower from the proceeds of the financing or otherwise from its available funds, and PAID shall have no responsibility therefor.

4. This Resolution shall take effect immediately upon adoption.

Adopted this 15th day of July, 2014.

I, the Secretary of Philadelphia Authority for Industrial Development, do hereby certify that the foregoing is a true, correct and complete copy of a resolution adopted by the Authority at a meeting held on July 15, 2014, notice of which was given in accordance with the requirements of law and the by-laws of the Authority and at which a quorum of the Authority was present and acted throughout; and that such resolution has not been amended, modified or repealed.

Secretary

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

APPROVING THE FINANCING BY THE LOWER SALFORD
INDUSTRIAL DEVELOPMENT AUTHORITY OF A PROJECT ON BEHALF OF
SETTLEMENT MUSIC SCHOOL OF PHILADELPHIA

WHEREAS, the Philadelphia Authority for the Industrial Development (“PAID”) is organized under the Pennsylvania Economic Development Financing Law (the “Act”) and is empowered under the Act to acquire, by purchase or otherwise, any lands or interest therein or other property which it may determine is reasonably necessary for any project (as defined in the Act) and to enter into contracts with respect to the financing for any project (as defined in the Act); and

WHEREAS, Settlement Music School of Philadelphia (the “Borrower”), is a Pennsylvania nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), formed for the purpose of engaging in charitable and education activities; and

WHEREAS, the Borrower has requested the Lower Salford Industrial Development Authority (“LSIDA”) to issue up to Seven Million Four Hundred Thousand Dollars (\$7,400,000.00) in bank qualified indebtedness to fund (1) the refinancing of existing tax-exempt indebtedness incurred in November, 2009, the proceeds of which were used for (a) repayment of taxable indebtedness incurred by the School on August 25, 2009 to repay the outstanding principal of the Philadelphia Authority for Industrial Development (“PAID”) Variable Rate Demand Revenue Bonds (Settlement Music School of Philadelphia Project), Series 2004 (the “2004 Bonds”), previously issued by PAID on behalf of the School to pay all or a portion of the costs of: (i) the renovation and expansion of the School’s Mary Louise Curtis (Queen Street) Branch, including the construction of an approximately 12,000 square foot addition; (ii) the implementation of a comprehensive technology upgrade, including a new telephone system, data network and custom designed software for student scheduling, billing, payroll and donor gift activity; (iii) renovation and expansion of the School’s Germantown Branch, including additional parking and construction of a new entrance; (iv) acquisition, renovation and equipping of a site for the School’s Jenkintown Branch, including approximately 1.7 acres of land and an approximately 12,000 square foot building thereon; and (v) other miscellaneous renovations, improvements and additions, including capital repairs, at any or all of the School’s facilities, including, without limitation, roof replacement at the Queen Street, Kardon-Northeast and Germantown Branches; (b) additional funds obtained for the financing of certain additional capital projects of the School including: (i) construction of a 25,000 square foot, three-story facility to replace the Jenkintown Branch in Abington Township with expanded voice and

instrument teaching facilities, including additional parking to 110 cars; and (ii) renovation of the Germantown Branch location, including the expansion of ancillary parking facilities onto adjacent vacant lots owned by the School and related site work; and (iii) payment of financing costs; (2) payment of a portion of the costs of issuance of the Note and (3) other appropriate and lawful purposes (collectively, the "Project"); and

WHEREAS, LSIDA desires to approve and undertake the Project with the consent and approval of the Philadelphia Authority for Industrial Development ("PAID"); and

WHEREAS, in connection with the financing by LSIDA of the Project, PAID will be required to cooperate with appropriate officials of the City of Philadelphia to conduct a public hearing for the purpose of securing the necessary public approval required under Section 147(f) of the Code; and

NOW, THEREFORE, BE IT RESOLVED, by the Philadelphia Authority for Industrial Development as follows:

1. PAID hereby consents to and approves the financing of the Project by LSIDA as described herein and as described in the financing application of LSIDA prepared under the Pennsylvania Economic Development Financing Law, a copy of which has been provided to PAID.

2. The appropriate officers of PAID are hereby authorized and directed to take such action as may be necessary or desirable to do and perform for or on behalf of PAID to assist LSIDA in connection with the Project including, without limitation, conducting a public hearing with respect to the Project and the issuance of the Bonds by LSIDA and to report thereon to the Mayor of the City of Philadelphia, all as required by Section 147 of the Code.

3. LSIDA reasonably anticipates that it, and Lower Salford Township and any other entities issuing debt on either of their behalf will not issue, in the aggregate, more than \$10,000,000 of tax-exempt obligations during calendar year 2014. LSIDA hereby designates the Bonds as qualified tax-exempt obligations of the LSIDA under Section 265(b)(3)(B) of the Code.

4. All costs of the Project, including fees and expenses of PAID, shall be paid by the Borrower from the proceeds of the financing or otherwise from its available funds, and PAID shall have no responsibility therefor.

5. This Resolution shall take effect immediately upon adoption.

Adopted this _____ day of July, 2014.

CERTIFICATION

I, the Secretary of the Philadelphia Authority for Industrial Development, do hereby certify that the foregoing is a true, correct and complete copy of the Resolution adopted by the Authority at a meeting on _____, 2014, notice of which was given in accordance with the requirements of law and the by-laws of the Authority and at which a quorum of the Authority was present and acted throughout; and that such Resolution has not been amended, modified or repealed.

Secretary

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
PHILADELPHIA COUNTY, PHILADELPHIA

RESOLUTION

Adopted: July 15, 2014

APPROVING THE FORM OF AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A LOAN AND TRUST AGREEMENT AND A PURCHASE CONTRACT; APPROVING THE FORM AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT, APPROVING THE FORM OF, DISTRIBUTION OF, EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; AUTHORIZING THE ISSUANCE OF UP TO \$250,000,000 AGGREGATE PRINCIPAL AMOUNT OF HOSPITAL REVENUE BONDS (THE CHILDREN'S HOSPITAL OF PHILADELPHIA PROJECT), SERIES OF 2014 IN ONE OR MORE SERIES; AUTHORIZING THE UNDERTAKING OF A PROJECT DESCRIBED HEREIN, AND THE PAYMENT OF BOND ISSUANCE EXPENSES; AUTHORIZING OFFICERS OF THE AUTHORITY TO TAKE RELATED ACTIONS; AND REPEALING INCONSISTENT RESOLUTIONS.

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is an industrial development authority existing under and governed by the provisions of the Pennsylvania Economic Development Financing Law (formerly the Industrial and Commercial Development Law), Act of 1957, as amended; and

WHEREAS, the Act vests the Authority, inter alia, with power to provide financing and the development and promotion of commercial facilities, including healthcare facilities; and

WHEREAS, The Children's Hospital of Philadelphia (the "Hospital") and The Children's Hospital of Philadelphia Foundation (the "Foundation") are each a Pennsylvania nonprofit corporation, organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, the Hospital and the Foundation (collectively, the "Obligated Group") have requested the Authority to provide funds for a project consisting of: (i) completion of the construction the Buerger Center, a new, 12-story ambulatory care center, a 5-level underground parking garage for 1,500 cars and other improvements relating to the Buerger Center; (ii) undertaking certain other miscellaneous capital projects, equipment purchases and campus renovation; (iii) reimbursing the Obligated Group for certain costs heretofore incurred in connection with such projects; and (iv) funding of reserves, payment of capitalized interest costs during construction, payment of bond issuance expenses and related costs and expenses (the "Project"); and

WHEREAS, at the request of the Obligated Group, the Authority has determined that it is in the best interests of the residents of the City of Philadelphia to participate in the financing of the Project and to issue for such purpose up to \$250,000,000 (exclusive of any original issue discount/premium) in aggregate principal amount of its hospital revenue bonds in one or more series to be designated "Philadelphia Authority for Industrial Development Hospital Revenue Bonds (The Children's Hospital of Philadelphia Project), Series of 2014" (the "2014 Bonds"); and

WHEREAS, the Authority desires to issue the 2014 Bonds under the terms of a Loan and Trust Agreement (the "Loan and Trust Agreement"), which shall secure the 2014 Bonds and provide for the payment of amounts thereunder sufficient to pay the principal, redemption price or purchase price of, and interest on, the 2014 Bonds; and

WHEREAS, J.P. Morgan Securities LLC (the "Underwriter"), will purchase the 2014 Bonds pursuant to the terms and subject to the conditions set forth in a bond purchase agreement (the "Bond Purchase Agreement"), will distribute a Preliminary Official Statement (the "Preliminary Official Statement") and a final Official Statement (the "Official Statement") relating to the proposed sale of the 2014 Bonds and has requested that the Authority ratify, authorize and approve such distribution and authorize the execution on its behalf of the Official Statement for distribution in connection with the sale of the 2014 Bonds; and

WHEREAS, certain Board actions are required to be taken by the Authority as a prerequisite to the issuance and sale of the 2014 Bonds;

NOW THEREFORE, BE IT RESOLVED, by the Board of the Authority that:

Section 1. Pursuant to the provisions of the Act and subject to the conditions hereinafter set forth, the Authority hereby declares the financing of the Project to be an authorized undertaking of the Authority for the purpose of providing funds for the Project, and the Authority hereby authorizes the issuance of the 2014 Bonds in one or more series in fully registered form in the authorized denominations as set forth in the Loan and Trust Agreement, in an aggregate principal amount not to exceed \$250,000,000, exclusive of original issue discount/premium.

Section 2. The 2014 Bonds shall be issued and secured under the terms of the Loan and Trust Agreement by certain revenues and monies of the Obligated Group, which are pledged for the payment of principal or redemption price or purchase price of, and interest on, the 2014 Bonds.

Section 3. The Chairman or Vice-Chairman of the Authority is hereby authorized and directed to execute, acknowledge and deliver to The Bank of New York Mellon Trust Company, N. A., as Trustee, the Loan and Trust Agreement, and the Secretary or Assistant Secretary is hereby authorized and directed to affix and attest the corporate seal of the Authority to, the Loan and Trust Agreement in such form as shall be approved by such officers executing the same with such changes therein as counsel to the Authority may advise and the officers executing the same

Authority (excluding therefrom administrative expenses of the Authority and the Authority's rights to indemnification thereunder), will be assigned, transferred, pledged and set over unto the Trustee for the purposes and under the provisions of the Loan and Trust Agreement.

Section 4. The form of the 2014 Bond in such form as will be contained in the form of the Loan and Trust Agreement approved in Section 3 hereof is hereby approved, with appropriate insertions and variations therefrom as are necessary or desirable to conform to the final terms of the 2014 Bonds provided in the Purchase Contract and the Loan and Trust Agreement. The 2014 Bonds shall be executed on behalf of the Authority by the manual or facsimile signatures of the Chairman or Vice-Chairman of the Authority and shall bear the Authority seal or a facsimile thereof, attested by the Secretary or Assistant Secretary of the Authority. Following such execution, the Chairman or Vice-Chairman is authorized and directed to deliver the 2014 Bonds to the Trustee for authentication and, when they have been authenticated, to deliver them or cause them to be delivered to the Underwriter against receipt of the agreed purchase price plus accrued interest due, if any.

Section 5. Upon receipt of the proceeds of the sale of the 2014 Bonds and accrued interest, if any, the Trustee is hereby authorized to deposit the same and make disbursements thereof and deposits as provided in the Loan and Trust Agreement, all as specified in a Closing Statement signed by the Chairman or Vice-Chairman of the Authority and approved by the Obligated Group and delivered to the Trustee.

Section 6. The Chairman or Vice-Chairman of the Authority is hereby authorized and directed to execute and deliver the Bond Purchase Agreement in such form as approved by such officers executing the same and subject to such changes and modifications therein as counsel may advise and the officers executing the same may approve, the execution thereof to be conclusive evidence of such approval; provided that the aggregate principal amount of the 2014 Bonds does not exceed \$250,000,000, exclusive of any original issue discount/premium.

Section 7. The Chairman or Vice-Chairman of the Authority is hereby authorized to approve the form of Preliminary Official Statement with respect to the 2014 Bonds and to deem the Preliminary Official Statement final, except for the omission of such information which is dependent upon the final pricing of the 2014 Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934. The use and distribution of the Preliminary Official Statement with respect to the 2014 Bonds (and the final Official Statement in substantially such form), is hereby approved and the use and distribution by the Underwriter of such Preliminary Official Statement in connection with the public marketing of the 2014 Bonds is hereby ratified and approved. The Chairman or Vice-Chairman of the Authority is hereby authorized and directed to approve the contents of and execute the Official Statement with respect to the 2014 Bonds, containing such terms and provisions which are consistent with the Loan and Trust Agreement and the Purchase Contract in substantially the same form of the Preliminary Official Statement, with such changes and

modifications therein as counsel may advise and the officers executing the same may approve, the execution thereof to be conclusive evidence of such approval.

Section 8. The appropriate officers of the Authority are hereby authorized, empowered and directed on behalf of the Authority (a) to execute, acknowledge and deliver and cause the corporate seal of the Authority to be affixed thereto, duly attested by the Secretary or the Assistant Secretary, any and all papers and documents, and to take all such other action not inconsistent with law, as may be necessary or appropriate in order to effectuate the execution and delivery of the agreements and documents approved herein, and any other documents necessary or appropriate in connection therewith, including appropriate financing statements and documents necessary for the offering of the 2014 Bonds for sale under the securities laws of various states, as determined by the Underwriter and its counsel, and (b) to do or cause to be done any and all acts and things necessary and proper for the execution or carrying out of the purposes of this Resolution, the Purchase Contract, the Loan and Trust Agreement, the Official Statement, the issuance and delivery of the 2014 Bonds, and the transactions contemplated under the foregoing documents.

Section 9. All prior resolutions or parts thereof inconsistent herewith are hereby rescinded, cancelled and annulled.

Section 10. This Resolution shall take effect immediately upon its adoption.

(Assistant) Secretary

(Vice) Chairman

[SEAL]

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT
(COMMONWEALTH OF PENNSYLVANIA)

BOND RESOLUTION

July 15, 2014

AUTHORIZING A PROJECT FOR PAUL'S RUN AND ARTMAN LUTHERAN HOME TO BE FINANCED BY THE AUTHORITY'S REVENUE BONDS; AUTHORIZING THE ISSUANCE OF THE AUTHORITY'S REVENUE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT FOR THE SALE OF THE BONDS; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER NECESSARY DOCUMENTS AND THE TAKING OF OTHER NECESSARY ACTION.

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is authorized by the Pennsylvania Economic Development Financing Law, Act No. 102 of the Commonwealth of Pennsylvania (the "Commonwealth"), approved August 23, 1967, P.L. 251, as amended (the "Act"), to lend funds to finance the costs of certain projects; and

WHEREAS, the Act further authorizes the Authority to issue revenue bonds for the purposes of defraying the cost of any such project and all incidental expenses incurred in issuing such bonds and to secure the payment of such bonds as provided by the Act; and

WHEREAS, Paul's Run and Artman Lutheran Home (the "Borrowers") have requested the Authority to issue up to \$65,000,000 aggregate principal amount of its bonds, in one or more series (the "Bonds"), in order to finance a project (the "Project") consisting of the financing of: (1) the current refunding of the Authority's \$43,285,000 Variable Rate Demand Revenue Bonds (Liberty Lutheran Services Project), Series of 2008; (2) capital improvements and equipment acquisition for the Paul's Run Retirement Community including the design, furnishing, equipping and renovation of the skilled nursing units, personal care dining venues, main lobby and reception area; (3) capital improvements and equipment acquisition for the Artman Lutheran Home including the design, furnishing, equipping and renovation of the skilled nursing and personal care units, relocating and remodeling therapy and dining venues, a new campus-wide phone system, wireless resident and nursing call systems and other mechanical efficiency improvements; and (4) costs of issuance of the Bonds.

WHEREAS, the Bonds will be issued under and subject to, and the Authority will loan the proceeds of the Bonds to the Borrowers, pursuant to the Bond Purchase Agreement (as hereinafter defined) to finance the Project; and

WHEREAS, the Bonds will be purchased in a direct placement by Banc of America Public Capital Corp (the "Purchaser"), pursuant to the terms of a loan agreement, letter agreement, bond purchase agreement or other agreement, or any combination thereof (the "Bond Purchase Agreement"); and

WHEREAS, the Borrowers will further secure their obligations under the Bond Purchase Agreement by delivery of a master note (the "Master Note") to the Authority, such master note to be issued pursuant to a Master Trust Indenture from the Borrowers, as the sole members of the obligated group thereunder, to The Bank of New York Trust Company, N.A, as master trustee, and assigned by the Authority to the Purchaser; and

WHEREAS, a public hearing will be held in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and the Borrowers will request the Mayor of Philadelphia and the Chairman of the Commissioners of Montgomery County to each approve the issue of the Bonds prior to their delivery; and

WHEREAS, the Authority is currently the title owner of Paul's Run's real property pursuant to an existing installment sale agreement with Paul's Run (the "Installment Sale Agreement"); and

WHEREAS, the Authority desires to authorize the issuance, execution and delivery of the Bonds, and the execution and delivery of the Bond Purchase Agreement, the assignment of the Master Note to the Purchaser and the undertaking of the Project, and desires to authorize any officer or member of the Authority to execute such documents on behalf of the Authority and such other documents as shall be necessary or appropriate to issue the Bonds and to finance the Project.

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

1. Approval of the Project. In accordance with the purposes and objectives of the Act, the Authority hereby finds, determines and declares that financing the Project will be a "project" within the meaning of that term as defined in the Act, and approves of and undertakes the financing of the Project as described in the preambles of this Resolution, subject to such modifications as the Authority shall approve with the advice of its counsel.

2. Authorization and Execution of the Bonds; Loan to Borrowers.

(a) In order to provide funds to pay the costs of the Project, the Authority is hereby authorized to issue the Bonds in aggregate principal amount of up to \$65,000,000, in one or more series, upon the terms and conditions contained in the Bond Purchase Agreement.

(b) The issuance of the Bonds in one or more series is hereby approved, each series to bear interest on a tax-exempt or taxable rate basis, as advised by bond counsel. The Bonds shall be designated "Philadelphia Authority for Industrial Development Revenue Bonds (Liberty Lutheran Services Project), Series of 2014" or such other designation as is approved by an officer of the Authority (such approval to be evidenced by execution of the Bonds) with appropriate series or subseries designation.

(c) The Bonds shall be special obligations of the Authority payable only out of the payments made by the Borrowers under the Bond Purchase Agreement. The Bonds shall not be in any way a debt or liability of the Commonwealth of Pennsylvania, the City of Philadelphia or of any political subdivision thereof and shall not create or constitute any indebtedness, liability or obligation of the Commonwealth of Pennsylvania, the City of Philadelphia or any political subdivision, legal, moral or otherwise, nor shall the Bonds be payable out of any funds, revenues or properties of the Authority other

than those pledged therefor. No taxing power of the City of Philadelphia, the Commonwealth or any other political subdivision thereof is pledged to the payment of the principal or purchase price of the Bonds or interest thereon or any premium or other cost incident thereto. The Authority has no taxing power.

(d) The officers of the Authority are hereby authorized to approve the form, exact principal amount, maturity dates, interest rates and other terms of each series of the Bonds, on the advice of its counsel and bond counsel, such approval to be conclusively evidenced by the execution of the Bonds as provided below.

(e) Any officer of the Authority is hereby authorized to execute the Bonds by manual or facsimile signature; any officer of the Authority is hereby authorized to attest by manual or facsimile signature and to affix the seal of the Authority on the Bonds (which is hereby authorized to be impressed or imprinted on the Bonds); and following such execution, the officers of the Authority are hereby authorized to deliver or to cause to be delivered the Bonds to the Purchaser against receipt of the purchase price plus accrued interest, if any, specified in the Bond Purchase Agreement herein authorized, and to deposit and disburse such purchase price as provided in the Bond Purchase Agreement.

(f) The proceeds of the Bonds shall be loaned to the Borrowers to finance the Project, including reimbursement of the Borrowers for costs paid by the Borrowers prior to the issuance of the Bonds.

3. Authorization of the Bond Purchase Agreement. The Authority is hereby authorized to enter into the Bond Purchase Agreement with the Borrowers and the Purchaser. The Bond Purchase Agreement shall provide for the Borrowers to make payments in amounts sufficient to, among other things, meet the debt service requirements on the Bonds and any fees or other amounts due the Authority with respect to the Bonds. The Bond Purchase Agreement shall be in such form as may be approved by an officer of the Authority, on the advice of its counsel and bond counsel, such approval to be conclusively evidenced by the execution of the Bond Purchase Agreement by such officer. The Authority is hereby authorized to assign, transfer and pledge substantially all of its rights under the Bond Purchase Agreement and the Master Note to the Purchaser, except for certain reserved rights as set forth therein.

4. Execution and Delivery of Documents. Any officer 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 Bond Purchase Agreement;
- (b) a mortgage with respect to the property of Paul's Run and/or any amendment or restatement of the Installment Sale Agreement, to the extent required; and
- (c) such other documents, agreements, assignments, mortgages, security agreements, remarketing agreements, financing statements, instruments and certifications (including a Federal Tax Certificate, I.R.S. Form 8038 and any interest rate swap identification), as the executing officer or member determines to be reasonable and appropriate to provide for the issuance of the Bonds and to complete the financing for the Project as authorized by this Resolution.

5. Annual Administrative Fee. The Authority may charge the Borrowers an initial and annual administrative fee in connection with the Bonds to defray the administrative expenses incurred in connection with the Bonds and the Project.

6. Appointment of Bond Counsel. Cozen O'Connor is hereby appointed as bond counsel to the Authority for the issuance of the Bonds.

7. Dating of Bonds and Documents. Any officer of the Authority is hereby authorized to approve the dated date for the Bonds and all other documents authorized hereby, such approval to be conclusively evidenced by the execution of the Bonds and such other documents as authorized hereby.

8. 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 Bonds, the Bond Purchase Agreement 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.

9. 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.

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

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

Adopted: July 15, 2014

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 special meeting thereof held after due public notice as required by law, on July 15, 2014.

(SEAL)

BY: _____
(Assistant) Secretary