

FORM OF SECOND LEASE AMENDMENT

SECOND AMENDMENT TO LEASE AGREEMENT

From

DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY,
as Lessor

To

DELAWARE COUNTY INTERMEDIATE UNIT,
as Lessee

Dated as of _____

SECURING

\$ _____

Lease Revenue Bonds,
(Delaware County Intermediate Unit No. 25 Project), Series of 2022

SECOND AMENDMENT TO LEASE AGREEMENT

Dated as of _____, 2022

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EXHIBIT A AMENDED SCHEDULE B A-1

THIS SECOND AMENDMENT TO LEASE AGREEMENT (the "Second Amendment"), made and entered into as of _____, 2022, to the Lease Agreement, dated as of November 15, 2013 (the "Original Lease"), as previously amended by a First Amendment to Lease Agreement, dated as of December 15, 2021 (the "First Amendment", and along with the Original Lease, the "Existing Lease", and along with this Second Amendment, the "Lease") by and between DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY, a body corporate and politic, organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania, (the "Authority"), as lessor and DELAWARE COUNTY INTERMEDIATE UNIT (the "Intermediate Unit"), which is an intermediate unit duly organized and existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), as lessee.

WITNESSETH THAT:

WHEREAS, the Authority was established by fifteen school districts under the Pennsylvania Municipality Authorities Act, as amended (53 Pa.C.S. §5601 at seq. (the "Act") for the purpose of, among other things, acquiring, financing, refinancing, constructing, improving, furnishing, equipping, maintaining, operating and leasing public school buildings for public school purposes, and;

WHEREAS, the Authority is authorized by the Act to acquire, purchase, hold, lease as lessee and use any property real, personal or mixed, tangible or intangible or any interest therein necessary or desirable for carrying out the purposes of the Authority, and to sell, lease as lessor, transfer and dispose of any property or any interest therein at any time acquired by the Authority, provided that sales of school buildings may only be made to the School Districts incorporating the Authority; and

WHEREAS, the school districts which incorporated or joined in the incorporation of the Authority are the fifteen school districts (the "Member Districts") comprising the Intermediate Unit; and

WHEREAS, the Delaware County Area Vocational-Technical Schools (the "Vo-Tech Schools") were established under an agreement (the "Agreement") dated March 11, 1966, among the Delaware County Board of School Directors/Delaware County Area Vocational-Technical School Board (the "Vo-Tech Board") and the Member Districts.

WHEREAS, under the provisions of the Public School Code of 1949, Public Law 30, March 10, 1949, as amended (the "School Code"), the Vo-Tech Board is composed of the boards of the school directors for all of the Member Districts. The Agreement granted the Vo-Tech Board all the powers and responsibilities granted to area vocational-technical boards under the School Code. The powers and responsibilities of vocational-technical boards are set forth in the School Code.

WHEREAS, the School Code subsequently transferred all powers and duties of county boards of school directors with respect to vocational-technical education to intermediate unit

boards of directors. The intermediate unit for the Member Districts is Delaware County Intermediate Unit Number 25 (the "Intermediate Unit"). The Intermediate Unit in addition acts as an education services agency to the Member Districts, in a capacity unrelated to the provisions of vocational-technical school services.

WHEREAS, in order to provide funds for the payment of the costs of, inter alia, the: (a) renovations and additions to the Career and Technical Education building located in Aston, Pennsylvania; (b) installation of an elevator at the Marple Center located in Marple Township, Pennsylvania; and (c) replacement of the roof at the Folcroft Center located in Folcroft, Pennsylvania, all for use in the special education, career and technical education and early childhood programs, the Authority issued its \$28,445,000 aggregate principal amount of its School Lease Revenue Bonds (Delaware County Intermediate Unit No. 25), Series of 2013 (the "2013 Bonds") under a Trust Indenture dated as of November 15, 2013 (the "Original Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee"); and

WHEREAS, in order to provide for the repayment of the Bonds, the Authority, as lessor, entered into the Original Lease with the Intermediate Unit, as lessee and as operating agent of the Career and Technical Education building, the Marple Center and the Folcroft Center (together, the "Premises") providing for the payment of rentals by the Intermediate Unit to the Authority (which rentals have been assigned to the Trustee) in amounts sufficient to pay the principal and interest on the 2013 Bonds as set forth in the Original Lease; and

WHEREAS, the leasing of the Premises by the Intermediate Unit from the Authority previously was approved by the Member Districts; and

WHEREAS, pursuant to the Original Lease, the Intermediate Unit, as operating agent, makes rental payments (the "Rentals") and certain other payments to the Authority, in the amounts and at the times set forth therein, which amounts will be sufficient for the payment by the Authority of, among other things, the principal of and interest on the Bonds; and

WHEREAS, the Authority and the Intermediate Unit agreed in the Original Lease that the Rentals (and any other payments, sums or amounts due under the Lease) to be made by the Intermediate Unit shall be the general obligation of the Intermediate Unit, to which its full faith and credit is pledged, payable from any of its funds lawfully available to the Intermediate Unit for such purpose; and

WHEREAS, in order to provide funds for the payment of the costs of, inter alia, the refinancing of a portion of the 2013 Bonds (the "2013 Refunded Bonds"), the Authority issued its School Lease Revenue Refunding Bonds (Delaware County Intermediate Unit No. 25), Series of 2021 (Federally Taxable) (the "2021 Bonds", and along with the 2013 Bonds, the "Prior Bonds") under a First Supplemental Trust Indenture dated as of the date of issuance of the 2021 Bonds (the "First Supplemental Indenture", and, along with the Original Indenture, the "Existing Indenture"); and

WHEREAS, in order to provide funds for the payment of the costs of, inter alia, a project (the "Project") consisting of: (a) the design, construction, renovation and improvements to the Folcroft Center located in Folcroft, Pennsylvania; and (b) the costs and expenses, including bond insurance, if any, of issuing bonds for the purpose of funding the costs of issuance of the Bonds, the Authority is issuing its School Lease Revenue Bonds (Delaware County Intermediate Unit No. 25), Series of 2022 (the "2022 Bonds", and along with the Prior Bonds, the "Bonds") under a Second Supplemental Trust Indenture to be dated as of the date of issuance of the 2022 Bonds (the "Second Supplemental Indenture", and, along with the Existing Indenture, the "Indenture"); and

WHEREAS, the Lease and the Pledged Revenues (as such phrase is defined in Section 9 of the Original Lease) payable hereunder are pledged to the Trustee under the Indenture as security for the bonds issued under the Indenture; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Intermediate Unit does hereby assign, transfer, set over and pledge to the Authority, its successors and assigns the Pledged Revenues, and grants to the Authority, its successors and assigns, a security interest in the Pledged Revenues and the parties hereto do covenant, understand and agree that the AUTHORITY, as lessor, HEREBY demises and LEASES unto the INTERMEDIATE UNIT, as lessee, the Premises described in the Original Lease, as amended hereby.

Section 1. DEFINITIONS.

All capitalized terms and phrases used herein which are not otherwise defined, shall have the meanings ascribed to such terms and phrases in the Indenture, unless the context or use clearly indicates another or different meaning or intent. The rules of interpretation and construction set forth in the Indenture shall also be applicable hereto.

Section 2. AMENDMENT TO RENTALS.

The Intermediate Unit acknowledges and agrees that it has a general obligation hereunder to pay the Rentals (and all other payments and amounts due under the Lease, including without limitation the additional Rentals required by the last paragraph of Section 9 of the Original Lease and by the last paragraph of this Section 2) to the Authority during the term of the Lease and hereby pledges its full faith and credit for payment of the same. The Intermediate Unit agrees that the Rentals shall be provided for in its annual budgets, and the Intermediate Unit shall appropriate and pay to the Authority, or its assigns, the Rentals due hereunder, out of the current or any other legally available revenues of the Intermediate Unit from whatever source derived, in the amounts set forth in the Amended Schedule B (relating to Lease Payments) attached hereto, no later than the fifth Business Day prior to the dates specified therein, during the term of the Lease

(the "Pledged Revenues").

Said Rentals are acknowledged and intended to equal the principal of, and interest on, the Bonds described in Article II of the Indenture as such principal matures, or becomes subject to redemption or purchase in lieu of redemption, and as such interest becomes due and payable. Should, by reason of optional redemption, purchase or other cancellation of any Bonds, or by reason of an accumulation of monies held on balance in the Debt Service Fund under said Indenture, the amounts specified exceed the amount required for the payment of such principal and interest, the said amounts specified in Amended Schedule B shall be reduced to the extent of such excess.

The Intermediate Unit agrees to pay to the Authority or its assigns, as additional Rentals hereunder, out of all legally available revenues of the Intermediate Unit (and to budget and appropriate such amounts in accordance with the first paragraph of this Section 9): (i) any amounts necessary to comply with Section 5.4 of the Original Indenture and Section 18 of the Original Indenture; (ii) any amounts paid by the Authority on behalf of the Intermediate Unit hereunder or any costs incurred by the Authority and required to be reimbursed to the Authority from the Intermediate Unit in accordance with the terms hereof; (iii) the annual fees and expenses of the Trustee and the annual fees and expenses of the Authority; and (iv) any amounts due and payable to _____, including without limitation under Section 15.5 of the Original Indenture.

Section 3. CONFIRMATION OF EXISTING LEASE AGREEMENT.

The Authority and the Intermediate Unit confirm and acknowledge the terms, provisions, rights and duties for each of the parties created by the Existing Lease and acknowledge and agree that, except as modified hereunder, the Existing Lease remains in full force and effect and such terms, provisions, rights and duties are incorporated herein.

Section 4. SEVERABILITY.

If any term or provision hereof or the application thereof shall for any reason be held to be invalid or unenforceable, the remaining terms and provisions and all other applications of such term or provision shall not be affected thereby, and each term and provision hereof shall be valid and enforceable to the fullest extent permitted by law.

Section 5. GOVERNING LAW.

This Lease shall be governed by and construed in accordance with the internal laws of the Commonwealth.

Section 6. [BOND INSURANCE PROVISIONS]

The provisions set forth in Section 27 of the Original Lease and Section 6 of the First Amendment relating to _____ and the Policy relating to the Bonds are hereby incorporated herein in their entirety and shall be read as to include the 2022 Bonds as Insured Obligations and the Policy relating to the 2022 Bonds.]

Section 7. COUNTERPARTS.

This Lease may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

Section 8. HEADINGS.

All headings herein are for convenience of reference only and shall not affect the interpretation of any provision hereof.

Section 9. EFFECTIVE DATE.

This Second Amendment to Lease Agreement shall be deemed effective from the date hereof.

IN WITNESS WHEREOF, DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY, has caused this Second Amendment to the Lease Agreement to be executed in its name by its Chairman or Vice Chairman and its seal to be hereunto affixed and the same to be attested by the signature of its Secretary or Assistant Secretary, and the DELAWARE COUNTY INTERMEDIATE UNIT, has caused this Second Amendment to Lease Agreement to be executed in its name by the President or Vice President of its Board of Directors and its seal to be hereunto affixed and the same attested by the signatures of its Secretary or an Assistant Secretary, all as of the day and year first above written.

DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY

Chairman

Secretary

[SEAL]

DELAWARE COUNTY INTERMEDIATE UNIT

President

Secretary

[SEAL]

COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF DELAWARE

On this, the _____ day of _____, 2022, before me the undersigned notary public personally _____ who acknowledged himself to be the Chairman of Delaware County Vocational-Technical School Authority, a body corporate and politic, and that as such officer, being authorized to do so, executed the foregoing for the purposes therein contained by signing the name of such Authority by such person as such officer:

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[SEAL]

Notary Public

COMMONWEALTH OF PENNSYLVANIA

SS.

COUNTY OF DELAWARE

On this, the _____ day of _____, 2022, before me, the undersigned notary public personally appeared _____ who acknowledged being the President of the Delaware County Intermediate Unit, a governmental unit under the laws of the Commonwealth of Pennsylvania, and that such officer, being authorized to do so, executed the foregoing for the purposes therein contained by signing the name of such governmental unit by such person as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[SEAL]

Notary Public

EXHIBIT A
 AMENDED SCHEDULE B
 Rental Payment Schedule [UPDATE]

Debt Service Payment Date	2022 Rental Payment Amount	2021 Rental Payment Amount	2013 Rental Payment Amount	Combined Rental Payment Amount*

*Intermediate Unit shall pay these Rentals directly to the Trustee on or before the payment due date.

ASSIGNMENT OF LEASE

KNOW ALL MEN BY THESE PRESENTS that DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY (the "Authority"), pursuant to a resolution of its Board heretofore duly adopted, does hereby sell, assign, transfer and set over to The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee") under a Trust Indenture with the Authority dated as of November 15, 2013, as supplemented by a First Supplemental Trust Indenture dated as of December 15, 2021, and as further supplemented by a Second Supplemental Trust Indenture dated as of _____ (together, the "Indenture") securing the Authority's Lease Revenue Bonds (Delaware County Intermediate Unit Project No. 25), Series of 2022 in the aggregate principal amount of \$ _____ (the "Bonds") as well as all other bonds outstanding under the Indenture, all the right, title and interest of the Authority in and to the Lease Agreement dated as of November 15, 2013, between the Authority and Delaware County Intermediate Unit, as amended by a First Amendment dated as of December 15, 2021 and a Second Amendment dated as of _____, 2022 (together, the "Lease"), including all Rentals as defined in the Lease, therefrom with respect to the Premises, as defined in the Lease, as well as all rentals payable or which may become payable thereunder and all security therefor, the same to be applied by said Trustee as provided in said Indenture; and the Authority does hereby constitute and appoint the Trustee as aforesaid, its true and lawful attorney for it and in its name to collect and receive payment of any and all of said rentals and to give good and sufficient receipts therefor, hereby ratifying and confirming all that said attorney may do in the premises. The said Trustee may, but, except as otherwise provided in said Indenture, shall not be required to, institute any proceedings or take any action in its name or in the name of the Authority to enforce payment or collection of any or all of such payments.

Notwithstanding such assignment and transfer, so long as the Authority shall not be in default under the Indenture:

- (a) The Authority shall have the right and duty to give all approvals and consents granted to the Authority under the Lease subject to any restrictions of the Indenture.
- (b) The Authority shall have the right to execute supplements and/or amendments to the Lease to the extent and in the manner permitted thereby.
- (c) There shall be no responsibility on the part of the Trustee for duties or responsibilities of the Authority contained in the Lease and in any supplements and/or amendments thereto.
- (d) Delaware County Intermediate Unit shall have the right to receive and collect any sublease rentals with respect to the Premises.

IN WITNESS WHEREOF, DELAWARE COUNTY VOCATIONAL-TECHNICAL SCHOOL AUTHORITY has caused this Assignment to be duly executed in its name by its Chairman or Vice Chairman and its corporate seal to be hereunto affixed, attested by its Secretary or Assistant Secretary, and this Assignment to be dated as of the _____ day of _____, 2022.

DELAWARE COUNTY VOCATIONAL-
TECHNICAL SCHOOL AUTHORITY

Chairman

Secretary

[SEAL]

