

RESOLUTION NO. 07-04

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED \$16,000,000 AGGREGATE PRINCIPAL AMOUNT OF CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK REVENUE REFUNDING BONDS (BRENTWOOD SCHOOL), SERIES 2007A AND SERIES 2007B FOR THE PURPOSE OF REFINANCING CERTAIN FACILITIES FOR THE BENEFIT OF BRENTWOOD SCHOOL AND REFUNDING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY REVENUE BONDS (BRENTWOOD SCHOOL) SERIES 2000A AND SERIES 2000B, PROVIDING THE TERMS AND CONDITIONS FOR THE SALE AND ISSUANCE OF SAID BONDS AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED .

WHEREAS, the California Infrastructure and Economic Development Bank (the "Issuer") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 et seq.), as now in effect and as it may be amended or supplemented (the "Act"), for the purpose of, among other things, providing financial assistance for the design, construction, financing and development of economic development facilities (as such term is defined in the Act) located in the State of California; and

WHEREAS, Brentwood School, a California nonprofit, public benefit corporation (the "Borrower"), has submitted an application to the Issuer for the issuance of revenue refunding bonds the proceeds of which would be loaned to the Borrower to, (a) prepay the loan repayments due under those certain loan agreements, dated as of November 1, 2000 (the "2000 Loan Agreements") entered into between the Borrower and the California Statewide Communities Development Authority ("CSCDA"), and simultaneously refund and defease CSCDA's Revenue Bonds (Brentwood School) Series 2000A and Series 2000B (the "Refunded Bonds"), (b) fund reserve funds for the Bonds and (c) pay certain costs of issuance and credit enhancement costs in connection with the Bonds (as hereinafter defined) (collectively, the "Project"); and

WHEREAS, a portion of the proceeds of the Refunded Bonds were loaned to the Borrower pursuant to the 2000 Loan Agreements to pay the costs of and reimburse the Borrower for (a) the retirement of the balance (\$5,700,000) of a certain promissory note payable to The Religious of the Sacred Heart of Mary; (b) the constructing, rehabilitating, improving and equipping of various school and related facilities for the Borrower on its West Campus located at 12001 Sunset Boulevard, Los Angeles, California 90049 (the "West Campus"), including, but not limited to, the installation of a new heating, ventilation and air conditioning system in the main classroom building and the expansion of the art building, (c) the constructing, rehabilitating, improving and equipping of various school, athletic and related facilities for the Borrower on its East Campus located at 100 South Barrington Place, Los Angeles, California 90049 (the "East Campus"), and various athletic facilities located on property shared with the

United States Department of Veterans Affairs adjacent to the East Campus, which included, among other things, parking lots, a football field surrounded by an all-weather track, bleachers, six tennis courts, two outdoor basketball/volleyball courts covered by a canopy, baseball diamonds, a softball diamond, a soccer field, two restroom facilities and a maintenance building (collectively, the “Facilities”); and

WHEREAS, for purposes of financing the cost of the Project, the Issuer now desires (a) to authorize the issuance of its Revenue Refunding Bonds (Brentwood School), Series 2007A (the “Series 2007A Bonds”) and its Revenue Refunding Bonds (Brentwood School), Series 2007B (the “Series 2007B Bonds,” and collectively with the Series 2007A Bonds, the “Bonds”), in an aggregate principal amount not to exceed \$16,000,000, (b) to provide for the sale of the Bonds, (c) to provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived from the loan of proceeds of the sale of the Bonds (except for any amount representing accrued interest on the Bonds) to the Borrower to finance the costs of the Project pursuant to the terms and provisions of the Loan Agreements (as defined below) and (d) to take and authorize certain other actions in connection with the foregoing; and

WHEREAS, the Issuer may not issue the Bonds to finance the Project until the Board of Directors of the Issuer makes certain determinations relating to the Project as required by the Act; and

WHEREAS, there is now on file with the Secretary of the Issuer the following:

(a) a proposed form of the Series 2007A Loan Agreement (the “Series 2007A Loan Agreement”), to be entered into between the Issuer and the Borrower with respect to the Series 2007A Bonds;

(b) a proposed form of the Series 2007B Loan Agreement (the “Series 2007B Loan Agreement,” and together with the Series 2007A Loan Agreement, the “Loan Agreements”), to be entered into between the Issuer and the Borrower with respect to the Series 2007B Bonds;

(c) a proposed form of the Indenture (the “Series 2007A Indenture”), to be entered into between the Issuer and The Bank of New York Trust Company, N.A., as trustee (the “Trustee”), providing for the authorization and issuance of the Series 2007A Bonds;

(d) a proposed form of the Indenture (the “Series 2007B Indenture,” and together with the Series 2007A Indenture, the “Indentures”), to be entered into between the Issuer and the Trustee, providing for the authorization and issuance of the Series 2007B Bonds;

(e) a proposed form of the Bond Purchase Agreement (the “Bond Purchase Agreement”), one or more of which will be entered into among the Issuer, the Treasurer of the State of California and Citigroup Global Markets Inc. as underwriter (the “Underwriter”), and approved by the Borrower, with respect to the Bonds;

(f) a proposed form of the Tax Regulatory Agreement (the “Tax Regulatory Agreement”), to be entered into between the Issuer and the Borrower; and

(g) a proposed form of the Preliminary Official Statement (the “Preliminary Official Statement”) to be used by the Underwriter in connection with the sale of the Bonds.

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

Section 1. The forms of the Loan Agreements on file with the Secretary of the Issuer are hereby approved and the Chair or Executive Director of the Issuer or the Chair’s designee, and each of them, acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver the Loan Agreements, and the Secretary of the Issuer is authorized to attest thereto, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The Issuer further authorizes and approves the loan of the proceeds of the Bonds (except any amount representing accrued interest on the Bonds) to the Borrower in order to finance the cost of the Project pursuant to the terms and provisions of the Loan Agreements.

Section 2. The forms of the Indentures on file with the Secretary of the Issuer are hereby approved and the Chair or Executive Director of the Issuer or the Chair’s designee, and each of them, acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver to the Trustee the Indentures, and the Secretary of the Issuer is authorized to attest thereto, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof.

Section 3. The form of the Bond Purchase Agreement on file with the Secretary of the Issuer is hereby approved and the Chair or Executive Director of the Issuer or the Chair’s designee, and each of them, acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver one or more Bond Purchase Agreement(s), and the Secretary of the Issuer is authorized to attest thereto, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof.

Section 4. The form of the Tax Regulatory Agreement on file with the Secretary of the Issuer is hereby approved and the Chair or Executive Director of the Issuer or the Chair’s designee, and each of them, acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver the Tax Regulatory Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof.

Section 5. The Chair or Executive Director of the Issuer or the Chair’s designee, and each of them acting alone, is hereby authorized, empowered and directed to deliver a Preliminary

Official Statement, in substantially the form of the draft Preliminary Official Statement on file with the Secretary of the Issuer (as such Preliminary Official Statement may be amended and supplemented from time to time), to be used in connection with the sale of the Bonds to the public. The Preliminary Official Statement shall be circulated for use in selling the Bonds at such time or times as the Chair or Executive Director of the Issuer or the Chair's designee (after consultation with the Borrower, bond counsel, the Underwriter and such other advisors to the Issuer believes to be useful) shall determine that the sections in each Preliminary Official Statement entitled "THE ISSUER" and "ABSENCE OF LITIGATION—The Issuer" are substantially final within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement in connection with the sale of the Bonds.

Section 6. Prior to the delivery of the Bonds, the Chair or Executive Director of the Issuer or the Chair's designee, any one or more thereof, are hereby authorized, empowered and directed to deliver a final Official Statement(s) relating to the Bonds in substantially the form of the draft Preliminary Official Statement on file with the Secretary of the Issuer. The Chair or Executive Director of the Issuer or the Chair's designee, and each of them, acting alone, is hereby authorized and empowered to execute the final Official Statement(s) with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Issuer, such approval to be conclusively evidenced by the delivery thereof. The Underwriter is hereby authorized to distribute copies of the Official Statement(s) in connection with the sale of the Bonds.

Section 7. The Issuer approves the issuance on a tax-exempt basis of not to exceed \$16,000,000 aggregate principal amount of the Bonds for the Project in accordance with the terms of and to be secured by the Indentures. Payment of the principal of, premium, if any, and the interest on, the Bonds shall be made solely from the revenues to be received by the Issuer pursuant to the Loan Agreements and the Indentures, and said Bonds shall not be deemed to constitute a debt or liability of the Issuer or the State of California. The Chair or the Executive Director of the Issuer or the Chair's designee, and each of them, acting alone, is hereby authorized and directed to execute, in the name and on behalf of the Issuer, by manual or facsimile signature, the Bonds, thereto in an aggregate principal amount not to exceed \$16,000,000 in accordance with the Indentures and in the form set forth in the Indentures. The Bonds shall bear interest at the rates to be determined in accordance with the Indentures.

Section 8. The Bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate and register the Bonds so delivered by executing the appropriate Certificate of Authentication and Registration appearing thereon, and to deliver the Bonds, when duly executed, authenticated and registered, to the Underwriter in accordance with written instructions executed on behalf of the Issuer by the Chair or Executive Director of the Issuer or the Chair's designee, which instructions said official is hereby authorized and directed, for and in the name of and on behalf of the Issuer, to execute and to deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Underwriter upon payment of the purchase price therefor.

Section 9. (a) Pursuant to Section 63046 of the Act, and based upon representations made by the Borrower, the Board of Directors of the Issuer hereby finds and determines:

- (i) that the Facilities are located in the State of California;
- (ii) that the Borrower is capable of meeting its obligations with respect to the Bonds to be issued for the Project;
- (iii) that the payments to the Issuer are adequate to pay all expenses of the Issuer in connection with the issuance and payment of the Bonds;
- (iv) that the issuance of the Bonds is an appropriate financing mechanism for the Project;
- (v) that the Project and the Facilities are consistent with any existing local or regional comprehensive plans; and
- (vi) that the Project demonstrates clear evidence of a defined public benefit.

(b) The finding contained in subsection (a)(ii) is based upon the requirement that the Bonds will be insured by Financial Security Assurance Inc.

Section 10. The Chair or Executive Director of the Issuer or the Chair's designee, and each of them, acting alone, is hereby authorized to execute all documents, certificates and instruments necessary or appropriate to this transaction and the issuance of the Bonds; provided however, that the Bonds will bear a long-term rating of at least "AAA" from Moody's Investors Service, Standard & Poor's Ratings Services or Fitch Ratings.

Section 11. All actions heretofore taken by the officials of the Issuer with respect to the approval, issuance and sale of the Bonds are hereby approved, confirmed and ratified, and the officials of the Issuer and their authorized designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates and documents which they or bond counsel may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution.

Section 12. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on February 27, 2007, by the following vote:

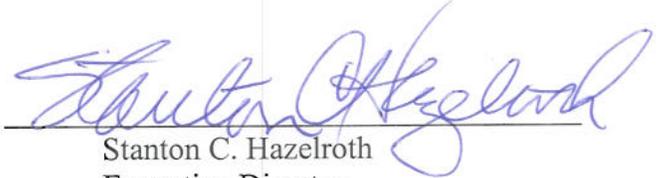
AYES: Heidig, Lujano, Kessler, Marin, Rice

NOES: None

ABSENT: None

ABSTAIN: None

By



Stanton C. Hazelroth
Executive Director

Attest:

By



Roma Cristia-Plant
Secretary