

CAMINO NUEVO CHARTER ACADEMY
RESOLUTIONS OF THE BOARD OF DIRECTORS
(Miramar and Dalzell-Lance)

WHEREAS, Camino Nuevo Charter Academy, a California nonprofit public benefit corporation (the “Corporation”) and Pueblo Nuevo Education and Development Group, a California nonprofit public benefit corporation (“PN-EDG”) were organized for charitable purposes;

WHEREAS the Corporation has operated a charter school known as “Camino Nuevo High School—Miramar” (“CNHS”) at 1215 Miramar St., Los Angeles (the “Leased Property”);

WHEREAS, CNHS sustained operating losses for many years at the Leased Property, and Corporation previously determined to close CNHS as of June 30, 2021;

WHEREAS, the Corporation occupied the Leased Property pursuant to a lease with the Los Angeles Unified School District (“LAUSD”), with support from the State of California’s Charter School Facilities Program (“CSFG”);

WHEREAS, the Corporation has been informed that it will be released from its CSFG obligations if it remains current in its CSFG financial obligations through the date on which CNHS is closed, and if it vacates the Leased Property at that time;

WHEREAS, certain disputes have arisen between the Corporation and LAUSD pertaining to services provided to the Leased Property (the “O&M Dispute”);

WHEREAS, to resolve the O&M Dispute, the Corporation and LAUSD have negotiated a Settlement Agreement and Release, in the form attached hereto as Attachment 1 (the “Settlement Agreement”);

WHEREAS, to fund continued operations at CNHS, PN-EDG has previously lent \$375,000 to the Corporation for the benefit of CNHS (the “PN-EDG Loan”), which remains outstanding as of the date hereof;

WHEREAS, the Corporation continues to operate one additional high school known as Dalzell Lance (“DLHS”), which serves the community that CNHS also served; and

WHEREAS, the Corporation anticipates that CNHS will continue to receive revenues from its operations for some time after CNHS is closed, and that after payment of all costs and liabilities related to CNHS, including sums due to LAUSD, there may be remaining funds that belong to the Corporation, considered assets of CNHS (the “Surplus Funds”).

NOW, THEREFORE, the Board of Directors of the Corporation adopts the following resolutions:

WINDING UP CNHS

RESOLVED, the Corporation shall wind up all affairs of CNHS, pay creditors of CNHS the sums due to such creditors, and vacate the Leased Premises as required to resolve affairs with the State of California, CSFG;

RESOLVED, the Corporation shall also enter into the Settlement Agreement, and pay sums due to LAUSD pursuant thereto; and

RESOLVED, the Corporation shall repay the PN-EDG Loan to PN-EDG, after other creditors have been paid but prior to the distribution of Surplus Funds as described below.

SURPLUS FUNDS

RESOLVED, after the foregoing liabilities (collectively the “CNHS Liabilities”) have been resolved, if and to the extent that CNHS has Surplus Funds, such Surplus Funds shall be transferred to DLHS;

RESOLVED, revenues received by CNHS after closure may be treated as Surplus Funds and transferred to DLHS upon receipt, once the CNHS Liabilities have been resolved.

AUTHORIZING RESOLUTIONS

RESOLVED, that Adriana Abich, Chief Executive Officer, be and is hereby authorized and directed, for and in the name of the Corporation, to execute and deliver the Settlement Agreement and other agreements as she may approve or deem necessary or advisable to wind up affairs at CNHS, each with such additions, deletions or changes therein as she may approve;

GENERAL AUTHORIZING RESOLUTION

RESOLVED, that the officers of the Corporation, and each of them, are hereby authorized and empowered, for and on behalf of the Corporation, to 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 CAMINO NUEVO CHARTER ACADEMY (the “Corporation”), a California nonprofit public benefit corporation, and that the foregoing is a true and correct copy of Resolutions duly adopted by the Corporation on June 28, 2021, in compliance with the Bylaws of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary of the Corporation this 29 day of June 2021.

David Gidlow

David Gidlow
Secretary

Attachment 1
Form of Settlement Agreement