

## **RESOLUTION NO. 21-12**

### **RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE AND SALE OF TAX-EXEMPT AND/OR TAXABLE REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$93,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF EQUITABLE SCHOOL REVOLVING FUND, LLC, A DELAWARE LIMITED LIABILITY COMPANY, IN ONE OR MORE SERIES, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT AND/OR TAXABLE REVENUE BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS ASSOCIATED THEREWITH**

WHEREAS, the California Infrastructure and Economic Development Bank (“IBank”) is duly organized and existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) as now in effect and as it may be amended or supplemented (the “Act”); and

WHEREAS, IBank is authorized under provisions of the Act to, among other things, issue tax-exempt and/or taxable revenue bonds to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, Equitable School Revolving Fund, LLC, a Delaware limited liability company (the “Company”), has submitted an application (the “Application”) to IBank for assistance to (a) reimburse, finance and refinance the cost of loans made or to be made to qualifying public charter schools or their affiliates for the purpose of financing or refinancing certain costs of the acquisition, construction, improvement, equipping and furnishing of certain educational facilities located in California, (b) fund a debt service reserve fund, (c) pay capitalized interest with respect to the Bonds, (d) pay certain costs of issuance in connection with the issuance of the Bonds (defined below), and (e) pay termination payments on related hedging arrangements and swap agreements (collectively, the “Project”); and

WHEREAS, for those purposes, the Company has requested that IBank (a) authorize the issuance and delivery of one or more series of its tax-exempt and/or taxable revenue bonds, as senior lien bonds, subordinate lien bonds (collectively, the “Bonds,” and respectively, the “Senior Lien Bonds” and the “Subordinate Lien Bonds”), or any combination of both; any Senior Lien Bonds to be sold in a public offering and any Subordinate Lien Bonds to be sold in a limited offering, direct purchase, or private placement to qualified institutional buyers within the meaning of S.E.C. Rule 144A (“QIBs”) or accredited investors within the meanings of the Code of Federal Regulations, Section 230.501(a)(1), (2), (3), (7), (8), (9), or (12) (“Institutional Accredited Investors” and, together with QIBs, “Sophisticated Investors”), and entitled California Infrastructure and Economic Development Bank National Charter School Revolving Loan Fund Revenue Bonds, Series 2021 – Social Bonds, with appropriate sub-designations differentiating the publicly sold Bonds from those sold in a limited offering, direct purchase, or

private placement, or such other name or names and with such series designations as may be necessary or desirable to conform to the terms of such Bonds to be issued, pursuant to the Bond Indenture (defined below) and the terms set forth in **Exhibit 1** hereto (the “Term Sheet”), (b) loan the proceeds of the Bonds to the Company pursuant to one or more loan agreements to finance and refinance the costs of the Project (the “Company Loan”), (c) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived solely from the Company’s payment of the Company Loan and other sources derived from the Company, and (d) take and authorize certain other actions in connection with the foregoing (collectively, the “Transaction”); and

WHEREAS, the Company has represented that it expects to obtain an initial rating on any Senior Lien Bonds of at least “A” from S&P Global Ratings, and that any Subordinate Lien Bonds will be unrated; and

WHEREAS, consistent with IBank’s policies, the requirement for credit rating by rating agencies may be waived by IBank for IBank bonds (such as the Subordinate Lien Bonds) that are sold in a limited offering, direct purchase, and/or private placement directly to Sophisticated Investors, provided that IBank’s conditions for such transaction are met; and

WHEREAS, because the Transaction provides for any Subordinate Lien Bonds to be placed directly with Sophisticated Investors in minimum denominations of \$100,000, in accordance with IBank policy requirements, any Subordinate Lien Bonds will not be rated by any rating agency; and

WHEREAS, IBank staff have reviewed the Company’s Application and drafts of certain documents proposed to be entered into in connection with the Transaction, including one or more Bond Indentures, one or more Loan Agreements, one or more Purchase Contracts, and one or more Preliminary Official Statements (collectively, the “Transaction Documents”); and

WHEREAS, there are on file with the Secretary of the IBank Board of Directors, proposed forms of the Transaction Documents; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank (the “Board”), as follows:

**Section 1.** The above recitals are true and correct.

**Section 2.** IBank authorizes and approves the issuance, execution, sale and delivery of the Bonds on terms set forth on the Term Sheet and lending the proceeds of the Bonds to the Company in order to finance and refinance the costs of the Project pursuant to terms and provisions as approved by this resolution (the “Resolution”).

**Section 3.** In accordance with IBank’s policies on limited offerings, direct purchases, and private placements to investors that are Sophisticated Investors, IBank hereby waives the requirement for a credit rating in connection with any Subordinate Lien Bonds.

**Section 4.** The Executive Director, or his or her assignee, each acting alone (each, an “Authorized Representative”), is hereby authorized to execute and deliver the Transaction

Documents, substantially in the form on file with the Secretary of the Board, with such insertions, deletions, and changes therein as an Authorized Representative may approve (such approval to be conclusively evidenced by the execution and delivery thereof), together with any and all other agreements, certificates and instruments, including, without limitation, a tax regulatory agreement, a no arbitrage certificate, letters of representations, and certifications of authority, which an Authorized Representative may deem necessary or desirable to consummate the issuance and delivery of the Bonds, assign security provided by the Company with respect to the Company Loan to the Bond Trustee under the Bond Indenture as security for the Bonds, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

**Section 5.** All actions heretofore taken by the officers and employees of IBank with respect to the approval and issuance of the Bonds are hereby approved, confirmed, and ratified. Any Authorized Representative is hereby authorized to take any and all actions, and execute and deliver any and all certificates, which he or she may deem necessary or desirable in order to (i) consummate the sale, issuance and delivery of the Bonds, and the use of the proceeds of the Bonds to fund the Company Loan; (ii) effect the financing and refinancing of the Project; (iii) facilitate the Transaction; (iv) execute and deliver the Transaction Documents; and (v) otherwise effectuate the purposes of this Resolution.

**Section 6.** Unless extended by IBank, the Board's approval of the Transaction is conditioned upon its closing within one hundred eighty (180) days from the date of the adoption of this Resolution.

**Section 7.** This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the Board of Directors of the California Infrastructure and Economic Development Bank on July 28, 2021, by the following vote:

AYES: Myers, Fowler, Gillihan, Quant, Steinorth

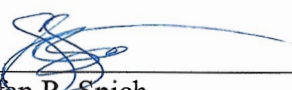
NOES:

ABSENT:

ABSTAIN:

By   
Scott Wu, Executive Director

Attest:

By   
Stefan R. Spich,  
Secretary of the Board of Directors

## EXHIBIT 1

### **IBank Term Sheet Equitable School Revolving Fund, LLC Date: July 28, 2021**

<b>Bond Par Amount:</b>	Not to exceed \$93,000,000; in one or more tax-exempt and/or taxable series of Senior Lien Bonds, Subordinate Lien Bonds, or a combination of both
<b>Type of Offering:</b>	Public Offering as to any Senior Lien Bonds and Limited Offering as to any Subordinate Lien Bonds
<b>Underwriter:</b>	RBC Capital Markets
<b>Credit Enhancement:</b>	None Expected
<b>Expected Credit Rating:</b>	Senior Lien Bonds: S&P Global Ratings: A  Subordinate Lien Bonds: Not rated
<b>Interest Rate*:</b>	Not to exceed 6.0% across all Bonds
<b>Maturity*:</b>	40 years from the date of issuance
<b>Collateral:</b>	The Company Loan will be secured by (i) Obligation No. 7, issued pursuant to Supplemental Master Indenture for Obligation No. 7 among the Company, as Initial Member of the Obligated Group, Equitable Facilities Fund, Inc., as Obligated Group Representative, and U.S. Bank National Association, as Master Trustee; and (ii) Subordinate Obligation No. 2, issued pursuant to Supplemental Master Indenture for Subordinate Obligation No. 2 among the Company, as Initial Member of the Obligated Group, Equitable Facilities Fund, Inc., as Obligated Group Representative, and U.S. Bank National Association, as Master Trustee.
<b>Expected Closing Date*:</b>	September 30, 2021
<b>Conduit Transaction:</b>	The Bonds are special, limited obligations payable solely from payments made by the Company under the Transaction Documents, and IBank shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of IBank for all or any portion of payment to be made pursuant to the Bonds.

\* Please note that the Interest Rate, Maturity and Expected Closing Date are subject to change.