

KIPP Nashville
Board Meeting | 6:00 p.m. – 6:25 p.m.
Virtual
July 6, 2022

Board Members Present:

Name	Present/ Absent	Name	Present/ Absent
Elizabeth Dennis	Absent	William Seibels	Present
Cynthia Arnholt	Absent	Will Ed Settle	Absent
Jim Flautt	Present	Jeff McGruder	Absent
Camiqueka Fuller	Present	Karl Dean	Present
Drew Goddard	Present	Beth Harwell	Present
Tom Wylly	Present	Chris Barbic	Present
Rick Martin	Present	Ed Littlejohn	Present

Staff Members Present: Randy Dowell

Guests: N/A

Board meeting called to order: 6:02 p.m.

Agenda Item	Motions	Vote
Bond financing	<ul style="list-style-type: none"> Resolution to approve financing not to exceed 6% and principal not to exceed \$25M 	Motion: Jim Flautt 2 nd : Camiqueka Fuller Vote: All in favor
Capital project reimbursement	<ul style="list-style-type: none"> Resolution to use bond proceeds to reimburse KIPP Nashville for construction at Ewing Park up to \$4M 	Motion: Jim Flautt 2 nd : Karl Dean Vote: All in favor

Adjourned: 6:25 p.m.

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
KIPP NASHVILLE**

WHEREAS, KIPP Nashville, a Tennessee non-profit corporation ("**KIPP Nashville**") designated as an organization described in Section 501(c)(3) of the Code, currently owns and operates seven schools across four campuses in East, North and Southeast Nashville, Tennessee, consisting of three elementary schools, three middle schools, and one high school (the "**KIPP Nashville Schools**"), the acquisition, development, equipping and improvement of which have been funded with proceeds of loans and other funds of KIPP Nashville; and

WHEREAS, in order to better promote education at KIPP Nashville Schools and better fulfil the mission of KIPP Nashville, KIPP Nashville has examined various methods for refinancing certain existing assets and financing the expansion of its operations; and

WHEREAS, acting at and upon the advice of First Tyron Advisors, LLC, d/b/a/ Wye River Group, financial advisor to KIPP Nashville ("**Wye River**"), KIPP Nashville has determined it necessary, wise and in its interest to cause the Arizona Industrial Development Authority, a nonprofit corporation designated as a political subdivision of the State of Arizona (the "**Issuer**") to issue a series of Education Revenue Bonds (KIPP Nashville Project), Series 2022A (the "**Series 2022A Bonds**"), and a series of Education Revenue Bonds (KIPP Nashville Project), Taxable Series 2022B (the "**Series 2022B Bonds**" and, together with the Series 2022A Bonds, the "**Series 2022 Bonds**"), in order to pay the costs of:

(a) refinancing the Health and Educational Facilities Board of the Metropolitan Government of Nashville and Davidson County, Tennessee Educational Revenue Bonds (KIPP Academy), Series 2018, which were purchased and remain held by Pinnacle Bank (the "**2018 Pinnacle Loan**");

(b) financing and/or refinancing the cost of acquisition, construction, renovation, improvement, operation and equipping of land and/or various facilities of KIPP Nashville situated at one or more of the following locations in Tennessee: (i) 5256 Hickory Hollow Parkway, Antioch, (ii) 3655 and 3661 Murfreesboro Pike, Antioch, (iii) 3700 Murfreesboro Pike, Antioch and 3569 Pin Hook Road, Antioch, (iv) 3140 Knight Drive, Nashville, and (v) 123 Douglas Avenue, Nashville (the "**Facilities**");

(c) reimbursing KIPP Nashville for certain capital expenditures made by KIPP Nashville in connection with the Facilities;

(d) funding certain reserves as may be required for the Series 2022 Bonds hereinafter described; and

(e) paying various costs of issuance in connection with the issuance of the Series 2022 Bonds

WHEREAS, pursuant to the terms of the Loan Agreement hereinafter authorized and defined, the Issuer will loan all proceeds from the sale of the Series 2022 Bonds to KIPP Nashville for the purposes hereinabove set forth, and KIPP Nashville will make payments to the Issuer in such amounts and at such times as shall be necessary to pay all installments of the principal of and interest on the Series 2022 Bonds, whether coming due at maturity, redemption, acceleration or otherwise; and

WHEREAS, the payment obligations of KIPP Nashville under the Loan Agreement shall be secured by Obligation No. 4 (hereinafter defined and authorized) issued under the Master Indenture (hereinafter defined) by KIPP Nashville, in its capacity as the Obligated Group Representative under the Master Indenture hereinafter described; and

WHEREAS, all payments respecting debt service made by KIPP Nashville shall be assigned and pledged to the holders of the Series 2022 Bonds under the Bond Indenture hereinafter authorized and defined; and

WHEREAS, the Directors have determined, acting by and on the advice of the Wye River, that it is necessary, desirable and in the best interest of KIPP Nashville to authorize the aforementioned agreements and transactions, and the issuance and sale of the Series 2022 Bonds; provided, that the Series 2022 Bonds achieve certain requirements hereinafter set forth and defined as the "Plan of Finance";

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Directors") of KIPP Nashville, as follows:

Section 1. Financing Evidenced by Series 2022 Bonds; Bond Indenture; Plan of Finance. The Directors do hereby confirm and authorize the consummation of the financing and transactions to be evidenced by the Series 2022 Bonds for the purposes set forth in the recitals hereof, which such Series 2022 Bonds shall be issued under a Bond Indenture (the "**Bond Indenture**") between the Issuer and U.S. Bank Trust Company, National Association, as trustee, the form of which is set forth on Exhibit I hereto and with such changes as shall be deemed by such parties as necessary to consummate and finalize the sale and issuance of the Series 2022 Bonds (the "**Bond Indenture**"); provided, that the terms of the Series 2022 Bonds shall be in accordance with the following requirements (herein called the "**Plan of Finance**");

(a) The Series 2022 Bonds shall bear interest at fixed rates, payable semiannually.

(b) No maturity of the Series 2022 Bonds may bear interest at a rate exceeding 6.0%.

(c) The true interest cost on the Series 2022 Bonds (taking into account any original issue discount or original issue premium) may not exceed 6.5%.

(d) The Series 2022 Bonds shall have a final maturity not later than July 1, 2062, and shall have a weighted average maturity of not longer than 30 years.

(e) Proceeds of the Series 2022 Bonds for any reserve fund shall not exceed \$1,750,000.

(f) The aggregate principal amount of the Series 2022 Bonds shall not exceed \$25,000,000.

(g) The Series 2022 Bonds shall be sold to the Underwriter as described in Section 4 hereof.

Section 2. Loan Agreement. The Directors do hereby authorize and approve a Loan Agreement between the Issuer and KIPP Nashville, a form of which is set forth as Exhibit II hereto and with such changes thereto as shall be necessary to reflect the terms of sale of the Series 2022 Bonds and with such other changes, additions, insertions, or deletions as the officer of KIPP Nashville or member of the Directors, as the case may be, executing such agreement shall approve, which approval shall be conclusively evidenced by his or her execution thereof (the "**Loan Agreement**"), under which the Issuer will, among other things, loan all proceeds from the sale of the Series 2022 Bonds to KIPP Nashville, and KIPP Nashville will, among other things, make payments to the Issuer

necessary to timely pay all debt service on the Series 2022 Bonds, whether coming due at maturity, redemption, acceleration or otherwise.

Section 3. Fourth Supplemental Master Trust Indenture; Obligation No. 4. The Directors do hereby authorize and approve a Fourth Supplemental Master Trust Indenture between U.S. Bank Trust Company, National Association, successor in interest to U.S. Bank National Association, as master trustee (the "**Master Trustee**"), and KIPP Nashville, in its capacity as initial Member of the Obligated Group and the Obligated Group Representative (such terms as defined under the Master Indenture), which is supplemental to that certain Master Trust Indenture dated as June 1, 2019 (as at any time amended or supplemented, the "**Master Indenture**"), the form of which such Fourth Supplemental Master Trust Indenture is set forth on Exhibit III hereto and with such changes thereto as shall be necessary to reflect the terms of sale of the Series 2022 Bonds and with such other changes, additions, insertions, or deletions as the officer of KIPP Nashville or member of the Directors, as the case may be, executing such agreement shall approve, which approval shall be conclusively evidenced by his or her execution thereof (the "**Fourth Supplemental Master Indenture**"), under which KIPP Nashville, as Obligated Group Representative, will issue an obligation in the form contained in the Fourth Supplemental Master Indenture ("**Obligation No. 4**") to secure the payment obligations of KIPP Nashville under the Loan Agreement by the revenues and other collateral pledged by the Obligated Group (as defined in the Master Indenture) for the benefit of the holders of Obligation No. 4.

Section 4. Sale of the Series 2022 Bonds; Bond Purchase Agreement; Continuing Disclosure Agreement. (a) The Series 2022 Bonds shall be sold to RBC Capital Markets, LLC (the "**Underwriter**") pursuant to the Bond Purchase Agreement hereinafter defined and authorized. The Directors do hereby authorize and approve a Bond Purchase Agreement among KIPP Nashville, the Issuer and the Underwriter, the form of which is set forth as Exhibit IV hereto, with such changes as shall be necessary to reflect the terms of sale of the Series 2022 Bonds and with such other changes, additions, insertions, or deletions as the officer of KIPP Nashville or member of the Directors, as the case may be, executing such agreement shall approve, which approval shall be conclusively evidenced by his or her execution thereof (the "**Bond Purchase Agreement**").

(b) The Directors do hereby authorize and approve a Continuing Disclosure Agreement to be entered among KIPP Nashville and First Tyron Advisors, LLC d/b/a/ Wye River Group, as dissemination agent thereunder, the form of which such Continuing Disclosure Agreement is set forth as Exhibit VI hereto and with such changes thereto as shall be necessary to reflect the terms of sale of the Series 2022 Bonds and with such other changes, additions, insertions, or deletions as the officer of KIPP Nashville or member of the Directors, as the case may be, executing such agreement shall approve (the "**Continuing Disclosure Agreement**").

Section 5. Preliminary Official Statement; Official Statement. (a) The Directors do hereby authorize and approve a Preliminary Official Statement respecting the Series 2022 Bonds, the form of which is attached hereto as Exhibit VII, with such modifications to reflect (i) material information concerning KIPP Nashville and its operations as of the time the said document is to be circulated for consideration by prospective investors in the Series 2022 Bonds, (ii) preliminary principal amounts and relevant preliminary pricing information for the Series 2022 Bonds, and (iii) such other material information, all as shall be determined by officers of KIPP Nashville working on the Series 2022 Bonds, either independently or upon consultation with the Underwriter, bond counsel for the Series 2022 Bonds, Wye River and/or Level Field Partners, as project management consultant. The Directors hereby authorize Executive Director of KIPP Nashville or the Chief Financial Officer of KIPP Nashville to cause the Preliminary Official Statement to be "deemed final" as of its date within the meaning of Rule 15c2-12(b)(1) promulgated by the U.S. Securities Exchange Commission, and thereafter circulated to prospective investors in the Series 2022 Bonds.

(b) The Directors do hereby authorize and direct the officers of KIPP Nashville working on the Series 2022 Bonds to cause to be prepared, following the same of the Series 2022 Bonds in accordance with the Plan of Finance, a final Official Statement with respect to the Series 2022 Bonds to be dated the date of sale of the Series 2022 Bonds, in substantially the form of the Preliminary Official Statement circulated to prospective investors prior to the sale of the Series 2022 Bonds, with such changes as shall be necessary to conform to the provisions of this resolution and reflect the final pricing terms of the Series 2022 Bonds (provided such terms are in accordance with the Plan of Finance), and to include such other changes, additions, insertions, or deletions as the officer of KIPP Nashville or member of the Directors, as the case may be, executing the Official Statement shall approve, which approval shall be conclusively evidenced by his or her execution thereof (the "**Official Statement**").

Section 6. Deed of Trust and other Real Estate Documents. The Directors do hereby authorize and approve a Second Supplement to Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing to be entered by KIPP Nashville, the form of which shall be substantially the same as the First Supplement to Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing heretofore entered by KIPP Nashville, and revised to reflect the terms and other provisions respecting the terms for the Series 2022 Bonds and Obligation No. 4, and with such other changes, additions, insertions, or deletions as the officer of KIPP Nashville or member of the Directors, as the case may be, executing such agreement shall approve (the "**Deed of Trust**") respecting the facilities to be financed or refinanced with proceeds of the Series 2022 Bonds in order to secure the Obligated Group's obligations pursuant to Obligation No. 4 and the Master Indenture. The Directors further authorize and approve such other notices, documents, agreements, instruments and filings as may be necessary or desirable respecting real estate of KIPP Nashville to consummate the transactions contemplated by the various agreements authorized hereunder.

Section 7. Authorization of Related Documents and Actions. The Directors do hereby authorize and approve such other documents, agreements, certificates, assurances, deeds, directives, notices and other instruments, and such additional actions, on behalf of KIPP Nashville, as may be necessary to carry out fully the transactions contemplated by this resolution including, without limiting the generality of the foregoing, the execution and delivery of a Tax Certificate between the Issuer and KIPP Nashville and an IRS Form 8038 to enable interest income on the Series 2022A Bonds to be exempt from federal taxation, and a Deposit Account Control Agreement among the Master Trustee under the Master Trust Indenture, Pinnacle Bank and KIPP Nashville.

Section 8. Redemption and Payment of 2018 Pinnacle Loan. The Directors hereby call for redemption and payment the 2018 Pinnacle Loan, which such payment shall be made with proceeds of the Series 2022 Bonds and at such time as determined by the officers of KIPP Nashville working on the Series 2022 Bonds and acceptable to bond counsel.

Section 9. Authorized Officials. The Directors do hereby authorize Executive Director of KIPP Nashville and the Chief Financial Officer of KIPP Nashville, or either of them, to sign, execute, and deliver, by and on behalf of KIPP Nashville, each of the documents, agreements and instruments hereinabove defined or referenced in this resolution (collectively, the "**Financing Documents**"). The Directors do hereby authorize Executive Director of KIPP Nashville and the Chief Financial Officer of KIPP Nashville, or either of them, to seal and attest the Financing Documents.

Section 10. Severability. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

EXHIBIT I
Form of Bond Indenture

EXHIBIT II
Form of Loan Agreement

EXHIBIT III
Form of Fourth Supplemental Master Indenture

EXHIBIT IV
Form of Bond Purchase Agreement

EXHIBIT V
Form of Continuing Disclosure Agreement

EXHIBIT VI
Form of Preliminary Official Statement

**RESOLUTION OF THE BOARD OF DIRECTORS
OF KIPP NASHVILLE
DECLARING OFFICIAL INTENT TO REIMBURSE**

WHEREAS, KIPP Nashville (the "Borrower") is a nonprofit corporation organized and existing under the laws of the State of Tennessee, is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and is exempt from Federal taxation under Section 501(a) of the said Code; and

WHEREAS, the Borrower has paid prior to the date hereof and will pay on and after the date hereof certain expenditures (the "Expenditures") in connection with the acquisition, construction, equipping, and renovation of acquisition, renovation and expansion of an approximately 92,600 square foot facility for use as a charter school at Ewing Park, 3410 Knight Drive, Nashville, Tennessee 37207 (the "Ewing Property Project"); and

WHEREAS, those moneys advanced prior to the date hereof and to be advanced after the date hereof to pay the Expenditures are available only for a temporary period and the Borrower wishes to reimburse itself for the Expenditures from the proceeds of one or more issues of tax-exempt bonds issued by a conduit issuer, such as a health and educational facilities board or an industrial development board (the "Bonds");

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The Borrower hereby declares its intent to reimburse itself for the Expenditures with the proceeds of the Bonds. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

Section 2. Each Expenditure will be either (a) of a type properly chargeable to capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, or (c) a nonrecurring item that is not customarily payable from current revenues.

Section 3. The maximum principal amount of the Bonds expected to be issued for the Ewing Property Project is \$4,000,000.00.

Section 4. The Borrower will make a reimbursement allocation, which is a written allocation that evidences the Borrower's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Ewing Property Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. Exceptions are available for certain "preliminary expenditures", costs of issuance and certain *de minimis* amounts.

Section 5. This resolution is intended to be a declaration of official intent within the meaning of §1.150-2(e) of the Income Tax Regulations.

ADOPTED this 6th day of July, 2022.

KIPP Nashville

By: _____

Name: _____

Title: _____