

**RESOLUTION DECLARING OFFICIAL INTENT
OF
PENSAR ACADEMY
FOR THE REIMBURSEMENT OF CAPITAL EXPENDITURES**

RECITALS:

A. Pensar Academy, an Arizona nonprofit corporation, (the "Corporation") has an intent to finance the Project (as defined in Section 2 of this Resolution) through a borrowing from The Industrial Development Authority identified in Exhibit "A," attached hereto and incorporated herein by this reference (the "Issuer"); and

B. The Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (the "Code") require the Corporation to take this action in connection with the payment of certain expenses in connection with the Project prior to the issuance of tax-exempt bonds in order to allow the Corporation to be reimbursed for such expenditures;

NOW THEREFORE BE IT RESOLVED THAT:

1. This Resolution and the representations herein with respect to the reimbursement of the expenditures described in this Resolution are intended to be the statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e) which generally state, but are not limited, to: a) that a declaration of official intent to reimburse the Corporation for such expenditures are to be made out of proceeds of a subsequently issued borrowing; b) the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within 18 months of the payment of the expenditure, or, if longer, within 18 months of the date the Project is placed in service or abandoned, but in no event more than three years after the expenditure is paid; and c) that the expenditure be a capital expenditure or costs associated therewith.
2. The Board of Directors of the Corporation (the "Board") has determined that it is essential and necessary and in the best interests of the Corporation to acquire and/or improve the property, including the Project, as described more fully in Exhibit "B," attached hereto and incorporated herein by this reference.
3. The Corporation intends to finance all or a portion of the Project through entering into a financing agreement the interest on which is intended to be excludable from the gross income of the recipient investor(s) for federal income tax purposes.
4. The expenditures to be reimbursed pursuant to this Resolution have been, or will be, incurred as permitted by the Code (generally within 60 days prior to the date hereof or will be incurred after the date hereof) in connection with the acquisition and/or improvement of the Project, but prior to executing the financing transaction;
5. Reimbursement shall be made from the proceeds of the financing transaction, and all reimbursed expenditures shall be capital expenditures as defined in Section 1.150-1(h) of the Regulations;
6. The maximum principal amount of debt expected to be issued for the Project is not to exceed \$6,500,000.00;
7. The financial officer of the Board, or the financial officer of the Corporation acting on behalf of the Board, shall be responsible for making a written reimbursement allocation described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the financing transaction to reimburse the source of temporary financing used by the Board to make payment of the

prior costs of the Project. Each allocation shall be evidenced by an entry on the official books and records maintained by the Corporation, shall specifically identify and document the actual prior expenditure being reimbursed, or, in the case of reimbursement of a fund or account in accordance with Section 1.150-2, the fund or account from which the expenditure was paid. Such allocation shall be made within 30 days of the issuance of the financing.

8. The Corporation reasonably expects to be reimbursed for the expenditures set forth in this Resolution with the proceeds of tax-exempt debt to be issued by or through the Issuer subsequent to the date hereof, but this Resolution does not constitute a binding obligation to the issuance of such debt on the Corporation's behalf.

9. These Resolutions shall take effect immediately.

Adopted this 21st day of February 2020.

PENSAR ACADEMY, an Arizona nonprofit corporation

By: 

President of the Board

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Board Member/Secretary

**EXHIBIT A
TO
RESOLUTION DECLARING OFFICIAL INTENT
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The Industrial Development Authority is: Arizona Industrial Development Authority

**EXHIBIT B
TO
RESOLUTION DECLARING OFFICIAL INTENT
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THE PROJECT:

The Bond Financing will fund a loan to the Corporation which the Corporation will use to: (a) finance or refinance the cost of acquiring, constructing, renovating, improving and equipping a charter school facility located at 6135 North Black Canyon Highway, Phoenix, Maricopa County, Arizona; (b) reimburse the Corporation for capital expenditures made by the Corporation for the Project; (c) fund capitalized interest on all or a portion of the Bond Financing; (d) fund a debt service reserve fund, if any; and (e) pay certain issuance expenses related to the Bond Financing.

The amount of the Bond Financing will not exceed \$6,500,000.00.