

RESOLUTION NO. 11-24

RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE ISSUANCE FROM TIME TO TIME OF NOTES TO FINANCE WORKING CAPITAL IN AN AMOUNT NOT TO EXCEED \$3,000,000 FOR ASPIRE PUBLIC SCHOOLS, APPROVING THE FORM OF A NOTE PURCHASE AGREEMENT AND A SUPPLEMENTAL INDENTURE THEREFOR, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

April 13, 2011

WHEREAS, the California School Finance Authority (the "Authority"), a public instrumentality of the State of California created by the California School Finance Authority Act, as amended (constituting Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State of California) (the "Act"), is authorized to issue notes and loan the proceeds thereof to charter schools operating under the Charter Schools Act of 1992, as amended (constituting Part 26.8 of Division 4 of Title 2 of the Education Code) (the "Charter School Law") for the purpose of financing working capital, as defined in the Act; and

WHEREAS, the charter schools (as defined under the Charter School Law) set forth on Exhibit A hereto (the charter for each of which was granted to, and each of which is organized as, Aspire Public Schools, a California nonprofit, public benefit corporation) (each a "Program Participant," and collectively, the "Borrower") have applied for a loan (the "Loan") of the proceeds of revenue notes of the Authority to finance working capital (which may include costs of issuance of the notes);

WHEREAS, the notes as hereinafter described will be secured by, among other things, an intercept of all or a portion of the Program Participants' general purpose apportionment (the "Intercept") by the State Controller of the State of California (the "State Controller") pursuant to Section 17199.4(a)(1) and (4) of the California Education Code;

WHEREAS, the Authority approved the issuance of its notes in one or more series, in an aggregate principal amount not to exceed \$8,000,000 of notes of the Authority, to be designated generally as the "California School Finance Authority Revenue Anticipation Notes (Aspire Public Schools)" (the "Notes") pursuant to its Resolution No. 10-34, adopted August 11, 2010 (the "2010 Resolution");

WHEREAS, the Authority has issued and sold its California School Finance Authority Revenue Anticipation Notes (Aspire Public Schools) Series 2010A in an amount not to exceed \$5,000,000 (the "Series 2010A Notes"); and

WHEREAS, in connection with the issuance and sale of the Series 2010A Notes, the Authority executed and delivered an Indenture (the "Original Indenture"), dated as of August 1, 2010 by and between the Authority and Union Bank, N.A., as Trustee (the "Trustee"); an Issuing and Paying Agency Agreement, (the "Issuing and Paying Agency Agreement"), dated as of August 1, 2010, by and between the Authority and Union Bank, N.A., as Agent (the "Paying Agent"), a Loan Agreement (the "Loan

Agreement”), dated as of August 1, 2010, by and between the Authority and the Program Participants, and a Note Purchase Agreement (the “2010A Note Purchase Agreement,” and, together with the Original Indenture, the Issuing and paying Agency Agreement, and the Loan Agreement, the “2010A Program Documents”), by and among NCB Capital Impact, the Authority, and the Treasurer of the State of California (the “Treasurer”); and

WHEREAS, \$3,000,000 of authorization remains under the 2010 Resolution and the Original Indenture, and the Authority now wishes to execute and deliver a supplemental indenture (the “Supplemental Indenture,” and, together with the Original Indenture, the “Indenture”) substantially in the form presented to this Board to provide for the issuance of said \$3,000,000 of Notes (the “2011B Notes”); and

WHEREAS, the Authority wishes to sell the 2011B Notes to the Low Income Investment Fund (the “2011B Purchaser”) pursuant to a Note Purchase Agreement substantially in the form presented to this Board (the “2011B Note Purchase Agreement, and, together with the Indenture, the Loan Agreement, and the Issuing and Paying Agency Agreement the “2011B Program Documents” and together with the 2010A Program Documents, the “Program Documents”), by and among the Treasurer, the Authority and the 2011B Purchaser and to loan the proceeds thereof to the Borrower; and

WHEREAS, this Board now wishes to authorize the officers of the Authority to approve such changes to the Program Documents as may be required to allocate the loan repayments of the Program Participants to the repayment of either the 2010A Note or the 2011B Note, as appropriate, such that each series of Notes has separate security pledged to the repayment thereof;

NOW, THEREFORE, BE IT RESOLVED by the California School Finance Authority as follows:

Section 1. Pursuant to the Act, the 2011B Notes, to be designated generally as the “California School Finance Authority Revenue Anticipation Notes (Aspire Public Schools)” or such other name or names as may be designated in the Supplemental Indenture hereinafter approved in Section 3, are authorized to be issued from time to time, in one or more series, in an aggregate principal amount not to exceed \$3,000,000. The 2011B Notes may, at the discretion of the Borrower, be issued from time to time in accordance with the Program Documents.

Section 2. The proceeds of the 2011B Notes may be loaned to each or all or any combination of the Program Participants set forth on Exhibit A hereto to finance working capital (which may include costs of issuance of the notes), subject to the restrictions set forth herein, in the Loan Agreement, in the Act and in the Charter School Law.

Section 3. The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the 2011B Notes, at any time following the adoption of this

Resolution, at private sale, in such aggregate principal amount (not to exceed the aggregate principal amount set forth in Section 1), at such prices, at such interest rate or rates, with such maturity dates and such other terms and conditions as the Treasurer, with the consent of the Borrower, may determine; provided the maturity date of a 2011B Note may not be later than 15 months after the issuance date of the 2011B Note first issued, and the first issuance of 2011B Notes may not be later than six months following the adoption of this Resolution.

Section 4. The following documents:

- (i) the Supplemental Indenture, and
- (ii) the 2011B Note Purchase Agreement

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof. In addition, the Executive Director is hereby delegated the power to amend the 2010A Program Documents and to insert, delete or change the provisions of the 2011B Program Documents for the purpose of separating by series the security and sources of payment for the 2010A Notes and the 2011B Notes and separating and modifying the rights of Note holders. Such amendments and insertions, deletions or changes may affect all or any of the following: terms of the Notes, restrictions on transfer of the Notes, establishment of funds for and application of proceeds of the Notes, redemption provisions, the pledge and assignment of revenues to secure the Notes, events of default and remedies, consent rights and rights to direct, defeasance and any other terms necessary or incidental to providing separate security and source of payment for the 2010A and 2011B Notes or reallocating by series the rights of Noteholders; provided any such amendment to the 2010A Program Documents shall comply with the provisions governing amendment thereof as evidenced by an opinion of counsel. The Issuing and Paying Agent is hereby authorized and directed to authenticate and deliver 2011B Notes from time to time by executing the authentication page of Note Certificates pursuant to the terms of Note Orders.

Section 5. The dated dates, maturity dates (subject to Section 2), interest rates, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of redemption, restrictions on transfer and other terms of the 2011B Notes, shall be as provided in the Indenture, as applicable. The Supplemental Indenture as finally executed limits the principal amount of Notes the proceeds of which may be loaned to each Program Participant so as not to exceed the loan limits in the Act applicable to each Program Participant. The Executive Director is hereby delegated the power to determine consistent with this Section the foregoing terms of the Supplemental Indenture.

Section 6. The 2011B Notes, when executed, shall be delivered to the Issuing and Paying Agent for authentication. The Issuing and Paying Agent is hereby

requested and directed to authenticate the 2011B Notes by executing the Issuing and Paying Agent's certificate of authentication appearing thereon and to deliver the 2011B Notes, when duly executed and authenticated, to the purchaser thereof in accordance with the 2011B Program Documents.

Section 7. Each officer of the Authority is hereby authorized and directed to do any and all things which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the 2011B Notes and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement, the 2011B Purchase Contract, and the Issuing and Paying Agency Agreement. The State Treasurer is hereby requested and authorized to take any and all actions within his or her authority as agent for sale of the Notes that he or she may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes, and to otherwise effectuate the purposes of this Resolution. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation certifications.

Section 8. The provisions of the Authority's Resolution No. 10-10 apply to the documents and actions approved in this Resolution. For purposes of the foregoing, any reference in Resolution No. 10-10 to "bonds" shall be deemed to include the Notes.

Section 9. The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

Section 10. This resolution shall take effect from and after its adoption.

Dated: April 13, 2011

CERTIFICATE OF THE EXECUTIVE DIRECTOR
(Attesting to Action of the Authority)
Sacramento, California

I, Katrina Johantgen, Executive Director of the California School Finance Authority, hereby certifies that the foregoing is a full, true, and correct copy of Resolution 11-24 of the California School Finance Authority Authorizing the Issuance From Time To Time Of Notes to Finance Working Capital In An Amount Not To Exceed \$3,000,000 For Aspire Public Schools, Approving The Form Of A Note Purchase Agreement And A Supplemental Indenture Therefor, And Authorizing Certain Other Actions In Connection Therewith at a meeting of the California School Finance Authority held at 915 Capitol Mall, Conference Room 587, Sacramento, California on April 13, 2011, for which meeting all of the members of the Authority had due notice; and that at the meeting the staff recommendation was adopted by the following votes:

AYES: Patricia A. Wynne, designee for California State Treasurer Bill Lockyer
Kathleen Moore, designee for Superintendent of Public Instruction Tom Torlakson
Pedro Reyes, designee for Director of Finance Ana J. Matosantos

NOES:

ABSTAINS:

ABSENT:

I further certify that the original minutes of said meeting and a copy of the original Resolution adopted at said meeting are on file in the California School Finance Authority office; and that the Resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the California School Finance Authority hereto.

(seal)

April 13, 2011

Katrina Johantgen, Executive Director

EXHIBIT A

The Program Participants are one or more of the following school as defined in the Charter School Law operated as Aspire Public Schools and established under the following charters granted to Aspire Public Schools:

Schools¹	Charter Number Assigned by State Board of Education
Aspire Antonio Maria Lugo Academy	694
Aspire Berkley Maynard Academy	726
Aspire California College Preparatory Academy	1049
Aspire Capitol Heights Academy	598
Aspire Centennial College Preparatory Academy	693
Aspire East Palo Charter School	125
Aspire ERES Academy	1115
Aspire Firestone Academy Charter	1214
Aspire Gateway Academy Charter	1213
Aspire Huntington Park Charter	1035
Aspire Millsmont Academy	689
Aspire Monarch Academy	252
Aspire Rosa Parks Academy	554
Aspire Summit Charter Academy	812
Aspire University Charter School	1026
Aspire Vanguard College Preparatory Academy	1125

¹ The program participants are limited to the identified Schools and do not include any other schools that may share a Charter number with such identified Schools.