

International Leadership Charter School

Board Meeting

Minutes

1/12/13

Present: John Paul Gonzalez, Dr. Doris Torres, Nubia Moreno, Dr. Elaine Ruiz Lopez, Lupe Samuels

The primary purpose of meeting was to review and understand the repayment schedule, the process for receiving the funds provided through the recently approved Municipal Tax Exempt Bonds and what the charter school's obligations are.

The School will borrow approximately 18mm Municipal Tax Exempt bonds as approved by NYC Build Resource Corporation on December 11, 2012. The proceeds the school receives is \$14,708,270.83 with the difference we will establish a debt reserve fund to serve as a back up in the event of default in payment, and a capitalized interest fund.

The capitalized interest fund is the account that the investors will receive the payment of interest for the first 18 months. Meaning the school will start to pay interest after that account has depleted. The school will start paying back interest and principal starting 8/1/2014 after we are in the new facility. This was considered to be a positive outcome to provide our charter school with the cushion needed as we still have overhead expenses at the current rental facility.

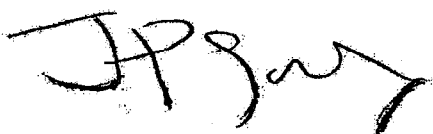
The estimated monthly payments will be \$106,458.33 and the payments are spread out to 30 yrs so essentially it is similar to a mortgage that we will be paying back. The operating account will have a control agreement that takes effect 8/2014 that when revenues come in the trustee bank will get interest payments and the balance remaining released to the school for operating purpose. The closing is scheduled for on or before February 2013

The Board is required by the "Bond" to review and sign a Board Resolution agreeing to the terms and repayment schedule. This document was prepared by our Bond and Borrower's Counsel at Cozen and O'Connor. The Board approved the resolution and John Paul Gonzalez signed the Secretary's Certificate on behalf of Board The Board has requested that our CEO draft the official notification to the NYCDOE of the great news and our plans to move forward.

Meeting adjourned at 7:00 PM.

Respectfully Submitted,

John Paul Gonzalez

A handwritten signature in black ink, appearing to read 'JP Gonzalez', is written over the printed name.