

TAX EXEMPTION CERTIFICATE AND AGREEMENT

Among

CITY OF GAHANNA, OHIO

And

PNC BANK, NATIONAL ASSOCIATION

And

THE COLUMBUS ACADEMY

|
\$~~(2019A-PRINCIPAL)~~10,700,000
CITY OF GAHANNA, OHIO
ECONOMIC DEVELOPMENT
REVENUE BONDS,
SERIES 2019A
(THE COLUMBUS ACADEMY PROJECT)

\$~~(2019B-PRINCIPAL)~~8,300,000
CITY OF GAHANNA, OHIO
ECONOMIC DEVELOPMENT
REFUNDING REVENUE BONDS,
SERIES 2019B
(THE COLUMBUS ACADEMY)

Dated February 20, 2019

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DESCRIPTION OF THE PURPOSE OF THE SERIES 2019 BONDS	2
Section 1.1. Purpose of the Series 2019 Bonds.	2
Section 1.2. Acquisition, Construction and Equipping of the Project – Binding Commitment and Timing; Refunding of Prior Bonds.	2
Section 1.3. Reimbursement.	3
Section 1.4. No Working Capital.	3
Section 1.5. Consequences of Contrary Expenditure.	3
Section 1.6. Investment of Series 2019 Bond Proceeds.	3
Section 1.7. Hedges.	3
Section 1.8. No Grants.	54
Section 1.9. Abusive Transactions.	64
ARTICLE II USE OF PROCEEDS; DESCRIPTIONS OF FUNDS	75
Section 2.1. Use of Proceeds; Funds Established.	75
Section 2.2. No Bond Fund.	75
Section 2.3. Corporation Obligation.	75
Section 2.4. No Replacement, Sinking or Pledged Funds.	86
Section 2.5. The Prior Bonds.	86
Section 2.6. Refunding of the Prior Bonds.	97
ARTICLE III REBATE FUND; ARBITRAGE REBATE REQUIREMENTS	108
Section 3.1. Creation of Rebate Fund.	108
Section 3.2. Compliance with Section 148(f) of the Code.	108
Section 3.3. Records.	108
Section 3.4. Fair Market Value; Certificates of Deposit and Investment Agreements.	1210
ARTICLE IV ADDITIONAL PAYMENTS	1513
ARTICLE V YIELD AND YIELD LIMITATIONS	1614
Section 5.1. Issue Price.	1614
Section 5.2. Yield Limits.	1614
Section 5.3. Continuing Nature of Yield Limits.	1614
Section 5.4. Payments under the Loan Agreement.	1715
Section 5.5. Federal Guarantees.	1715
Section 5.6. Reserved.	1715
Section 5.7. Other Payments Relating to the Series 2019 Bonds.	1715
ARTICLE VI PROGRAM COVENANTS	1816
ARTICLE VII DEFINITIONS	1917
ARTICLE VIII CONCERNING THE SERVICING AGENT	2220
Section 8.1. Servicing Agent Charges and Expenses; Other Expenses.	2220
Section 8.2. Reserved.	2220
Section 8.3. Acceptance.	2220
ARTICLE IX PROJECT CERTIFICATE; MISCELLANEOUS	2321
Section 9.1. Project Certificate.	2321
Section 9.2. Termination; Interest of Corporation and Issuer in Rebate Fund.	2321
Section 9.3. No Common Plan of Financing.	2321

Section 9.4.	Reserved.	23 <u>21</u>
Section 9.5.	No Investment-Type Property and Reasonable Expectations.	23 <u>21</u>
Section 9.6.	Future Events.	24 <u>22</u>
Section 9.7.	Permitted Changes; Opinion of Bond Counsel.	24 <u>22</u>
Section 9.8.	Severability.	24 <u>22</u>
Section 9.9.	Counterparts.	24 <u>22</u>
Section 9.10.	Notices.	24 <u>22</u>
Section 9.11.	Successors and Assigns.	25 <u>23</u>
Section 9.12.	Headings.	25 <u>23</u>
Section 9.13.	Governing Law.	25 <u>23</u>
Section 9.14.	Expectations.	25 <u>23</u>
Section 9.15.	Immunity of Officers.	25 <u>23</u>
Section 9.16.	Post-Issuance Compliance Policies and Procedures.	25 <u>23</u>
EXHIBIT A SOURCES AND USES OF FUNDS		A-1
EXHIBIT B PROJECT FUND DRAWDOWN SCHEDULE		B-1
EXHIBIT C ISSUE PRICE CERTIFICATE AND CERTIFICATE OF ORIGINAL PURCHASER		C-1
EXHIBIT D INSTRUCTION LETTER		D-1
[EXHIBIT E 2015 CERTIFICATE OF HEDGE PROVIDER WITH CONFIRMATION]		E-1
[EXHIBIT F 2015 SWAP IDENTIFICATION LETTER]		F-1
EXHIBIT G 2019 SWAP IDENTIFICATION LETTER		G-1
EXHIBIT H POST-ISSUANCE COMPLIANCE POLICIES AND PROCEDURES FOR TAX-EXEMPT OBLIGATIONS		H-1

TAX EXEMPTION CERTIFICATE AND AGREEMENT

This Tax Exemption Certificate and Agreement (the "*Tax Agreement*") dated as of February 20, 2019 is by and among the CITY OF GAHANNA, OHIO (the "*Issuer*"), a municipal corporation and political subdivision existing under the laws of the State of Ohio, THE COLUMBUS ACADEMY, an Ohio nonprofit corporation (the "*Corporation*"), and PNC BANK, NATIONAL ASSOCIATION, a national banking association, as servicing agent for the hereinafter described Series 2019 Bonds (the "*Servicing Agent*"). As the duly authorized officers of the Issuer, the undersigned are charged, with others, with the responsibility for executing and delivering the \$~~_____~~10,700,000 City of Gahanna, Ohio Economic Development Revenue Bonds, Series 2019A (The Columbus Academy Project) (the "*Series 2019A Bonds*") and the \$~~_____~~8,300,000 City of Gahanna, Ohio Economic Development Refunding Revenue Bonds, Series 2019B (The Columbus Academy) (the "*Series 2019B Bonds*") and together with the Series 2019A Bonds, the "*Series 2019 Bonds*"), on the date of their delivery. The Series 2019 Bonds were authorized pursuant to an ordinance of the Issuer adopted February 4, 2019 (the "*Legislation*") and are being issued pursuant to the Legislation and the Bond Purchase Agreement dated as of February 1, 2019 (the "*Bond Purchase Agreement*"), among the Issuer, the Corporation, the Servicing Agent, and PNC Bank, National Association, as original purchaser and holder (the "*Original Purchaser*"). The Series 2019 Bonds were sold on February 20, 2019 (the "*Sale Date*") to the Original Purchaser. Capitalized terms used but not defined herein shall have the meanings given to them in the Legislation or the Bond Purchase Agreement.

One purpose of executing this Tax Agreement is to set forth various facts regarding the Series 2019 Bonds and to establish the expectations of the Issuer and the Corporation as to future events regarding the Series 2019 Bonds and the use of Series 2019 Bond proceeds. To the extent such facts do not relate directly to the Issuer, the Issuer is relying upon the certifications of the Corporation, which the Issuer has no reason to believe are unreasonable. The certifications and representations made herein and the expectations presented herein are intended, and may be relied upon, as a certification of an officer of the Issuer given in good faith as described in Section 1.148-2(b)(2) of the Regulations.

The Issuer and the Corporation hereby covenant that neither the Issuer nor the Corporation will take any action, omit to take any action or permit the taking or omission of any action within their control (including, without limitation, making or permitting any use of the proceeds of the Series 2019 Bonds) if taking, permitting or omitting to take such action would cause any of the Series 2019 Bonds to be an arbitrage bond or a private activity bond (other than a qualified 501(c)(3) bond) within the meaning of the Code or would otherwise cause the interest on the Series 2019 Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Issuer and Corporation acknowledge that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Series 2019 Bonds, under present rules, the Issuer is treated as the "taxpayer" in such examination and the Issuer agrees that it will respond, at the Corporation's expense, in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination.

The certifications, covenants and agreements contained herein are made on behalf of the Issuer and the Corporation for the benefit of the owners from time to time of the Series 2019 Bonds. Accordingly, we do hereby certify, covenant and agree on behalf of the Issuer, the Corporation and the Servicing Agent (in the case of the Servicing Agent, solely with respect to Article III hereof) the following:

Article I
Description of the Purpose of the Series 2019 Bonds

Section 1.1. Purpose of the Series 2019 Bonds. The Series 2019 Bonds are being issued to provide the funds which will be used, together with certain other moneys, to (i) finance the acquisition, construction, renovation, installation and equipping of certain capital expenditures of the Corporation including, but not limited to, renovations and additions, as well as furniture, fixtures and equipment, for a new fieldhouse, weight room, training room, and maintenance building, as well as road improvements at the campus of the Corporation located on the real property located at 4300 Cherry Bottom Road, Gahanna, Ohio (collectively, the "Project"), (ii) refund and retire the outstanding principal amount of the City of Gahanna, Ohio Economic Development Revenue Bonds, Series 2015 (The Columbus Academy Project) (the "Prior Bonds"), which financed the acquisition, construction, renovation, installation and equipping of certain capital expenditures of the Corporation, and (iii) finance certain costs and expenses incurred in connection with the issuance of the Series 2019 Bonds. Attached hereto as *Exhibit A* is the schedule of sources and uses of funds with respect to the Series 2019 Bonds.

The proceeds of the Series 2019 Bonds will be made available to the Corporation pursuant to the provisions of the Loan Agreement, dated as of February 1, 2019, between the Issuer and the Corporation (the "Loan Agreement").

Section 1.2. Acquisition, Construction and Equipping of the Project – Binding Commitment and Timing; Refunding of Prior Bonds. The Corporation has entered, or within six months hereof will enter, into binding contracts or commitments obligating it to spend, or under which it has spent, at least five percent of the net sale proceeds of the Series 2019A Bonds on capital projects. It is expected that the work of acquiring, constructing, renovating, installing and equipping the Project will continue to proceed with due diligence through ~~_____~~, ~~20__~~, no later than February 20, 2022, at which time it is anticipated that all proceeds received from the sale of the Series 2019A Bonds and investments earnings thereon deposited into the Project Fund will have been spent. Based on the drawdown schedule contained in *Exhibit B*, the Corporation reasonably expects that at least 85 percent of the proceeds received from the sale of the Series 2019A Bonds and investment earnings thereon deposited into the Project Fund will be spent within three years of the date hereof.

It is expected that proceeds received from the sale of the Series 2019A Bonds deposited into the Project Fund, as disbursed, including investment earnings on the Project Fund during the acquisition, construction, and equipping period of the Project, will be spent to pay costs of the Project in accordance with the drawdown schedule contained in *Exhibit B*.

The outstanding principal amount of the Prior Bonds is expected to be refunded and retired with the proceeds of the Series 2019B Bonds on February 20, 2019.

respect to the Series 2019 Bonds. The Issuer and the Corporation acknowledge that any such hedge could affect the calculation of Yield under the Regulations and that the Internal Revenue Service could recalculate the Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction. The Corporation has been advised that all steps have been taken to ensure that the Hedge, as defined below, is treated as a qualified hedge with respect to the Series 2019 Bonds under Section 1.148-4(h)(2) and accounted for under Section 1.148(h)(3) of the Regulations.

(b) [Insert To Be Developed After We ~~Understand~~Confirm Final Hedge Strategy for New Project and existing Hedge]

Section 1.8. No Grants. None of the proceeds received from the sale of the Series 2019 Bonds or investment earnings thereon will be used to make grants to any person.

Section 1.9. Abusive Transactions. Neither the Issuer, the Corporation nor any member of the same Controlled Group of either of the foregoing has employed a device or entered into any arrangements or understandings in connection with the issuance of the Series 2019 Bonds, or in connection with any transaction or series of transactions related to the issuance of the Series 2019 Bonds, to obtain a material financial advantage based on arbitrage. Neither the Issuer, the Corporation nor any member of the same Controlled Group of either of the foregoing will realize any material financial advantage based on arbitrage in connection with the issuance of the Series 2019 Bonds, or in connection with any transaction or series of transactions related to the issuance of the Series 2019 Bonds. In particular, neither the Issuer, the Corporation nor any member of the same Controlled Group of either of the foregoing has or will receive a reduction in any interest payments to be made on the Series 2019 Bonds or receive a refund or rebate of any bond insurance premium as a result of issuing the Series 2019 Bonds.

Article II
Use of Proceeds; Descriptions of Funds

Section 2.1. Use of Proceeds; Funds Established. The Corporation and the Issuer agree as follows:

(a) The Series 2019 Bond proceeds will be used in accordance with the Bond Purchase Agreement and the Loan Agreement as follows:

**SALE PROCEEDS OF THE
SERIES 2019 BONDS**

APPLICATION

~~\$(2019A PRINCIPAL)~~10,700,000 par
amount of Series 2019A Bond proceeds

~~\$(2019B PRINCIPAL)~~8,300,000 par
amount of Series 2019B Bond proceeds

A maximum of ~~\$(2019A PRINCIPAL)~~10,700,000, as and when disbursed, which is the full amount of Series 2019A Bond proceeds, to the Project Fund or to pay costs of the Project, including \$_____ costs of issuance related to the Series 2019 Bonds.

~~\$(2019B PRINCIPAL)~~8,300,000, which is the fully amount of Series 2019B Bond proceeds, used by the Original Purchaser to refund and retire the outstanding principal amount of the Prior Bonds.

(b) Other than the foregoing funds and accounts, the only fund and account germane to the Series 2019 Bonds is the Rebate Fund. No amounts, regardless of the source, shall be deposited in such fund at Closing.

(c) Principal and interest on the Series 2019 Bonds shall be paid directly to the Holder.

(d) Costs of issuance incurred in connection with the issuance of the Series 2019 Bonds in excess of 2% will be paid directly by the Corporation.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts deposited therein) are expected to be deposited therein. Moneys in the Project Fund will be used as described in Section 1.2 hereof.

(f) Payments by the Corporation under the Loan Agreement will be made directly to the Holder.

Section 2.2. No Bond Fund. No Bond Fund has been established with respect to the Series 2019 Bonds. Payments will be made directly to the Holder.

Section 2.5. The Prior Bonds.

(a) The Prior Bonds were issued as Tax-Exempt Obligations. The Prior Bonds were issued to finance the cost of certain capital expenditures of the Corporation and to pay certain costs and expenses incurred in connection with the issuance of the Prior Bonds.

As of the date hereof, all proceeds received from the sale of the Prior Bonds (including investment earnings thereon) have been completely spent. Prior to expenditure, all such proceeds received from the sale of such Prior Bonds (including investment earnings thereon) were spent in accordance with the applicable requirements of the Code and applicable income tax regulations.

(b) As of the date hereof, no money or property of any kind (including cash) is on deposit in any fund or account, regardless of where held or the source thereof, with respect to the Prior Bonds, any of the obligations of the Corporation relating thereto or any obligation arising under any credit enhancement or liquidity device relating to the foregoing, or was legally required or otherwise restricted to pay the obligations of the Corporation under any of the foregoing. No moneys or properties were returned to the Corporation once deposited under the loan agreement or bond purchase agreement pursuant to which the Prior Bonds were issued or were pledged to secure or made available to pay debt service on the Prior Bonds, any of the obligations of the Corporation with respect to the Prior Bonds or the obligations of the Corporation under any credit enhancement or liquidity device relating to either of the foregoing.

(c) At the time the Prior Bonds were issued, the Corporation reasonably expected to spend at least 85 percent of the proceeds received from the sale of each such obligation (including investment earnings thereon) for the project to be financed with proceeds thereof, within three years of the date such obligations were issued. Not more than 50 percent of the proceeds received from the sale of the Prior Bonds (including investment earnings thereon) were invested in investments having a yield that was substantially guaranteed for four years or more.

Section 2.6. Refunding of the Prior Bonds.

[On the Closing Date, ~~the~~ \$~~8,300,000~~ On March 1, 2019 ~~B-PRINCIPAL~~, the \$8,300,000 of proceeds from the sale of the Series 2019B Bonds shall be used by the Corporation to refund and retire the outstanding principal amount of the Prior Bonds, which is within 90 days of the issuance date of the Series 2019 Bonds. Any amount remaining in funds established or used to redeem the Prior Bonds will, after the redemption of the Prior Bonds, be used to pay debt service on the Series 2019 Bonds.

IN WITNESS WHEREOF, the Issuer, the Corporation and the Servicing Agent have each caused this Tax Agreement to be executed in its own name and on its own behalf by its duly authorized officer or officers, all as of the date set forth above.

CITY OF GAHANNA, OHIO

Mayor

THE COLUMBUS ACADEMY

By: _____

Name: _____

Title: _____

Victor M. Thorne, President

PNC BANK, NATIONAL ASSOCIATION

By: _____
Laura DiFilippo, Vice President

Acknowledged by:

PNC BANK, NATIONAL ASSOCIATION
as Holder

By: _____
Laura DiFilippo, Vice President

14345207

Exhibit A
Sources and Uses of Funds

SOURCES:

Series 2019A Bonds Par Amount	\$ [2019A PRINCIPAL] <u>10,700,000</u>
Series 2019B Bonds Par Amount	\$ [2019B PRINCIPAL] <u>8,300,000</u>
TOTAL	<u>\$[AGGREGATE PRINCIPAL]19,000,000</u>

USES:

Project Costs	\$ _____
Refunding and Retirement of Principal Amount of Prior Bonds	_____ <u>\$8,300,000</u>
Costs of Issuance	_____
TOTAL	<u>\$[AGGREGATE PRINCIPAL]19,000,000</u>

Exhibit B
Project Fund Drawdown Schedule

DATE ON WHICH NEW MONEY PROCEEDS
ARE EXPECTED TO BE EXPENDED

AMOUNT EXPECTED TO BE
EXPENDED FOR THE PROJECT

TOTAL*

~~\$2019A~~
PRINCIPAL **10,700,000**

*Represents the sum of the Project Fund deposit to be used for Project costs, excluding estimated investment earnings insofar as the Series 2019 Bonds are drawdown bonds and little to no investment earnings are expected.

Exhibit C
ISSUE PRICE CERTIFICATE AND CERTIFICATE OF ORIGINAL PURCHASER

February 20, 2019

Dinsmore & Shohl LLP
Columbus, Ohio

Re: ~~\$(AGGREGATE PRINCIPAL)~~19,000,000 City of Gahanna, Ohio Economic
Development Revenue Bonds, Series 2019 (The Columbus Academy Project)

The City of Gahanna, Ohio (the "*Issuer*") has authorized the issuance of ~~\$(2019A PRINCIPAL)~~10,700,000 City of Gahanna, Ohio Economic Development Revenue Bonds, Series 2019A (The Columbus Academy Project) (the "*Series 2019A Bonds*") and ~~\$(2019B PRINCIPAL)~~8,300,000 City of Gahanna, Ohio Economic Development Refunding Revenue Bonds, Series 2019B (The Columbus Academy) (the "*Series 2019B Bonds*," together with the Series 2019A Bonds, the "*Series 2019 Bonds*"). The undersigned, as an officer of PNC Bank, National Association (the "*Original Purchaser*") and purchaser of the Series 2019 Bonds hereby certifies as follows:

1. On the date of this certificate, the Original Purchaser is purchasing a portion of the Series 2019A Bonds, as the initial draw on the Series 2019A Bonds in the principal amount of \$_____, and subject to the terms and conditions of the Bond Purchase Agreement (defined herein) relating to the Series 2019A Bonds, will purchase up to the total authorized par amount of the Series 2019A Bonds, which is ~~\$(2019A PRINCIPAL)~~10,700,000 (the "*2019A Purchase Price*"). Also on the date of this certificate, the Original Purchaser is purchasing the Series 2019B Bonds for the amount of ~~\$(2019B PRINCIPAL)~~8,300,000 (the "*2019B Purchase Price*"). The aggregate amount of the total authorized par amount of the Series 2019A Bonds and the Series 2019B Bonds is ~~\$(AGGREGATE PRINCIPAL)~~19,000,000 (the "*Purchase Price*"). The Original Purchaser is purchasing the Series 2019 Bonds pursuant to a Bond Purchase Agreement (the "*Bond Purchase Agreement*") among the Issuer, The Columbus Academy, an Ohio nonprofit corporation (the "*Corporation*"), the Original Purchaser and PNC Bank, National Association, as Servicing Agent, dated as of February 1, 2019. The Original Purchaser is not acting as an Underwriter with respect to the Series 2019 Bonds. The Original Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Series 2019 Bonds (or any portion of the Series 2019 Bonds or any interest in the Series 2019 Bonds). The Original Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Series 2019 Bonds and the Original Purchaser has not agreed with the City of Gahanna, Ohio pursuant to a written agreement to sell the Series 2019 Bonds to persons other than the Original Purchaser or a related party to the Original Purchaser. The Bond Purchase Agreement has not been modified since its execution on February 20, 2019.

For purposes of this certificate, (A) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party, (B) "related party" generally means any two or more persons who have greater than

Exhibit D
INSTRUCTION LETTER

February 20, 2019

City of Gahanna, Ohio

The Columbus Academy

PNC Bank, National Association

Re: \$~~{2019A—PRINCIPAL}~~10,700,000 City of Gahanna, Ohio Economic Development Revenue Bonds, Series 2019A (The Columbus Academy Project) (the "*Series 2019A Bonds*") and \$~~{2019B—PRINCIPAL}~~8,300,000 City of Gahanna, Ohio Economic Development Refunding Revenue Bonds, Series 2019B (The Columbus Academy) (the "*Series 2019B Bonds*," together with the Series 2019A Bonds, the "*Bonds*").

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance on this date of the above-referenced Bonds. In a Tax Exemption Certificate and Agreement delivered by each of you this date (the "*Tax Agreement*"), the City of Gahanna, Ohio (the "*Issuer*") and The Columbus Academy (the "*Corporation*") have agreed to comply with the arbitrage rebate requirements of Section 148 of the Internal Revenue Code of 1986, and PNC Bank, National Association, as purchaser of the Bonds and PNC Bank, National Association, as servicing agent have agreed to comply with certain of such requirements. The purpose of this letter is to set out generally the rules that you must follow to comply with the Tax Agreement. This letter does not describe how to actually compute the amount to be rebated to the United States, and due to the complexity involved, the computation will, in all likelihood, require consultation with an expert.

The Internal Revenue Service has issued final and temporary regulations relating to arbitrage and rebate matters. This letter is based upon these regulations, which are subject to change in the future. Such changes may require future recalculation of rebate amounts. For these reasons, it is very important for you and your tax advisors to keep abreast of developments in this area.

The following advice is based on factual information contained in the Tax Agreement. If the facts or expectations stated therein change, please call us to determine whether this results in a change in the following rules. Please note that the rules governing permissible yield on investments set forth in the Tax Agreement are in addition to the rebate rules and although you might be allowed to earn a yield in excess of Bond Yield under the yield restrictions rules, such excess may still be required to be rebated. In some cases, the payment of rebate may assist in compliance with the yield restriction requirements. Thus, rebate compliance and yield restriction

EXHIBIT G
2019 SWAP IDENTIFICATION LETTER

February 20, 2019

TO: The City of Gahanna, Ohio (the "Issuer")

FROM: The Columbus Academy (the "Borrower")

RE: ~~\$(AGGREGATE PRINCIPAL)~~19,000,000 City of Gahanna, Ohio Economic Development Revenue Bonds, Series 2019A and Series 2019B (The Columbus Academy Project) (the "2019 Bonds")

This letter is being provided to the Issuer on the date hereof in order to be made a part of the Issuer's books and records maintained for the above-captioned 2019 Bonds for the purpose of identifying the executed confirmation of an interest rate swap agreement (the "Swap") by and between PNC Bank, National Association (the "Swap Provider") and the Borrower, dated as of July 13, 2015, relating to the Issuer's Economic Development Revenue Bonds, Series 2015 (The Columbus Academy Project) (the "Hedged Obligations"), a copy of which is attached hereto as Appendix A to Exhibit A, as a "qualified hedge" with respect to the Hedged Obligations under the provisions of Treas. Reg. Section 1.148-4(h)(2) and 1.148-4(h)(3). The 2019 Bonds were issued on February 20, 2019, in a notional amount of ~~\$(AGGREGATE PRINCIPAL)~~19,000,000 and a final maturity date of June 30, 2040. The 2019 Bonds bear interest at variable interest rates reset on a monthly basis with monthly interest payments.

The Borrower has entered into the Swap primarily to modify its risk of interest rate changes with respect to the 2019 Bonds. The Swap is reasonably expected to meet the requirements of Treas. Reg. Sections 1.148-4(h)(2) and 1.148-4(h)(3) because of the certifications contained below and in the Certificate of Hedge Provider for the Swap, attached hereto as Exhibit A:

(a) the Swap does not contain any significant investment element because no portion of any payment by one party under the Swap relates to a conditional or unconditional obligation by the other party to make a payment on a different date;

(b) the Swap was entered into between the Borrower and a party that is not a Related Person (within the meaning of Treas. Reg. Section 1.150-1(b)) to the Borrower or the Issuer;

(c) the Swap covers, in whole or in part, all of one or more groups of the Issuer's 2019 Bonds;

(d) the Swap is primarily interest based because the 2019 Bonds are variable rate debt instruments without regard to the Swap and would be substantially similar to fixed rate bonds treating all payments on (and receipts from) the Swap as additional payments on (and receipts from) the 2019 Bonds;

The existence of the Swap will be noted on the Form 8038 and all other forms filed with the Internal Revenue Service for the 2019 Bonds. Please have an authorized representative of the Issuer maintain and identify this letter within fifteen days of the date hereof on the books and records maintained by the Issuer for the 2019 Bonds.

Acknowledged as to factual information

THE COLUMBUS ACADEMY

By: _____

Title: _____

Victor M. Thorne, President