

MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION

RESOLUTIONS OF THE BOARD OF DIRECTORS

(Approval of 2017 Bond Financing Transaction)

WHEREAS, Magnolia Educational & Research Foundation, a California nonprofit public benefit corporation (“MERF” or the “Corporation”), is organized for charitable purposes;

WHEREAS, Magnolia Properties Management, Inc., a California nonprofit public benefit corporation (the “Borrower”), was formed and is operated exclusively to support MERF;

WHEREAS, the Borrower formed and is the sole member of (i) MPM Sherman Way LLC, a California limited liability company (“MPM Sherman Way”), (ii) MPM Santa Ana LLC, a California limited liability company (“MPM Santa Ana”), and (iii) MPM San Diego LLC, a California limited liability company (“MPM San Diego” and, together with MPM Sherman Way and MPM Santa Ana, the “Members”);

WHEREAS, MERF operates the public charter school known as Magnolia Science Academy 1 – Reseda (“MSA-1”) on real property owned by MPM Sherman Way and located at 18214, 18228 and 18238 Sherman Way, Reseda, Los Angeles County, California 91335 (the “Sherman Way Property”);

WHEREAS, MERF operates the public charter school known Magnolia Science Academy – Santa Ana (“MSA-SA”) on real property owned by MERF and located at 2840 W 1st Street, Santa Ana, California 92703 (the “Santa Ana Property”);

WHEREAS, MERF operates the public charter school known as Magnolia Science Academy – San Diego on real property owned by the San Diego Unified School District and located at 6365 Lake Atlin Avenue, San Diego, California 92119;

WHEREAS, MERF desires to operate MSA-SD on real property owned by the San Diego Unified School District and located at 6525 Estrella Avenue, San Diego, California 92120 (the “San Diego Property”);

WHEREAS, the California School Finance Authority (the “Authority”) issued its California School Finance Authority School Facility Revenue Bonds (Magnolia Science Academy-1, Reseda Project) Series 2014A in the aggregate principal amount of \$5,675,000 (the “2014A Bonds”) and its California School Finance Authority School Facility Revenue Bonds (Magnolia Science Academy-1, Reseda Project) Series 2014B (Taxable), in the aggregate principal amount of \$345,000 (the “2014B Bonds” and, together with the 2014A Bonds, the “2014 Bonds”) pursuant to an Indenture (the “2014 Indenture”) dated as of June 1, 2014 by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the “2014 Trustee”);

WHEREAS, the Authority made a loan (the “2014 Loan”) of the proceeds of the 2014 Bonds to MPM Sherman Way pursuant to the terms of (i) the 2014 Indenture and (ii) a Loan

Agreement (the “2014 Loan Agreement”) dated as of June 1, 2014, between the Authority and the MPM Sherman Way;

WHEREAS, the Authority, the 2014 Trustee, and MPM Sherman Way propose to amend the 2014 Indenture and the 2014 Loan Agreement and to secure the payment of the obligations of MPM Sherman Way under the amended 2014 Loan Agreement pursuant to the terms of (i) a Master Indenture of Trust (the “Master Indenture”), by and among the Borrower, as the initial obligated group representative (the “Obligated Group Representative”) and the Members, as the initial members of the obligated group (the “Obligated Group”), and UMB Bank, National Association, as master trustee (the “Master Trustee”), as amended by a Supplemental Master Indenture for Obligation No. 1 (the “Supplemental Master Indenture”), by and between the Obligated Group Representative and the Master Trustee, (ii) a First Amendment to Indenture (the “First Amendment to Indenture”) by and between the Authority and the 2014 Trustee, (iii) an Amended and Restated Loan Agreement (the “Amended and Restated Loan Agreement”) by and between the Authority and MPM Sherman Way, and (iv) an Obligation No. 1 (“Obligation No. 1”) issued by the Obligated Group Representative to the 2014 Trustee;

WHEREAS, MPM Sherman Way proposes to construct certain improvements to the Sherman Way Property and to lease the Sherman Way Property to MERF for use and occupation by MSA-1 pursuant to an Amended and Restated Lease Agreement by and between MPM Sherman Way and MERF (the “MSA-1 Lease”);

WHEREAS, MPM Santa Ana proposes to make a loan to MERF to fund the construction of certain improvements to the Santa Ana Property pursuant to a Loan Agreement by and between MPM Santa Ana and MERF (the “Santa Ana Loan Agreement”);

WHEREAS, MPM San Diego proposes to acquire certain modular classroom and office facilities (the “San Diego Facilities”) and to lease the San Diego Facilities to MERF for use by MSA-SD on the San Diego Property pursuant to an Lease and Equipment Agreement by and between MPM Santa Ana and MERF (the “MSA-San Diego Lease”);

WHEREAS, the Authority proposes to issue its California School Finance Authority Charter School Revenue Bonds (Magnolia Public Schools – Obligated Group) Draw Down Series 2017A and California School Finance Authority Charter School Revenue (Magnolia Public Schools – Obligated Group) Series 2017B (Taxable) (collectively, the “Bonds”) in a maximum amount not to exceed \$25,000,000 pursuant to an Indenture (the “Indenture”) by and between the Authority and UMB Bank, National Association, as trustee thereunder (the “Trustee”);

WHEREAS, D.A. Davidson & Co. (the “Underwriter”) proposes to underwrite the Bonds pursuant to a bond purchase agreement (the “Bond Purchase Agreement”), by and among the Underwriter, the Honorable John Chiang, Treasurer of the State of California, as agent for sale on behalf of the Authority, the Authority, the Borrower, and MERF;

WHEREAS, the Authority proposes to make a loan (the “Loan”) of the proceeds of the Bonds to the Borrower pursuant to the terms of (i) the Master Indenture, as amended by a Supplemental Master Indenture for Obligation No. 2 (the “Second Supplemental Master

Indenture”), by and between the Obligated Group Representative and the Master Trustee, (ii) the Indenture, (iii) a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower, and (iv) an Obligation No. 2 (“Obligation No. 2”) issued by the Obligated Group Representative to the Bond Trustee;

WHEREAS, MERF and the Borrower propose that the Borrower or the Members will use the proceeds of the Loan to (1) finance and refinance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and equipping of charter school educational facilities located at the Sherman Way Property, the Santa Ana Property, and the San Diego Property (collectively, the “Project”), (2) pay certain expenses incurred in connection with the issuance of the Bonds, (3) pay capitalized interest on the Bonds and/or related working capital and (4) fund a debt service reserve fund with respect to the Bonds and a repair and replacement fund;

WHEREAS, MERF and the Borrower propose to secure or support the obligations of the Borrower and the Obligated Group Representative by (i) the Sherman Way Property and related personal property pursuant to the terms of a Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (the “Deed of Trust”) executed by MPM Sherman Way, as grantor, to Fidelity National Title Insurance Company, as trustee, for the benefit of the Master Trustee, (ii) the Santa Ana Loan Agreement pursuant to the terms of a Security Agreement (the “Santa Ana Security Agreement”) executed by MPM Santa Ana, as debtor, to the Master Trustee, as secured party, (iii) the MSA-San Diego Lease pursuant to the terms of a Security Agreement (the “San Diego Security Agreement”) executed by MPM San Diego, as debtor, to the Master Trustee, as secured party, (iv) an intercept of portions of each School’s general purpose apportionment by the State Controller or another state agency of the State of California pursuant to Section 17199.4(a)(1) of the Education Code of the State of California (collectively, the “Intercept”), and (v) the Borrower’s membership interests in the Members pursuant to the terms of a Security Agreement (the “Membership Interest Security Agreement”) executed by the Borrower, as debtor, to the Master Trustee, as secured party;

WHEREAS, MERF and the Borrower propose that the MSA-1 Lease, the Santa Ana Loan Agreement, and the MSA-San Diego Lease collectively will provide for the payment of rent and loan payments sufficient to satisfy the Borrower’s obligations under the 2014 Loan Agreement, as amended, Obligation No. 1, the Loan Agreement, Obligation No. 2, and all other obligations of the Borrower arising from the foregoing transactions and agreements;

WHEREAS, MERF proposes to make such loans, charitable grants or capital contributions to the Borrower or the Members as may be necessary or desirable to capitalize the Borrower or the Members for purposes of entering into the transactions described above;

WHEREAS, the Board has reviewed proposed forms of the following documents and agreements (collectively, the “Primary Transaction Documents”):

- (a) the Bond Purchase Agreement;
- (b) the Master Indenture;
- (c) the Second Supplemental Master Indenture;

- (d) the Obligation No. 2;
- (e) the Indenture;
- (f) the Loan Agreement;
- (g) the MSA-1 Lease;
- (h) the Santa Ana Loan Agreement;
- (i) the MSA-San Diego Lease;
- (j) the Deed of Trust;
- (k) the Santa Ana Security Agreement;
- (l) the San Diego Security Agreement;
- (m) the Membership Interest Security Agreement;
- (n) a Subordination, Non-Disturbance and Attornment Agreement (“SNDA”) by and among MPM Sherman Way, MERF, and the Master Trustee;
- (o) a Continuing Disclosure Agreement among the Borrower, MERF, and the Trustee, as dissemination agent; and
- (p) a form of Limited Offering Memorandum that has been prepared to furnish information with respect to the sale and delivery of the Bonds;

WHEREAS, the Borrower is a nonprofit, tax-exempt corporation which, as one of its primary purposes, supports the Corporation and functions of the Board of Directors (the “Board”) of the Corporation;

WHEREAS, certain of the directors, officers and employees of the Corporation, including without limitation the persons listed on Schedule 1 hereto, also serve as non-compensated officers or directors of the Borrower, and the interests of such persons in the Borrower and the indirect interests of such persons in the Members has been disclosed to the Corporation and is hereby noted in the official records of the Corporation;

WHEREAS, the Board finds that the terms of the foregoing transactions (collectively, the “Transactions”), including the MSA-1 Lease, the Santa Ana Loan Agreement, and the MSA-San Diego Lease, are fair and reasonable as to the Corporation under the circumstances, in the best interest of the Corporation, and in furtherance of the charitable purposes of the Corporation; and

WHEREAS, the Board desires the Corporation to take all actions necessary or advisable to facilitate the Transactions;

NOW, THEREFORE, BE IT RESOLVED, that the Board approves the Transactions and authorizes the execution, delivery and performance of the Primary Transaction Documents to which the Corporation is a party and all such other documents, instruments and agreements as may be necessary or advisable to facilitate the Transactions (collectively with the Primary Transaction Documents, the “Transaction Documents”);

RESOLVED FURTHER, that the Board hereby approves, confirms, and ratifies the election of the following individuals to the offices of the Corporation set forth after their names:

Noel Russell-Unterburger	Chairman of the Board
Caprice Young	President and Chief Executive Officer
Alfredo Rubalcava	Secretary
Nanie Montijo	Chief Financial Officer and Treasurer

RESOLVED FURTHER, that the Board hereby approves, confirms, and ratifies the designation of the following individuals as the directors of the Borrower, to serve for terms ending November 11, 2020, or until removed or replaced as provided in the bylaws of the Borrower:

Serdar Orazov
John Helgeson
Johnathan Williams;

RESOLVED FURTHER, that the officers of the Corporation (collectively, the “Authorized Signatories”), and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation, to execute, deliver, approve, and, as appropriate, declare final the Primary Transaction Documents, in the forms that have been presented to the Board for approval or with such amendments or modifications thereto as an Authorized Signatory may approve as necessary or advisable, and all such other purchase and sale agreements, escrow agreements, bond purchase agreements, indentures, loan agreements, promissory notes, leases, deeds of trust, security agreements, account control agreements, subordination, non-disturbance and attornment agreements, tax certificates, offering memoranda, disclosure agreements, assignments, indemnification agreements, guaranties, subordination agreements, letters of representation, notices, certificates, and other documents, agreements, or instruments or amendments to any of the foregoing, as an Authorized Signatory may approve as necessary or advisable to facilitate the Transactions, each with such additions, deletions or changes therein as the Authorized Signatory executing the same shall approve (the execution and delivery thereof by any such Authorized Signatory to be conclusive evidence of his or her approval of any such document, agreement, instrument, amendment, addition, deletion or change);

RESOLVED FURTHER, that, pursuant to Section 17199.4(a)(1) of the Education Code of the State of California, this Board hereby elects to participate in the Intercept to secure payment of the principal of and interest on the Bonds in amounts not exceeding the amounts due under the MSA-1 Lease, the Santa Ana Loan Agreement, and the MSA-San Diego Lease, as applicable, and the Authorized Signatories, and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation, to provide notice to the State

Controller of the State of California or other applicable state agency of the State of California of such election of the Board;

RESOLVED FURTHER, that the Corporation shall apply for grant funds under the Charter School Facility Grant Program to be applied to costs associated with facility rents under the MSA-1 Lease and the MSA-San Diego Lease;

RESOLVED FURTHER, that the Board hereby ratifies and confirms the acts of the officers, agents or employees of the Corporation taken on behalf of the Corporation in connection with the Transactions;

RESOLVED FURTHER, that by the adoption of these resolutions, the Board hereby reconfirms, ratifies and adopts all prior actions of the Board which may have previously been taken in connection with the Transactions;

RESOLVED FURTHER, that all prior resolutions of the Board or any parts thereof in conflict with any or all of the foregoing resolutions are hereby repealed to the extent of such conflict;

RESOLVED FURTHER, that these resolutions shall take effect and be in full force immediately after their adoption by the Board; and

RESOLVED FURTHER, that the Authorized Signatories, and each of them individually, are hereby authorized and directed, for and in the name and on behalf of the Corporation, to approve, execute and deliver any and all documents, instruments and agreements, and to perform or cause to be performed any and all acts as may, in their judgment, be necessary or desirable to accomplish the purposes of the foregoing resolutions and the transactions contemplated thereby and by the agreements therein approved, and any such documents, instrument or agreements so executed and delivered or actions taken by them or any of them shall be conclusive evidence of their authority in so doing.

Certificate of Secretary

The undersigned certifies that the undersigned is the duly appointed and acting Secretary of Magnolia Educational & Research Foundation (the "Corporation"), a California nonprofit public benefit corporation, and that the foregoing Resolutions were duly adopted by the majority vote of the directors of the Corporation then in office at a meeting of the board of directors of the Corporation duly held on April 6, 2017, in compliance with the bylaws of the Corporation, in compliance with the notice, agenda, and open meeting requirements of the Ralph M. Brown Act, and while a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary of the Corporation this ___ day of April 2017.

Alfredo Rubalcava, Secretary

Schedule 1

Serdar Orazov
Caprice Young
Alfredo Rubalcava
Nanie Montijo

MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION

RESOLUTIONS OF THE BOARD OF DIRECTORS

(Approval of 2017 Bond Financing Transaction)

WHEREAS, Magnolia Educational & Research Foundation, a California nonprofit public benefit corporation (“MERF” or the “Corporation”), is organized for charitable purposes;

WHEREAS, Magnolia Properties Management, Inc., a California nonprofit public benefit corporation (the “Borrower”), was formed and is operated exclusively to support MERF;

WHEREAS, the Borrower formed and is the sole member of (i) MPM Sherman Way LLC, a California limited liability company (“MPM Sherman Way”), (ii) MPM Santa Ana LLC, a California limited liability company (“MPM Santa Ana”), and (iii) MPM San Diego LLC, a California limited liability company (“MPM San Diego” and, together with MPM Sherman Way and MPM Santa Ana, the “Members”);

WHEREAS, MERF operates the public charter school known as Magnolia Science Academy 1 – Reseda (“MSA-1”) on real property owned by MPM Sherman Way and located at 18214, 18228 and 18238 Sherman Way, Reseda, Los Angeles County, California 91335 (the “Sherman Way Property”);

WHEREAS, MERF operates the public charter school known Magnolia Science Academy – Santa Ana (“MSA-SA”) on real property owned by MERF and located at 2840 W 1st Street, Santa Ana, California 92703 (the “Santa Ana Property”);

WHEREAS, MERF operates the public charter school known as Magnolia Science Academy – San Diego (“MSA-SD” and, collectively with MSA-1 and MSA-SA, the “Schools”) on real property owned by the San Diego Unified School District and located at 6365 Lake Atlin Avenue, San Diego, California 92119;

WHEREAS, MERF desires to operate MSA-SD on real property owned by the San Diego Unified School District and located at 6525 Estrella Avenue, San Diego, California 92120 (the “San Diego Property”);

WHEREAS, the California School Finance Authority (the “Authority”) issued its California School Finance Authority School Facility Revenue Bonds (Magnolia Science Academy-1, Reseda Project) Series 2014A in the aggregate principal amount of \$5,675,000 (the “2014A Bonds”) and its California School Finance Authority School Facility Revenue Bonds (Magnolia Science Academy-1, Reseda Project) Series 2014B (Taxable), in the aggregate principal amount of \$345,000 (the “2014B Bonds” and, together with the 2014A Bonds, the “2014 Bonds”) pursuant to an Indenture (the “2014 Indenture”) dated as of June 1, 2014 by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the “2014 Trustee”);

WHEREAS, the Authority made a loan (the “2014 Loan”) of the proceeds of the 2014 Bonds to MPM Sherman Way pursuant to the terms of (i) the 2014 Indenture and (ii) a Loan Agreement (the “2014 Loan Agreement”) dated as of June 1, 2014, between the Authority and the MPM Sherman Way;

WHEREAS, the Authority, the 2014 Trustee, and MPM Sherman Way propose to amend the 2014 Indenture and the 2014 Loan Agreement and to secure the payment of the obligations of MPM Sherman Way under the amended 2014 Loan Agreement pursuant to the terms of (i) a Master Indenture of Trust (the “Master Indenture”), by and among the Borrower, as the initial obligated group representative (the “Obligated Group Representative”) and the Members, as the initial members of the obligated group (the “Obligated Group”), and UMB Bank, National Association, as master trustee (the “Master Trustee”), as amended by a Supplemental Master Indenture for Obligation No. 1 (the “Supplemental Master Indenture”), by and between the Obligated Group Representative and the Master Trustee, (ii) a First Amendment to Indenture (the “First Amendment to Indenture”) by and between the Authority and the 2014 Trustee, (iii) a First Amendment to Loan Agreement (the “First Amendment to Loan Agreement”) by and between the Authority and MPM Sherman Way, and (iv) an Obligation No. 1 (“Obligation No. 1”) issued by the Obligated Group Representative to the 2014 Trustee;

WHEREAS, MPM Sherman Way proposes to construct certain improvements to the Sherman Way Property and to lease the Sherman Way Property to MERF for use and occupation by MSA-1 pursuant to an Amended and Restated Lease Agreement by and between MPM Sherman Way and MERF (the “MSA-1 Lease”);

WHEREAS, MPM Santa Ana proposes to make a loan to MERF to fund the construction of certain improvements to the Santa Ana Property pursuant to a Loan Agreement by and between MPM Santa Ana and MERF (the “Santa Ana Loan Agreement”);

WHEREAS, MPM San Diego proposes to acquire certain modular classroom and office facilities (the “San Diego Facilities”) and to lease the San Diego Facilities to MERF for use by MSA-SD on the San Diego Property pursuant to an Lease and Equipment Agreement by and between MPM Santa Ana and MERF (the “MSA-San Diego Lease”);

WHEREAS, the Authority proposes to issue its California School Finance Authority Charter School Revenue Bonds (Magnolia Public Schools – Obligated Group) Draw Down Series 2017A and California School Finance Authority Charter School Revenue (Magnolia Public Schools – Obligated Group) Series 2017B (Taxable) (collectively, the “Bonds”) in a maximum amount not to exceed \$25,000,000 pursuant to an Indenture (the “Indenture”) by and between the Authority and UMB Bank, National Association, as trustee thereunder (the “Trustee”);

WHEREAS, D.A. Davidson & Co. (the “Underwriter”) proposes to underwrite the Bonds pursuant to a bond purchase agreement (the “Bond Purchase Agreement”), by and among the Underwriter, the Honorable John Chiang, Treasurer of the State of California, as agent for sale on behalf of the Authority, the Authority, the Borrower, and MERF;

WHEREAS, the Authority proposes to make a loan (the “Loan”) of the proceeds of the Bonds to the Borrower pursuant to the terms of (i) the Master Indenture, as amended by a Supplemental Master Indenture for Obligation No. 2 (the “Second Supplemental Master Indenture”), by and between the Obligated Group Representative and the Master Trustee, (ii) the Indenture, (iii) a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower, and (iv) an Obligation No. 2 (“Obligation No. 2”) issued by the Obligated Group Representative to the Bond Trustee;

WHEREAS, MERF and the Borrower propose that the Borrower or the Members will use the proceeds of the Loan to (1) finance and refinance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and equipping of charter school educational facilities located at the Sherman Way Property, the Santa Ana Property, and the San Diego Property (collectively, the “Project”), (2) pay certain expenses incurred in connection with the issuance of the Bonds, (3) pay capitalized interest on the Bonds and/or related working capital and (4) fund a debt service reserve fund with respect to the Bonds and a repair and replacement fund;

WHEREAS, MERF and the Borrower propose to secure or support the obligations of the Borrower and the Obligated Group Representative by (i) the Sherman Way Property and related personal property pursuant to the terms of a Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (the “Deed of Trust”) executed by MPM Sherman Way, as grantor, to Fidelity National Title Insurance Company, as trustee, for the benefit of the Master Trustee, (ii) the Santa Ana Loan Agreement pursuant to the terms of a Security Agreement (the “Santa Ana Security Agreement”) executed by MPM Santa Ana, as debtor, to the Master Trustee, as secured party, (iii) the MSA-San Diego Lease pursuant to the terms of a Security Agreement (the “San Diego Security Agreement”) executed by MPM San Diego, as debtor, to the Master Trustee, as secured party, (iv) an intercept of portions of each School’s general purpose apportionment by the State Controller or another state agency of the State of California pursuant to Section 17199.4(a)(1) of the Education Code of the State of California (collectively, the “Intercept”), and (v) the Borrower’s membership interests in the Members pursuant to the terms of a Security Agreement (the “Membership Interest Security Agreement”) executed by the Borrower, as debtor, to the Master Trustee, as secured party;

WHEREAS, MERF and the Borrower propose that the MSA-1 Lease, the Santa Ana Loan Agreement, and the MSA-San Diego Lease collectively will provide for the payment of rent and loan payments sufficient to satisfy the Borrower’s obligations under the 2014 Loan Agreement, as amended, Obligation No. 1, the Loan Agreement, Obligation No. 2, and all other obligations of the Borrower arising from the foregoing transactions and agreements;

WHEREAS, MERF proposes to make such loans, charitable grants or capital contributions to the Borrower or the Members as may be necessary or desirable to capitalize the Borrower or the Members for purposes of entering into the transactions described above;

WHEREAS, the Board has reviewed proposed forms of the following documents and agreements (collectively, the “Primary Transaction Documents”):

- (a) the Bond Purchase Agreement;

- (b) the Master Indenture;
- (c) the Supplemental Master Indenture;
- (d) the Obligation No. 1;
- (e) the First Amendment to Indenture;
- (f) the First Amendment to Loan Agreement;
- (g) the Second Supplemental Master Indenture;
- (h) the
- (i) Obligation No. 2; the Indenture;

10) the Loan Agreement;

- (j) the MSA-1 Lease;
- (k) the Santa Ana Loan Agreement;
- (l) 13) the MSA-San Diego Lease;
- (m) 14) the Deed of Trust;
- (n) 15) the Santa Ana Security Agreement;
- (o) 16) the San Diego Security Agreement;
- (p) 17) the Membership Interest Security Agreement;

(q) 18) a Subordination, Non-Disturbance and Attornment Agreement (“SNDA”) by and among MPM Sherman Way, MERF, and the Master Trustee;

(r) 19) a Continuing Disclosure Agreement among the Borrower, MERF, and the Trustee, as dissemination agent; and

(s) 20) a form of Limited Offering Memorandum that has been prepared to furnish information with respect to the sale and delivery of the Bonds;

WHEREAS, the Borrower is a nonprofit, tax-exempt corporation which, as one of its primary purposes, supports the Corporation and functions of the Board of Directors (the “Board”) of the Corporation;

WHEREAS, certain of the directors, officers and employees of the Corporation, including without limitation the persons listed on Schedule 1 hereto, also serve as non-compensated officers or directors of the Borrower, and the interests of such persons in the

Borrower and the indirect interests of such persons in the Members has been disclosed to the Corporation and is hereby noted in the official records of the Corporation;

WHEREAS, the Board finds that the terms of the foregoing transactions (collectively, the “Transactions”), including the MSA-1 Lease, the Santa Ana Loan Agreement, and the MSA-San Diego Lease, are fair and reasonable as to the Corporation under the circumstances, in the best interest of the Corporation, and in furtherance of the charitable purposes of the Corporation; and

WHEREAS, the Board desires the Corporation to take all actions necessary or advisable to facilitate the Transactions;

NOW, THEREFORE, BE IT RESOLVED, that the Board approves the Transactions and authorizes the execution, delivery and performance of the Primary Transaction Documents to which the Corporation is a party and all such other documents, instruments and agreements as may be necessary or advisable to facilitate the Transactions (collectively with the Primary Transaction Documents, the “Transaction Documents”);

RESOLVED FURTHER, that the Board hereby approves, confirms, and ratifies the election of the following individuals to the offices of the Corporation set forth after their names:

Noel Russell-Unterburger	Chairman of the Board
Caprice Young	President and Chief Executive Officer
Alfredo Rubalcava	Secretary
Nanie Montijo	Chief Financial Officer and Treasurer

RESOLVED FURTHER, that the Board hereby approves, confirms, and ratifies the designation of the following individuals as the directors of the Borrower, to serve for terms ending November 11, 2020, or until removed or replaced as provided in the bylaws of the Borrower:

Serdar Orazov
John Helgeson
Johnathan Williams;

RESOLVED FURTHER, that the officers of the Corporation (collectively, the “Authorized Signatories”), and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation, to execute, deliver, approve, and, as appropriate, declare final the Primary Transaction Documents, in the forms that have been presented to the Board for approval or with such amendments or modifications thereto as an Authorized Signatory may approve as necessary or advisable, and all such other purchase and sale agreements, escrow agreements, bond purchase agreements, indentures, loan agreements, promissory notes, leases, deeds of trust, security agreements, account control agreements, subordination, non-disturbance and attornment agreements, tax certificates, offering memoranda, disclosure agreements, assignments, indemnification agreements, guaranties, subordination agreements, letters of representation, notices, certificates, and other documents, agreements, or instruments or amendments to any of the foregoing, as an Authorized Signatory may approve as

necessary or advisable to facilitate the Transactions, each with such additions, deletions or changes therein as the Authorized Signatory executing the same shall approve (the execution and delivery thereof by any such Authorized Signatory to be conclusive evidence of his or her approval of any such document, agreement, instrument, amendment, addition, deletion or change);

RESOLVED FURTHER, that, pursuant to Section 17199.4(a)(1) of the Education Code of the State of California, this Board hereby elects to participate in the Intercept to secure payment of the principal of and interest on the Bonds in amounts not exceeding the amounts due under the MSA-1 Lease, the Santa Ana Loan Agreement, and the MSA-San Diego Lease, as applicable, and the Authorized Signatories, and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation, to provide notice to the State Controller of the State of California or other applicable state agency of the State of California of such election of the Board;

RESOLVED FURTHER, that the Corporation shall apply for grant funds under the Charter School Facility Grant Program to be applied to costs associated with facility rents under the MSA-1 Lease and the MSA-San Diego Lease;

RESOLVED FURTHER, that the Board hereby ratifies and confirms the acts of the officers, agents or employees of the Corporation taken on behalf of the Corporation in connection with the Transactions;

RESOLVED FURTHER, that by the adoption of these resolutions, the Board hereby reconfirms, ratifies and adopts all prior actions of the Board which may have previously been taken in connection with the Transactions;

RESOLVED FURTHER, that all prior resolutions of the Board or any parts thereof in conflict with any or all of the foregoing resolutions are hereby repealed to the extent of such conflict;

RESOLVED FURTHER, that these resolutions shall take effect and be in full force immediately after their adoption by the Board; and

RESOLVED FURTHER, that the Authorized Signatories, and each of them individually, are hereby authorized and directed, for and in the name and on behalf of the Corporation, to approve, execute and deliver any and all documents, instruments and agreements, and to perform or cause to be performed any and all acts as may, in their judgment, be necessary or desirable to accomplish the purposes of the foregoing resolutions and the transactions contemplated thereby and by the agreements therein approved, and any such documents, instrument or agreements so executed and delivered or actions taken by them or any of them shall be conclusive evidence of their authority in so doing.

Certificate of Secretary

The undersigned certifies that the undersigned is the duly appointed and acting Secretary of Magnolia Educational & Research Foundation (the "Corporation"), a California nonprofit public benefit corporation, and that the foregoing Resolutions were duly adopted by the majority vote of the directors of the Corporation then in office at a meeting of the board of directors of the Corporation duly held on April __, 2017, in compliance with the bylaws of the Corporation, in compliance with the notice, agenda, and open meeting requirements of the Ralph M. Brown Act, and while a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary of the Corporation this __ day of April 2017.

Alfredo Rubalcava, Secretary

Schedule 1

Serdar Orazov
Caprice Young
Alfredo Rubalcava
Nanie Montijo