

**Minutes from the Board Meeting of the ISLA Affiliated Building Corporation (“ISLA ABC”)  
Held on August 21, 2014**

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Board Members in Attendees: Andy Babula, Jill Prohofsky, and Kathy Madson  
Guests in Attendance: Cindy Monturiol

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The following topics were discussed during this meeting:

1. Discussion on the August ISLA Board meeting as it pertains to the acquisition of the school building. Update provided by Jill Prohofsky. The outcome of the meeting of the ISLA Board was (i) the passage of authorizing resolutions which still needed to be signed by the appropriate individual, and (ii) continued assignment of the lease for the school to Mark Mathison for completion.
2. Discussion on the next steps to be completed concerning the acquisition of the school property and entering into a lease with ISLA for the same. One of the outstanding items to be completed by the ISLA ABC is the passage of its own authorizing resolutions. These will be finalized at the next ISLA ABC Board (“Board”) meeting.
3. Review of the need for the ISLA ABC Board to obtain D&O insurance prior to finalizing the acquisition of the school property. Cindy Monturiol offered to follow-up on this matter on behalf of the Board and will provide updated information as it becomes available.
4. Update on the selection of a title insurance company was provided by Andy Babula. Title insurance needs to be in place as part of the acquisition of the school building. The decision was made to make the selection of a title company based on the price of coverage unless there was a significant difference in coverage offered.
5. Update on the status of pending loan applications was provided by Ms. Prohofsky. The Nonprofit Assistance Fund (“NAF”) did not discuss ISLA ABC’s loan request during their August 2014 meeting. Ms. Prohofsky was informed that NAF decided to complete their review at the same time IFF of Chicago, which will handle a secondary loan in the amount of \$300,000, completes their review. Review meetings are currently scheduled for September 11, 2014.
6. Discussion on the deadline date the Board must receive a signed lease from ISLA in order to close on the school acquisition in time to ensure utilization of the bonds approved by the City of Minnetonka.
7. Mr. Babula made a motion to adjourn (seconded by Ms. Prohofsky). Motion was passed.