

**REIMBURSEMENT AND COMPLIANCE AGREEMENT**

**THIS REIMBURSEMENT AND COMPLIANCE AGREEMENT** (this "Agreement") is made as of July 18, 2018 (the "**Closing Date**"), by and between **GO TOPEKA ETLC SUPPORT CORPORATION**, a Kansas nonprofit corporation ("**Company**"), **GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**, a Kansas nonprofit corporation ("**Sponsor**"), and **JOINT ECONOMIC DEVELOPMENT ORGANIZATION OF TOPEKA & SHAWNEE COUNTY**, a duly organized separate legal entity established by an interlocal agreement between Shawnee County and the City of Topeka ("**Leverage Lender**"), for the benefit of the Reliance Parties (as defined below).

**WHEREAS**, on the Closing Date, PNC New Markets Investment Partners, LLC, a Delaware limited liability company ("**Investor**"), will make a capital contribution in ETLC Investment Fund, a Delaware limited liability company ("**Fund**"), in exchange for one hundred percent (100%) of Fund's membership interests;

**WHEREAS**, on the Closing Date, Fund will obtain one or more loans from Leverage Lender in the aggregate amount of \$4,543,500 (the "**Leverage Loan**");

**WHEREAS**, on the Closing Date, Fund will use a portion of the proceeds of Investor's capital contribution and the Leverage Loan to make one "qualified equity investment", as such term is defined in Section 45D of the Internal Revenue Code of 1986, as amended from time to time (the "**Code**") and related treasury regulations thereunder (a "**QEI**") in an amount equal to \$6,500,000 in Partnerships of Hope XXI, LLC, a Missouri limited liability company ("**Sub-CDE**"), which is eligible for New Markets Tax Credits under Section 45D of the Code;

**WHEREAS**, Company was formed for the purpose of developing and rehabilitating certain improvements located at 2014 SE Washington Street in Topeka, Kansas and to operate or cause such improvements to be operated as the East Topeka Learning Center (the "**Project**");

**WHEREAS**, prior to the Closing Date, Sponsor has performed and has been performing services on behalf of Company, including, but not limited to, incurring expenses and various costs relating to the Project in the aggregate amount of \$1,031,345.23, all as further detailed on Exhibit A attached hereto (the "**Reimbursed Costs**"), and as evidenced by the invoices and other documentation attached hereto as Exhibit B;

**WHEREAS**, Sponsor desires to be reimbursed for the Reimbursed Costs and Company has agreed to reimburse or repay capital to Sponsor for the Reimbursed Costs;

**WHEREAS**, Leverage Lender contracts with Sponsor to execute its economic development strategy, and, prior to the date hereof, Leverage Lender provided Sponsor with sales tax revenue funds in the amount of \$4,543,500 ("**Sales Tax Revenue Funds**") to bridge the financing of the development the Project, which Sales Tax Revenue Funds Sponsor has agreed to return in full to Leverage Lender no later than the date of the closing on the financing for the Project;

**WHEREAS**, on the Closing Date, Sub-CDE is making certain loans to Company in the

aggregate original principal amount of \$6,500,000 (collectively, the “**QLICI Loan**”), each of which is intended to constitute a “qualified low-income community investment”, as such term is used in Section 45D of the Code and related treasury regulations thereunder (a “**QLICI**”), a portion of the proceeds of which Company intends to use, directly or indirectly, to reimburse or repay capital to Sponsor for the Reimbursed Costs;

**WHEREAS**, the Allocation Agreement to which Sub-CDE is a party, the Compliance and Monitoring Frequently Asked Questions issued by the CDFI Fund in April 2017 and related guidance issued by the CDFI Fund impose certain restrictions on the use of QLICIs to repay or refinance a debt or equity provider whose capital is used directly or indirectly to fund a QEI, or to repay or refinance any Affiliate (as defined below) of such debt or equity provider, and provide guidance regarding the collection of information in order to monitor such restrictions; and

**WHEREAS**, as a condition precedent to advancing the QLICI Loan, Sub-CDE requires that Company, Sponsor, and Leverage Lender make certain representations and covenants regarding, among other things, the direct and indirect sources of funds used to fund the QEI, the relationships among Company, Sponsor, and Leverage Lender and certain of their Affiliates, and the Reimbursed Costs, to Sub-CDE and its direct and indirect members (including, Raza Development Fund, Inc., a District of Columbia nonprofit corporation (“**Allocatee**”), Fund and Investor).

**NOW, THEREFORE**, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Company, Sponsor, and Leverage Lender each certify to Sub-CDE, Allocatee, Fund and Investor (collectively, the “**Reliance Parties**”) as follows:

**1. Definitions.** All capitalized terms listed in the introductory paragraph and Recitals to this Agreement have the meanings assigned to them therein, and all capitalized terms not otherwise expressly defined in this Agreement have the meanings assigned to them in the Loan Agreement (as defined below). In addition, the following terms have the following meanings in this Agreement:

(a) “**Affiliate**” means, as to any Person, any other Person that Controls, is Controlled by, or is under common Control with the first Person.

(b) “**Control**” means:

(i) ownership, control, or power to vote more than fifty percent (50%) of the outstanding shares of any class of Voting Securities (as defined in the Allocation Agreement) of any entity, directly or indirectly or acting through one or more other persons;

(ii) control in any manner over the election of a majority of the directors, trustees, general partners, managing members, managers (or individuals exercising similar functions) of any other entity; or

(iii) power to exercise, directly or indirectly, a controlling influence over the management policies or investment decisions of another entity, as determined by the CDFI Fund.

(c) “**Disbursing Agreement**” means that certain Construction Monitoring and Disbursement Agreement dated as of the Closing Date by and among Company, Sub-CDE, and certain other parties thereto.

(d) “**Flow of Funds Agreement**” means that certain Closing Transfers Memorandum dated as of the Closing Date by and among Investor, Sponsor, Leverage Lender, Fund, Sub-CDE, Company and certain other parties thereto, outlining the wire transfers necessary, among other things, to fund Investor’s capital contribution to Fund, the Leverage Loan, the QEI, the QLICI Loan, and the reimbursement or repayment of capital to Sponsor for the Reimbursed Costs.

(e) “**Loan Agreement**” means that certain Loan Agreement dated as of the Closing Date by and between Sub-CDE and Company with respect to the QLICI Loan, as the same may be amended, modified or restated from time to time.

(f) “**Settlement Statement**” means that certain Borrower’s and Seller’s Combined Closing Statement executed by Company and certain other parties thereto, outlining the payment of certain costs in connection with the closing of the QLICI Loan.

**2. Representations and Warranties.** To induce Sub-CDE to advance the proceeds of the QLICI Loan and to permit such proceeds to be used by Company to reimburse or repay capital to Sponsor for the Reimbursed Costs, Company, Sponsor, and Leverage Lender represent and warrant as follows:

(a) The Reimbursed Costs and any other costs paid by or on behalf of Company from the proceeds of the QLICI Loan pursuant to the Flow of Funds Agreement and the Settlement Statement (the “**Closing Costs**”) (i) were incurred no more than twenty-four (24) months prior to the Closing Date, (ii) are actual documented reasonable expenditures for legitimate business purposes that occurred during the normal course of operation, (iii) are similar in amount and scope when compared to expenditures by a similar entity for a similar project under similar circumstances, (iv) are directly attributable to the “qualified business” (as such term is defined in Section 45D(d)(3) of the Code) of Company, and (v) are reimbursements for actual costs incurred and do not represent payments based on the then-current value of an asset.

(b) All information relating to the Reimbursed Costs and the Closing Costs provided to Reliance Parties, including Exhibits A and B hereto, is true, accurate and complete in all respects and represents all of the costs related to the Project that will be repaid or refinanced on the Closing Date.

(c) The manner in which amounts are being paid or reimbursed at closing is fully and accurately reflected on the Flow of Funds Agreement and the Settlement Statement. There are no agreements between or among Company, Sponsor, Leverage Lender, any other debt or equity provider whose capital was used to fund a QEI (each such debt or equity provider, a “**QEI Capital Source**”), or any Affiliate of a QEI Capital Source regarding the use or application of any proceeds of the QLICI Loan, other than (i) an agreement pursuant to which Sponsor has agreed to return the Sales Tax Revenue Funds to Leverage Lender (which funds Leverage Lender may direct Sponsor to

send directly to the Fund on its behalf to make the Leverage Loan), and (ii) those agreements which have been provided to the Reliance Parties as of the Closing Date.

**3. Covenants.** Company, Sponsor, and Leverage Lender covenant and agree, from the date hereof and for so long as the QLICI Loan is outstanding, as follows:

(a) Following the Closing Date, none of Company, Sponsor, Leverage Lender or any person that is related to or an Affiliate of Company, Sponsor, or Leverage Lender, will cause or permit any portion of the QLICI Loan proceeds to be used, in whole or in part, or directly or indirectly, to repay or refinance expenditures incurred by any QEI Capital Source, to pay any fees or other compensation to any QEI Capital Source, or to repay or refinance expenditures (other than regularly scheduled payments on the QLICI Loan payable to Sub-CDE and direct reimbursements payable to Sub-CDE pursuant to the Loan Agreement) incurred by any Affiliate of a QEI Capital Source without the prior written consent of Sub-CDE, which consent may be provided in the form of Sub-CDE's approval of an Advance Request (as such term is defined in the Disbursing Agreement) pursuant to the Disbursing Agreement. Without limiting the foregoing, Company shall not enter into any agreement with any QEI Capital Source, or any Affiliate thereof, regarding the use or application of any proceeds of the QLICI Loan (other than those agreements provided to Reliance Parties as of the Closing Date) without the prior, written consent of Sub-CDE.

(b) Company shall maintain records of its use of QLICI Loan proceeds sufficient to establish and demonstrate that QLICI Loan proceeds have not been used in violation of Section 3(a) of this Agreement until the third (3rd) anniversary of the date on which the QLICI Loan is repaid or discharged in full, and shall make such records available for inspection and copying by the Reliance Parties and/or the CDFI Fund promptly upon request.

**4. Successors and Assigns.** This Agreement shall be binding on the parties hereto, and their heirs, successors, and assigns.

**5. Third Party Beneficiaries.** Each of the Reliance Parties shall be a third party beneficiary with respect to the representations, warranties and covenants of this Agreement and, therefore, shall be entitled to enforce each such provision as if it were a direct party to this Agreement.

**6. Separability of Provisions.** Each provision of this Agreement shall be considered separable, and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement which are valid.

**7. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart. This Agreement may be executed as facsimile originals and each copy of this Agreement bearing the facsimile transmitted signature of any party's authorized representative shall be deemed to be an original.

**8. No Continuing Waiver.** The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

**9. Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Kansas.

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IN WITNESS WHEREOF, the parties have caused this Reimbursement and Compliance Agreement to be duly executed as of the date first written above.

**COMPANY:**

**GO TOPEKA ELTC SUPPORT CORPORATION,**  
a Kansas nonprofit corporation

By: Molly Howey  
Name: Molly Howey  
Title: President

**SPONSOR:**

**GROWTH ORGANIZATION OF  
TOPEKA/SHAWNEE COUNTY, INC.,**  
a Kansas nonprofit corporation

By: Molly Howey  
Name: Molly Howey  
Title: Senior Vice President

**LEVERAGE LENDER:**

**JOINT ECONOMIC DEVELOPOMENT  
ORGANZIATION OF TOPEKA & SHAWNEE  
COUNTY,**  
established by an interlocal agreement between  
Shawnee County and the City of Topeka

By: \_\_\_\_\_  
Name: Kevin Cook  
Title: Chair

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**GO TOPEKA ELTC SUPPORT CORPORATION,**  
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By: \_\_\_\_\_  
Name: Molly Howey  
Title: President

**SPONSOR:**

**GROWTH ORGANIZATION OF  
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By: \_\_\_\_\_  
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By:  \_\_\_\_\_  
Name: Kevin Cook  
Title: Chair

**Exhibit A**

**SUMMARY OF REIMBURSED COSTS AND CLOSING COSTS**

[SEE ATTACHED]



**Exhibit B**

**INVOICES FOR REIMBURSED COSTS AND CLOSING COSTS**

[SEE ATTACHED]