

Georgia Tech Foundation, Inc.
Minutes of the Meeting of the Board of Trustees
March 10, 2017

The Board of Trustees of Georgia Tech Foundation, Inc. met at 1:00 p.m. on Friday, March 10, 2017, in the Global Learning Center, Room 222.

Elected trustees present were: Robert A. Anclien, Michael K. Anderson, Pamela W. Arlotto, Jerome A. Atkinson, John C. Bacon, Laurie D. Bagley, Kelly H. Barrett, Richard L. Bergmark, Paul J. Brown, John B. Carter Jr., Steve W. Chaddick, Karl F. Dasher, Walter G. Ehmer, David D. Flanagan, D. Fort Flowers Jr., J. Louis Fouts, Thomas M. Holder, John R. Huff, Michelle E. Jarrard, Ronald L. Johnson, Christopher W. Klaus, Andrea L. Laliberte, Michael A. Neal, Thomas E. Noonan, J. Paul Raines, N. Allen Robertson, Frances G. Rogers, Karen C. Thurman, John R. Wells and Janice N. Wittschiebe.

Ex-officio voting trustee present was: David A. Bottoms.

Board Officers present were: John F. Brock III, Joseph W. Evans, Gary T. Jones and James R. Lientz Jr.

Corporate Officers present were: Mark W. Long and Al Trujillo.

Ex-officio non-voting trustees present were: Rafael L. Bras, Barrett H. Carson, Stephen E. Cross and Steven G. Swant.

Trustees Emeriti present were: Bobby Joe Anderson, Don L. Chapman, Joel H. Cowan, H. Allen Ecker, L. Thomas Gay, Marion B. Glover Jr., Jere W. Goldsmith IV, J. William Goodhew III, George C. Guynn, Hubert L. Harris Jr., Garnett L. Keith Jr., G. William Knight, Aaron J. Land Jr., David M. McKenney, Wade T. Mitchell, Charles D. Moseley, Thomas H. Muller Jr., Oliver H. Sale Jr., Albert S. Thornton Jr., William J. Todd, Thomas W. Ventulett III and John H. Weitnauer Jr.

Others present were: Cailen A. Belanger, Loretta Buchanan, Dwight D. Dozier, Lynn M. Durham, Leslie M. Evans, Patricia S. Futrell, Elizabeth M. Gallant, John B. Gattuso, Cory Hewett, Joseph P. Irwin Jr., Susie C. Ivy, Michelle L. Jones, Jonathan D. Karcsch, K. Patrick Liu, Steven W. McLaughlin, Norman B. Patton, Dene H. Sheheane, Raghupathy Sivakumar, Philip D. Spessard, James B. Taylor, Robert J. Thompson, Patricia H. Wichmann and Isaac D. Wittenstein.

Welcome: Mr. Jones welcomed the trustees and visitors to the 556th meeting of the Board of Trustees. Mr. Jones introduced Dr. Cross.

Georgia Tech's Innovation Ecosystem: Dr. Cross thanked the trustees and the Foundation for their partnership in creating Technology Square, which was a very successful addition to the campus. He stated that in 2010, Dr. Peterson began the process to create a strategic plan for Georgia Tech. Dr. Peterson challenged Georgia Tech faculty and staff to become "one Georgia Tech," creating educational opportunities for students, economic opportunities to benefit Georgia Tech and Georgia, and a more integrated approach to Georgia Tech research. The *Harvard Business Review* published an article on March 1, 2016, stating that "Georgia Tech's city-centered campus has become one of the nation's leading destinations for corporate research centers." Technology Square is now being called an "innovation

neighborhood.” The Biltmore property will provide more space for startups, and the Coda property will create space for Georgia Tech computing as well as other companies. The industry in Technology Square is predominately focused on three areas: financial transactions, health analytics, and supply chain logistics. Dr. Cross asked: How can Technology Square be extended? Technology Enterprise Park and the North Avenue Research Area, consisting of approximately 18 acres, provide a second potential innovation neighborhood. It’s focus is on energy, life sciences, and biomedicine. The building at the corner of 14th and Northside Drive is a third potential innovation neighborhood, focusing on the aerospace and automotive areas. Delta Air Lines has made a contribution to help refurbish the building to create an innovation center focusing on robotics. GTRI has acquired 55 acres in Cobb County and the property should close by the end of the year. Dr. Cross stated that in each innovation neighborhood, there should be market focus, with companies working with Georgia Tech signature technologies and providing opportunities for Georgia Tech students. Large companies will use Georgia Tech to invest and mentor. The Advanced Technology Development Center is the largest public incubator in the United States. Innovation centers build entrepreneurial confidence through experiential education. An investment fund called Engage has been created. This accelerator program is open to start-ups across the country and is focused on mentoring and market access strategies. Numerous companies have donated resources and personnel to the program. Dr. Cross introduced Mr. Blake Patton, CEO of Tech Square Ventures. Dr. Cross stated that these innovation centers ultimately benefit Georgia Tech students. Mr. Klaus donated the funds and established an endowment to begin the Create-X program. Dr. Cross stated that it is one of Georgia Tech’s goals to make sure every Georgia Tech student graduates with entrepreneurial confidence. Dr. Cross introduced Dr. Steve McLaughlin.

Create-X Presentation: Dr. McLaughlin stated that approximately 300 student design teams are in the Create-X program. The teams are working on prototypes could evolve in becoming start-up companies. He stated that current Georgia Tech students will hold 15 different jobs in their careers, and 65% of the jobs they will hold do not exist today. Dr. McLaughlin introduced Dr. Raghupathy Sivakumar.

Dr. Sivakumar stated that Create-X began in 2015. Mr. Klaus provided the funding for Create-X. Dr. Sivakumar presented a video featuring Georgia Tech students talking about Create-X. Create-X encourages Georgia Tech students to develop entrepreneurial confidence as a life skill. They will take this life skill and use it, whether they work for themselves or for large companies. Create-X is divided into three buckets: learn, make, and launch. Georgia Tech students learn methodologies and vocabularies that apply to their start-up. The students are provided with mentorships and resources to build solutions. They then launch their companies. The Create-X program is curricular; the students work on their start-ups as part of their education. Students are encouraged to do “deep start-ups,” or start-ups that have the potential to change the future. To understand the reality of entrepreneurship, students must create these start-ups themselves. Create-X has created more than 42 start-ups over the past two years. Each start-up has been funded and 26 of the start-ups are still active and operational. Nine start-ups have raised additional capital from external investors. Dr. Sivakumar expects that Create-X will work with approximately 30 start-ups this year. Create-X has worked with more than 1,100 students from the six colleges on campus and more than 60 faculty members.

Dr. McLaughlin stated that Create-X is an essential life skill that Georgia Tech students need. Create-X was funded by Mr. Klaus for a four-year period and has two primary areas of funding; Create-X’s operational expenses are funded and the outside investment fund provides

the \$20,000 in seed funding for each start-up. By the end of the four years, at least 120 start-ups will have been created and approximately 3,000 Georgia Tech students will have participated in the program. Dr. McLaughlin stated that Georgia Tech will be recognized as the number one start-up campus in the country. High school students are already interested in the promise of Create-X and Georgia Tech. Dr. McLaughlin stated that the goal for Create-X is to achieve at least 100 student-led start-ups. Every team that creates a start-up receives \$20,000 in seed funding to launch their start-up. If the number of start-ups is achieved, it would require \$12 million in seed funding. The Create-X program costs approximately \$2 million a year to operate. The Create-X program really requires an endowment of \$50 million to cover the operational expenses of the program. He stated that none of the 26 successful start-ups have left Atlanta and they are developing their own ecosystem of Georgia Tech Create-X alumni. These alumni start-ups are helping to mentor current Create-X start-ups. Dr. McLaughlin introduced Mr. Klaus.

Mr. Klaus stated that the idea for Create-X came from talking to Georgia Tech students who had great ideas, but had never considered creating a start-up themselves. Georgia Tech students are also very busy with classes, so participating in a start-up that did not have associated class credit did not appeal to them. The Create-X program is particularly beneficial to international students, because international students who created a start-up would often have to return to their own countries due to visa requirements. Since the Create-X program utilizes the co-op program, international students are counted as taking classes and earning credits while working on their own start-up. Previously, Georgia Tech students did not have access to seed money to begin their companies.

Mr. Jones thanked Mr. Klaus for his donation that created Create-X.

Georgia Tech Alumni Association Update: Ms. Laliberte stated that the mission of the Alumni Association is to create meaningful and relevant programs for current and future alumni to foster life-long participation and philanthropic support. She reported that the Gold and White Honors Gala was held on January 26, and \$516,502 was raised to benefit the Georgia Tech Alumni student programs. The Ramblin' On event will take place on April 7, and the Pi Mile event will be April 22. The President's Dinner is scheduled for June 16. Ms. Laliberte reported that there are more than 6,700 Student Alumni Association members this year. The Georgia Tech Alumni Career Fair was March 8, and more than 100 companies participated with over 750 alumni attending. As a part of young alumni career development, the Alumni Association is now offering a series of career development and leadership programs. The Alumni Association has partnered with the Scheller College of Business and Professional Education to create a leadership development program. She stated that the goal for the 70th Roll Call is 35,000 donors and \$9,841,150. Year-to-date, 81% of the donor goal has been reached, and 70% of the dollar goal has been reached. Homecoming will be October 19 through the 21, 2017.

Approval of Minutes: Mr. Jones stated that copies of the minutes of the quarterly meeting of the Board held December 9, 2016, had been distributed to the trustees. Mr. Jones asked if there were any comments or changes. On motion, the minutes of the meetings held on December 9, 2016, were unanimously approved as distributed.

Treasurer's Report: Mr. Evans reported that as of January 31, 2017, the assets of the Foundation totaled \$1.943 billion, liabilities totaled \$495 million, and net assets were \$1.448 billion. He reported that as of January 31, the investment assets totaled \$1.553 billion, leases receivable totaled \$164 million, contributions receivable was \$78 million and capital assets

totalled \$96 million. The significant increase in capital assets during the year was due to the acquisition of the Biltmore. Mr. Evans reported that in regards to liabilities, bonds payable totalled \$233 million and the funds invested for the Georgia Tech Athletic Association totalled \$102 million. The total revenue for the seven month period ending January 31, 2017, as compared with two prior fiscal years, indicated a decline in gift income and an increase in investment earnings. Gift income and investment earnings for the seven month period ending January 31, 2017 totalled \$33 million and \$90 million. Total revenue was \$134 million. Mr. Evans reported that the total expenses forecasted for the fiscal year totalled \$123 million, in which \$103 million was for program support. The financial statements are attached hereto as Exhibit A.

Finance Committee Report: Mr. Evans reported that the expenditures were within budgets for the first seven months of fiscal year 2017. The Committee reviewed the status and a projection of the EBB loan. The loan has been reduced to \$5.7 million and more than enough pledges are in place to fully extinguish the debt by 2020. Mr. Evans reported that the Committee reviewed the debt policy ratios, which were all within the stated guidelines. The Foundation maintained its excellent Aa1/AA+ credit rating. He reported that \$33.5 million in 30-year taxable fixed rate bonds were issued at an all-in cost of 4.21%. The proceeds from the bond issue were used to refinance the existing bank loan that was used to acquire the Biltmore property in October. Mr. Evans reported that the Finance Committee reviewed the unrestricted budget projections for fiscal year 2018, with four different payout scenarios. The Committee discussed the Foundation's payout rate as compared with other university endowments, reviewed investment returns in the context of inflation and reviewed estimates of investment return for the Foundation's asset allocation. Mr. Evans reported that the Finance Committee and the Executive Committee recommended maintaining the endowment payout rate at 4.90% of the twelve quarter trailing average. On motion, the Board approved a resolution to allocate for expenditure, 4.90% from the endowment funds for fiscal year 2018, including a 0.75 percent allocation for recovery of direct and indirect costs. Investment expenses, including expenses of the Foundation's internal investment operation, shall be netted against investment income. A copy of the resolution is attached hereto as Exhibit B. Mr. Evans stated that the Finance Committee approved a resolution to borrow up to \$13 million for the Sungard Property, which is being purchased as an investment. The resolution authorizes the limited liability company to enter into a loan agreement secured by the property. The Investments Committee has approved the investment of \$7 million in equity. The property is located between Spring and West Peachtree Streets, north of 10th Street. On motion, the Board approved the resolution to borrow up to \$13 million on non-recourse basis for the purchase of the Sungard Property. A copy of the resolution is attached hereto as Exhibit C.

Audit Committee Report: Ms. Barrett reported that the Committee received an update from Mr. Dozier on cyber security. The Committee completed an annual self-evaluation, which was done anonymously via an electronic survey. The Committee reviewed the conflict-of-interest disclosures. She reported that forms were received from all of the trustees and there were no areas of concern to report. Ms. Barrett reported that the Committee approved the engagement letter for the annual audit. KPMG has been retained to complete the fiscal year 2017 audit. The limited liability company, which owns the Biltmore property, will also be audited by KPMG.

Committee on Trustees Report: Mr. Lientz reported that the Committee on Trustees met to discuss the appointments of new and returning members of the Board. Mr. Lientz thanked the trustees for submitting their recommendations. He reported that the Committee's nominations are as follows:

Corporate officers to serve a one-year term, commencing on July 1, 2017: Al Trujillo, President; Mark W. Long, Secretary.

Trustees to serve a second four-year term, commencing on July 1, 2017: Richard L. Bergmark, D. Fort Flowers Jr., J. Louis Fouts, Thomas M. Holder, Michelle E. Jarrard, Michael G. Messner, J. Paul Raines and John R. Wells.

Trustees to serve a four-year term, commencing on July 1, 2017: Rodney C. Adkins, Stephen M. Deedy, James O. Etheredge, Robert A. Milton, Robert N. Stargel Jr. and Wendi Sturgis.

Trustees emeriti: John C. Bacon, G. Niles Bolton, John R. Huff and Don S. Pirkle.

Audit Committee to serve a one-year term, commencing on July 1, 2017: Jerome A. Atkinson, Kelly H. Barrett, N. Allen Robertson, Robert N. Stargel Jr. and Karen C. Thurman.

On motion, the voting trustees unanimously approved the nominations of the Committee on Trustees.

Mr. Lientz reported that the trustees whose first term expires on June 30, 2017, are: Richard L. Bergmark, D. Fort Flowers Jr., J. Louis Fouts, Thomas M. Holder, John R. Huff, Michelle E. Jarrard, Andrea L. Laliberte, Michael G. Messner, Deborah A. Nash, J. Paul Raines and John R. Wells. Mr. Lientz stated that the trustees whose second term expires on June 30, 2017, are: John C. Bacon, G. Niles Bolton, Lawrence P. Huang, C. Meade Sutterfield and Janice N. Wittschiebe.

Development Committee Report: Mr. Anclien stated that the Committee discussed the changing demographics of Georgia Tech's donor base. The number of international students and graduate degree only students is increasing. The graduating classes are becoming larger and the alumni base is rapidly growing younger. The Development Committee compared the alumni giving at the top peer universities. Mr. Anclien stated that while Georgia Tech remains near the top of its peer group; that the percentage of alumni contributing has been decreasing in recent years. Prior to 2013, Georgia Tech consistently ranked in the 20% range in alumni participation. However, in 2016, the participation rate declined to 16.3%. While the numbers of donors are growing, the participation percentage is not keeping pace. Georgia Tech's efforts to teach current students the benefits of philanthropy and giving back will help. The young alumni results are encouraging. Mr. Anclien reminded the trustees of the Gold Standard of giving. Individual reports will be sent to each trustee indicating where they stand on roll call giving, current giving, and gift planning.

Investments Committee Report: Mr. Flowers stated that the investment pool assets as of January 31, 2017 totaled \$1.534 billion. He reviewed the growth of the investment pool over the past calendar year, including the cash inflows and outflows. He also reviewed the investment returns for the one, three, five and ten year periods, as well as a comparison of the returns with the Consumer Price Index (CPI) plus 5% and the Policy Portfolio. Mr. Flowers reported the Committee reviewed the current asset allocation of the investment pool versus its targets. The portfolio remains over-weighted in global equities, hedge funds, and cash and under-weighted in domestic equities. The Committee reviewed a significant recent commitment to a risk retention fund as well as to a new energy fund.

Real Estate Committee Report: Mr. Flanagan reported the development of the Coda block is continuing. The Foundation received incentive rent from the operator of the Georgia Tech Hotel and Conference Center this past year. He stated that many tenants in the Biltmore property are renewing their leases. The building is now 98% occupied. A letter of intent has been received on the remaining unrented space. The Sungard property has been purchased and permanent financing is being finalized. The Committee estimates the Foundation will earn an 11% return over the next five years. The property is currently leased. The Committee is also interested in pursuing a small parcel of property in the Technology Square area. An offer will be presented. The California property is a rocky hillside that drains into residential property. Every effort has been made to sell the property; however, it does not have a market value. The city of Jurupa Valley, California has tentatively agreed to accept the property for no consideration. On motion, the Board approved the transfer of the California property to the city of Jurupa Valley, California for no consideration, and authorized the officers to execute the necessary documents to transfer the ownership of the property.

Stewardship Committee Report: Mr. Ehmer reported that Dean Paul Goldbart gave a report on the impact of philanthropy on the College of Sciences. He stated that impact reporting on 2,103 endowment funds is on schedule to be completed. The GThanks program is currently 92% completed. He reported that the number of underwater endowment funds decreased from 341 to 160 during the fiscal year, due to the positive investment return. Only six of the underwater endowments are more than one million dollars. Mr. Ehmer reported that the tax letters and trust letters have been sent to the donors.

Executive Committee Report: Mr. Jones stated that the Executive Committee meets monthly and members of the Committee work extremely hard to discuss and resolve issues for the advancement of Georgia Tech and the Foundation. Mr. Jones thanked the members of the Executive Committee for all their hard work.

President's Report: Mr. Trujillo reported that Ms. Michelle Jarrard is leading an ad-hoc Committee consisting of members of the Real Estate and Investments Committee. The task of the ad-hoc Committee is to develop a framework for governance for the acquisition of direct holdings of real estate through the investment pool. The recommendation of the Ad-Hoc Committee will be presented at the annual meeting. Mr. Trujillo thanked the trustees for attending the meeting. Last year, a trustee survey was conducted and it included a question regarding the preference for a one day or two day meeting schedule format. This year, the Foundation has met in a one day meeting schedule format, but he has received feedback on some issues regarding the one day format. He stated that many trustees value the time they spend with

other trustees. Mr. Trujillo stated that he continues to explore the possibilities of events and networking to benefit the trustees. The September 21, 2017 meeting will be a one day format. The December 7-8, 2017 and March 9-10, 2018 will return to a two day format. Another survey will be offered to the trustees after Sea Island.

Ms. Jean Ballenger recently retired after many years with the Foundation; Ms. Cailen Belanger has been promoted to the position.

Mr. Trujillo stated that the next Board of Trustees meeting will be held June 8-10, 2017, in Sea Island, Georgia.

Meeting Adjourned: There being no further business, the meeting was adjourned.

Respectfully submitted,

Mark W. Long
Secretary

Approved:

Gary T. Jones
Chair

Minutes of the Meeting of the Board of Trustees
March 10, 2017
Exhibit A, Page 1 of 2

GEORGIA TECH FOUNDATION, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
UNAUDITED JANUARY 31, 2017, JUNE 30, 2016 AND
JANUARY 31, 2016

(in thousands)

	January 31, 2017	June 30, 2016	January 31, 2016
ASSETS			
Cash and cash equivalents	\$3,578	\$6,145	\$5,576
Restricted cash	1,675	2,236	0
Capital reserve funds	7,669	8,236	8,563
Contributions receivable, net	77,647	88,838	98,448
Investments	1,553,200	1,488,485	1,450,439
Other assets	11,172	9,135	8,824
Lease receivable	164,128	154,470	154,470
Contributions receivable from remainder trusts	13,966	14,367	15,853
Charitable remainder trusts	13,477	17,178	21,917
Capital Assets, net of accumulated depreciation	<u>96,401</u>	<u>33,168</u>	<u>34,346</u>
Total assets	<u>\$1,942,913</u>	<u>\$1,822,258</u>	<u>\$1,798,436</u>
LIABILITIES			
Accounts payable	\$14,655	\$7,361	\$14,715
Commitment payable	7,272	7,720	7,804
Lines of credit	20,929	20,540	19,394
Note payable (EBB)	5,742	10,690	12,980
Notes payable (Biltmore)	68,543	0	0
Bonds Payable, net of discount and premium	225,845	236,587	226,745
Amounts due to life beneficiaries	15,787	13,516	9,662
Deferred revenue	23,025	25,741	25,741
Funds held on behalf of GTAA	102,314	98,450	104,515
Other liabilities	<u>10,437</u>	<u>9,335</u>	<u>10,313</u>
Total liabilities	494,549	429,940	431,869
NET ASSETS	<u>\$1,448,364</u>	<u>\$1,392,318</u>	<u>\$1,366,567</u>
Total liabilities and net assets	<u>\$1,942,913</u>	<u>\$1,822,258</u>	<u>\$1,798,436</u>
Unrestricted Fund Balance	\$161,700	\$141,900	\$145,700
Unrestricted Fund Reserve	\$84,000	\$83,700	\$83,700

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GEORGIA TECH FOUNDATION, INC.
 CONSOLIDATED STATEMENT OF
 ACTIVITIES UNAUDITED FOR THE SEVEN
 MONTH PERIOD ENDED JANUARY 31, 2017,
 AS COMPARED WITH THE YEAR ENDED
 JUNE 30, 2016 AND THE SEVEN MONTH PERIOD ENDED ON
 JANUARY 31, 2016
 (in thousands)

	Unrestricted Fund	Temporarily Restricted Fund	Permanently Restricted Fund	7 months Total 1/31/17	12 months through 6/30/16	7 months through 1/31/16
Revenue						
Gift income	\$3,852	\$18,459	\$10,544	\$32,855	\$77,328	\$57,934
Lease revenue	7,316	0	0	7,316	13,541	7,491
Lease revenue (Biltmore)	2,786	0	0	2,786	0	0
Investment income (net of fees)	3,340	11,098	34	14,472	17,870	10,130
Net realized/unrealized gain (loss) on investments	17,796	58,125	259	76,181	(68,246)	(109,064)
Change in value of trusts and annuities	0	(44)	(142)	(186)	(4,602)	111
Other	776	5	0	781	1,390	782
Net assets released from restrictions	64,076	(64,076)	0	0	0	0
Total revenues	\$99,943	\$23,566	\$10,695	\$134,205	\$37,281	(\$32,616)
Expenses						
Program services	\$67,623			\$67,623	\$94,431	\$59,485
General and administrative	5,939			5,939	10,924	6,118
Biltmore property expenses	2,027			2,027	0	0
Loss on extinguishment of debt	0			0	2,191	0
Fund raising	2,570			2,570	5,059	2,856
Total expenses	78,159	0	0	78,159	112,605	68,459
Changes in net assets	\$21,784	\$23,566	\$10,695	\$56,046	(\$75,324)	(\$101,075)
Net assets, beginning of period	\$102,268	\$638,857	\$651,193	\$1,392,318	\$1,467,642	\$1,467,642
Net assets, end of period	\$124,052	\$662,423	\$661,888	\$1,448,364	\$1,392,318	\$1,366,567

**Minutes of the Meeting of the Finance Committee
March 10, 2017
Exhibit B**

Resolution regarding income allocation to recommend to
Executive Committee and the Board of Trustees

RESOLVED, that the Georgia Tech Foundation shall allocate for expenditure for fiscal year 2018 from the restricted or unrestricted endowment funds four and nine-tenths percent (4.90%) of the twelve (12) quarter average market value per unit for the period ending December 31, 2016, which includes a 0.75 percent allocation for recovery of direct and indirect costs. Investment expenses, including expenses of the Foundation's internal investment operation, shall be netted against investment income.

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RESOLUTION OF THE BOARD OF TRUSTEES
OF GEORGIA TECH FOUNDATION, INC.

WHEREAS, Georgia Tech Foundation Properties, LLC (“*GTF Properties*”) (as “Purchaser”), a wholly owned subsidiary of the Foundation (as defined below), and Midtown 1052 West Peachtree, LLC (as “Seller”) entered into that certain Purchase and Sale Agreement dated as of January 17, 2017 (as may be amended, the “*Agreement*”) for the acquisition of real property located at 1052 West Peachtree Street in Atlanta, Georgia (together with any tangible or personal property or other rights associated therewith, the “*Property*”);

WHEREAS, GTF Properties assigned its interest in the Agreement to GTF 1052, LLC (“*GTF 1052*”), a wholly owned subsidiary of the Foundation, pursuant to that certain Assignment and Assumption of Purchase and Sale Agreement dated as of February 24, 2017.

WHEREAS, GTF 1052 consummated the purchase of the Property on February 24, 2017.

WHEREAS, the Board of Trustees (the “*Board*”) of Georgia Tech Foundation, Inc. (the “*Foundation*”) has determined that it is in the best interest of the Foundation and GTF 1052 to obtain a loan secured by the Property.

NOW THEREFORE, BE IT RESOLVED, that the Board of the Foundation takes the following action:

- Authorizes the formation of GTF 1052 to acquire the Property, together with the execution of all documents in connection therewith.
- Authorizes GTF 1052 to enter into a loan secured by the Property (the “*Loan*”), with, and to borrow from a lender to be selected by Foundation (the “*Lender*”) in an amount not to exceed an original principal amount \$13,000,000.00, for a term of eighty-four (84) months, at a fixed interest rate, with such extension terms and on such other terms and conditions as deemed necessary or appropriate by an Authorized Officer (as defined below); and
- Authorizes GTF 1052 to enter into a loan agreement, note, and such other documents, certificates, agreements and instruments as shall be necessary to effect the Loan (collectively, the “*Loan Documents*”); and
- Authorizes the Foundation and any subsidiary or affiliate of the Foundation to enter into any guaranties or other agreements necessary or desirable in connection with the Loan; and

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- Authorizes the Chair, Vice Chair-Chair Elect, Treasurer, President and Secretary of the Foundation (each, an “*Authorized Officer*”), in the name, on behalf of, and as the act of the Foundation (or any subsidiary or affiliate thereof) to execute and deliver the Loan Documents in such form and with such content as such Authorized Officers considers necessary, appropriate or advisable, in their sole discretion and to otherwise take any action necessary or advisable to effect the Loan; and
- Authorizes that each of Authorized Officers shall be, and hereby is, severally authorized to take such other action as shall be necessary or appropriate to accomplish the purposes of the foregoing resolutions; and
- Ratifies any act or document previously undertaken or executed and delivered by the Foundation, any subsidiary, affiliate or any Authorized Officer in connection with the formation of GTF 1052, the consummation of the purchase of the Property, Loan or the foregoing resolutions.

**Minutes of the Meeting of the Board of Trustees
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CERTIFICATION OF THE BOARD OF TRUSTEES ACTION

I, Mark W. Long, DO HEREBY CERTIFY that I am the Secretary of Georgia Tech Foundation, Inc., and that the foregoing resolution was adopted by the Board of Trustees of Georgia Tech Foundation, Inc. at its meeting on _____, 2017.

GIVEN under my hand and the seal of Georgia Tech Foundation, Inc. this ___ day of _____, 2017.

(SEAL)

Mark W. Long, Secretary, Georgia Tech
Foundation, Inc.