

RESOLUTION NO. 08-11

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING AND APPROVING A MASTER LOAN AGREEMENT AND A LOAN IN AN AMOUNT NOT TO EXCEED \$25,000,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF THE CONSTRUCTION, ACQUISITION, INSTALLATION, FURNISHING AND EQUIPPING OF CERTAIN FACILITIES FOR THE BENEFIT OF MARLBOROUGH SCHOOL, PROVIDING THE TERMS AND CONDITIONS OF SAID LOAN 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 (the "State"); and

WHEREAS, the Issuer is authorized to issue tax-exempt and taxable revenue bonds to provide financing for economic development facilities pursuant to the Act; and

WHEREAS, Marlborough School, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application to the Issuer to make, from time to time, pursuant to a plan of finance, a tax-exempt loan (the "Borrower Loan") to the Borrower to pay the cost of or reimburse the Borrower for, (1) the construction, acquisition, installation, furnishing and equipping of an approximately 105,000 square foot addition to the Borrower's educational facilities located at 250 South Rossmore Avenue, Los Angeles, California 90004, which will include, but not be limited to, an Academic Resource Center, a Visual Arts Center, two levels of underground parking and other ancillary educational facilities and (2) certain costs of issuance in connection with the Issuer Loan (as hereinafter defined) and the Borrower Loan (collectively, the "Project"); and

WHEREAS, the Issuer intends to use the proceeds of a tax-exempt loan (the "Issuer Loan" and, together with the Borrower Loan, the "Loans") received from City National Bank (the "Lender") to make the Borrower Loan;

WHEREAS, for purposes of financing a portion of the cost of the Project, the Issuer now desires (a) to authorize the making of the Loans, from time to time, pursuant to a plan of finance, in an aggregate principal amount not to exceed \$25,000,000, (b) to provide for the payment of the principal of, premium, if any, and interest on the Issuer Loan with revenues derived from the Borrower Loan pursuant to the terms and provisions of the Master Loan Agreement (as hereinafter defined), and (c) to take and authorize certain other actions in connection with the foregoing; and

WHEREAS, the Issuer may not enter into the Loans 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 a proposed form of the Master Loan Agreement (the “Master Loan Agreement”), to be entered into by and among the Lender, the Issuer and the Borrower;

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 form of the Master Loan Agreement on file with the Secretary of the Issuer is hereby approved and the Chair of the Issuer or the Chair’s designee and the Executive Director of the Issuer, and each of them, acting alone, is hereby authorized and empowered to execute by manual or facsimile signature and deliver the Master Loan Agreement, 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 2. The Issuer approves the Issuer Loan on a tax-exempt basis and the making of the Borrower Loan to the Borrower, each in an amount not to exceed \$25,000,000 in accordance with the terms of and to be secured by the Master Loan Agreement. Payment of the principal of, premium, if any, and the interest on, the Issuer Loan shall be made solely from the revenues to be received by the Issuer from the Borrower Loan pursuant to the terms of the Master Loan Agreement, and the Issuer Loan shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof. The Loans shall bear interest at the rates to be determined in accordance with the Master Loan Agreement.

Section 3. 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:

- (a) that the Project is located in the State;
- (b) that the payments to be made under the Master Loan Agreement by the Borrower to the Issuer are adequate to pay the current expenses of the Issuer in connection with the financing and to make payments on the Borrower Loan;
- (c) that the Loans are an appropriate financing mechanism for the Project;
- (d) that the Project is consistent with any existing local or regional comprehensive plans; and
- (e) the Project demonstrates clear evidence of a defined public benefit.

The finding with respect to Section 63046(b) of the Act is based solely upon the willingness of the Lender to provide the funds for the Loans.

Section 4. The Chair of the Issuer or the Chair's designee and the Executive Director of the Issuer, and each of them, acting alone, is hereby authorized and directed to execute all documents, certificates and instruments necessary or appropriate to this transaction and the Loans including, without limitation, a tax regulatory agreement, a no arbitrage certificate and supplements or amendments to the Master Loan Agreement, which they or bond counsel may deem necessary or advisable in order to consummate the Loans and otherwise to effectuate the purposes of this Resolution.

Section 5. All actions heretofore taken by the officials of the Issuer with respect to the Loans 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 effectuate the purposes of this Resolution.

Section 6. This Resolution shall take effect from and after its adoption.

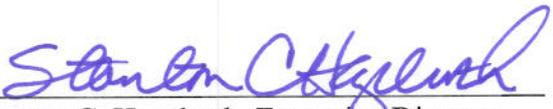
PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on April 22, 2008, by the following vote:

AYES: Matteucci, Rosenstiel, Arnold, Saragosa, Rice

NOES: None

ABSENT: None

ABSTAIN: None

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant, Secretary