

CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY AND RELATED DOCUMENTS

ISSUED TO

DA VINCI SCHOOLS (A Public School Academy)

BY THE

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (Authorizing Body)

JULY 1, 2023

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REAUTHORIZING RESOLUTION

REAUTHORIZATION OF PUBLIC SCHOOL ACADEMY

The da Vinci Institute

Recitals:

- 1. At its April 19, 2018, meeting this board authorized the issuance of a contract to charter as a public school academy to The da Vinci Institute. On July 1, 2018, the contract was effective.
- 2. The contract of this academy expires June 30, 2023.
- 3. The Governor John Engler Center for Charter Schools has completed its evaluation and assessment of the operation and performance of The da Vinci Institute.
- 4. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to The da Vinci Institute. The term of the contract is recommended for a term not to exceed three (3) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to The da Vinci Institute for a term not to exceed three (3) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between The da Vinci Institute and the Central Michigan University Board of Trustees, provided that, before execution of the contract, the university president or designee affirms that all terms of the contract have been agreed upon and The da Vinci Institute is able to comply with all terms and conditions of the contract.

CMU BDT APPROVED Date: 12/8/22 Signature May Jane Hanagen

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

PROPOSAL FOR BOARD ACTION: CONSENT AGENDA

Public School Academy Board of Directors: Method of Selection, Appointment, and Removal

Project Description:

After reviewing the exigent appointment process, the Center for Charter Schools believes that this process cannot adequately protect the University Board from a situation where an academy governing board and the educational service provider simultaneously resign. The challenges in recruiting, interviewing and appointing a new board (or at least three members who could meet as a quorum), and have the new board contract with a new educational service provider, is time consuming and cannot be accomplished quickly. Accordingly, the Center recommends that the University Board charter contracts include a revision to a provision regarding the appointment of a conservator/manager on a temporary basis to address situations such as the en masse resignation of an academy governing board.

The conservator/manager would have all the powers and duties of the academy's governing board and would function in the board's place upon appointment. The conservator/manager would be designated by the University President or his or her designee upon consultation with the University Board Chair. The current conservator/manager provision required the action of the full University Board to appoint a conservator/manager. In order for this change to occur, the University Board's Method of Selection, Appointment and Removal Policy must be amended.

Proposed by: Provost Gealt

PROPOSED RESOLUTION: CONSENT AGENDA

Public School Academy Board of Directors: Method of Selection, Appointment, and Removal

BE IT RESOLVED, That the policy titled Public School Academy Board of Directors: Method of Selection, Appointment, and Removal as amended and dated February 15, 2018, is adopted and replaces the Public School Academy Board of Directors: Method of Selection, Appointment and Removal approved and dated December 7, 2006, July 12, 2007 and July 14, 2011; and Be it further

RESOLVED, That these provisions shall be implemented with new charter contracts and shall be phased in as existing charter contracts are reissued. This applies to new and existing charter contracts issued under Part 6A, Part 6E or MCL 380.1311b to MCL 380.1311m of the Revised School Code. The charter schools office is authorized to negotiate changes in the terms and conditions of charter contracts to fully implement these provisions.

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Public School Academy Board of Directors: Method of Selection, Appointment and Removal

The Central Michigan University Board of Trustees declares that the method of selection, length of term, and number of board members shall be as follows.

Method of Selection and Appointment

The Central Michigan University Board of Trustees ("University Board") shall prescribe the method of appointment for members of an academy's board of directors. The director of the charter schools office is authorized to develop and administer an academy board selection and appointment process that includes an *Application for Public School Academy Board Appointment* and is in accord with these policies:

- a. The University Board shall appoint the initial and subsequent academy board of directors by resolution, except as prescribed by subparagraphs d and e. The director of the charter schools office shall recommend qualified individuals to the University Board, and ensure that the board of directors includes representation from the local community where the academy is located.
- b. The academy board of directors, by resolution and majority vote, shall nominate its subsequent members, except as provided otherwise. The academy board of directors shall recommend to the director of the charter schools office at least one nominee for each vacancy. Nominees shall submit the *Application for Public School Academy Board Appointment* for review by the charter schools office. The director of the charter schools office may or may not recommend the appointment of a nominee submitted by the academy board. If the director of the charter schools office does not recommend the appointment of a nominee or may request the academy board submit a new nominee for consideration.
- c. An individual appointed to fill a vacancy created other than by the expiration of a term shall be appointed for the unexpired term of that vacant position.
- d. Under exigent conditions, and with the approval of the University Board's chair and the president, the director of the charter schools office may appoint a qualified individual to an academy's board of directors. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. The University Board reserves the right to review, rescind, modify, ratify, or approve any appointments made under this provision.
- e. In the event that the health, safety and welfare of an academy's students, property or funds are at risk, the president, after consulting with the University Board's chair, may appoint a person to serve as a conservator for the academy. Upon appointment, the conservator shall have all the powers of the academy's board of directors and shall act in the place and stead of the academy's board of directors. After the President appoints a conservator, the full Board of Trustees shall receive notice of the appointment as soon as possible. The president shall appoint the conservator for a definite term which may be extended in writing. During the conservator's appointment, the academy's board of directors, and all powers of the academy's board of directors, are suspended. The charter contract shall set forth any additional powers granted to the conservator during their appointment. All appointments for additional powers of the conservator during their appointment.

Date: <u>2/15/18</u> Signature: My Hangar

provision must be presented to the University Board for final determination at its next regularly scheduled meeting.

Length of Term

The director of an academy board shall serve at the pleasure of the University Board. Terms of the initial positions of the academy board of directors shall be staggered in accordance with *The Academy Board of Directors Table of Staggered Terms and Appointments* established and administered by the director of the charter schools office. Subsequent appointments shall be for a term of office not to exceed four (4) years, except as prescribed by *The Academy Board of Directors Table of Staggered Terms and Appointments*.

Removal and Suspension

If the University Board determines that an academy board member's service in office is no longer necessary, then the University Board may remove an academy board member with or without cause and shall specify the date when the academy board member's service ends. An academy board member may also be removed as part of a reconstitution under the charter contract or from office by a two-thirds (2/3) vote of the academy's board of directors for cause.

With the approval of the University Board's chair and the president, the director of the charter schools office may suspend an academy board member's service, if in his/her judgment the person's continued presence would constitute a risk to persons or property, or would seriously impair the operation of the academy. Any suspension made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. The University Board reserves the right to review, rescind, modify, ratify, or approve any suspensions made under this provision.

Number of Directors

The number of members of the academy board of directors shall not be less than five (5) nor more than nine (9). If the academy board of directors fails to maintain its full membership by making appropriate and timely nominations, the University Board or its designee may deem that failure an exigent condition.

Qualifications of Academy Board Members

To be qualified to serve on an academy's board of directors, a person shall, among other things: (a) be a citizen of the United States; (b) be a resident of the State of Michigan; (c) submit all materials requested by the charter schools office including, but not limited to, the *Application for Public School Academy Board Appointment* which must include authorization to process a criminal background check; and (d) annually submit a conflict of interest disclosure as prescribed by the charter schools office.

The members of an academy board of directors shall not include: (a) employees of the academy; (b) any director, officer, or employee of an educational management organization or educational management corporation that contracts with the academy; (c) a Central Michigan University official or employee, as a representative of Central Michigan University.

CMU BDT APPROVED Date: <u>115718</u> Signature: <u>My Hanagan</u>

Oath of Public Office

All members of the academy board of directors must take the constitutional oath of office and sign the *Oath of Public Office* before beginning their service. No appointment shall be effective prior to the filing of the *Oath of Public Office* with the charter schools office.

Note: These provisions shall be implemented with new charter contracts and shall be phased in as existing charter contracts are reissued or amended. The charter schools office is authorized to negotiate changes in the terms and conditions of charter contracts to fully implement these provisions.

Amended by Board of Trustees: 18-0215 Adopted by Board of Trustees: 98-0918, 06-1207, 07-0712 and 11-0714

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TERMS AND CONDITIONS OF CONTRACT

TERMS AND CONDITIONS OF CONTRACT

DATED: JULY 1, 2023

ISSUED BY

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

CONFIRMING THE STATUS OF

DA VINCI SCHOOLS

AS A

PUBLIC SCHOOL ACADEMY

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WHEREAS, the People of Michigan through their Constitution have provided that schools and the means of education shall forever be encouraged and have authorized the Legislature to maintain and support a system of free public elementary and secondary schools; and

WHEREAS, all public schools are subject to the leadership and general supervision of the State Board of Education; and

WHEREAS, the Legislature has authorized an alternative form of public school designated a "public school academy" to be created to serve the educational needs of pupils and has provided that pupils attending these schools shall be eligible for support from the State School Aid Fund; and

WHEREAS, the Legislature has delegated to the governing boards of state public universities, community college boards, intermediate school district boards and local school district boards, the responsibility for authorizing the establishment of public school academies; and

WHEREAS, the Central Michigan University Board of Trustees has considered and has approved the issuance of a contract to da Vinci Schools;

NOW, THEREFORE, pursuant to the Revised School Code, the Central Michigan University Board of Trustees issues a Charter Contract conferring certain rights, franchises, privileges, and obligations and confirms da Vinci Schools' status as a public school academy. In addition, the parties agree that the issuance of this Charter Contract is subject to the following terms and conditions:

ARTICLE I DEFINITIONS

Section 1.1. <u>Certain Definitions</u>. For purposes of this Charter Contract, and in addition to the terms defined throughout this Contract, each of the following words or expressions, whenever initially capitalized, shall have the meaning set forth in this section:

- (a) "Academy" means the Michigan nonprofit corporation named da Vinci Schools which is established as a public school academy pursuant to this Charter Contract.
- (b) "Academy Board" means the Board of Directors of the Academy.
- (c) "Applicable Law" means all state and federal law applicable to public school academies, including all rules, regulations, and orders promulgated thereunder.
- (d) "Application" means the public school academy application and supporting documentation submitted to the University for the establishment of the Academy.
- (e) "Code" means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1852 of the Michigan Compiled Laws.
- (f) "Community District" means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- (g) "Conservator" means an individual appointed by the President of Central Michigan University in accordance with Section 10.8 of these Terms and Conditions of Contract.

- (h) "Contract" means, in addition to the definition set forth in the Code, these Terms and Conditions of Contract, the Reauthorizing Resolution, the Method of Selection, Appointment, and Removal Resolution, the Charter Contract Schedules 1-8, as defined below, the Educational Service Provider Policies, the Master Calendar of Reporting Requirements and the Application.
- (i) "Department" means the Michigan Department of Education.
- (j) "Director" means a person who is a member of the Academy Board.
- (k) "Educational Service Provider" or "ESP" means an educational management organization, or employee leasing company, as defined under section 503c of the Code, MCL 380.503c, that has entered into a contract or agreement with the Academy Board for operation or management of the Academy, and which agreement has been submitted to the Center for review, has not been disapproved by the director of The Governor John Engler Center for Charter Schools, is consistent with the Educational Service Provider Policies, as they may be amended from time to time, and with Applicable Law.
- (1) "Educational Service Provider Policies" or "ESP Policies" means the Educational Service Provider Policies, adopted by The Governor John Engler Center for Charter Schools at Central Michigan University that apply to an agreement that has been entered into between an ESP and the Academy Board. The Educational Service Provider Policies may be amended from time to time. Upon amendment, changes to the ESP Policies shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of these Terms and Conditions of Contract.
- (m) "Fund Balance Deficit" means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing by the Academy or a monetary contribution by an Educational Service Provider or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity the Academy, and is not conditioned upon the action or inactions of the Academy or the Academy Board, then such gift or grant shall not constitute a borrowing or contribution for purposes of determining a Fund Balance Deficit.
- (n) "Management Agreement" or "ESP Agreement" means an agreement as defined under section 503c of the Code, MCL 380.503c, that has been entered into between an ESP and the Academy Board for the operation and/or management of the Academy and that has been submitted to The Governor John Engler Center for Charter Schools for review and has not been disapproved by the director of The Governor John Engler Center for Charter Schools.
- (o) "Master Calendar" means the Master Calendar of Reporting Requirements as annually issued by The Governor John Engler Center for Charter Schools setting forth reporting and document submission requirements for the Academy.
- (p) "Method of Selection, Appointment, and Removal Resolution" means the policy adopted by resolution of the University Board on September 18, 1998, and amended on February 15, 2018, establishing the standard method of selection and appointment, length of term, removal and suspension, number of directors and qualifications of Academy Board members for public school academies issued a Contract by the University Board.

- (q) "Reauthorizing Resolution" means the resolution adopted by the Central Michigan University Board of Trustees on December 8, 2022, approving the issuance of a Contract to the Academy.
- (r) "Schedules" means the following Contract documents: Schedule 1: Restated Articles of Incorporation, Schedule 2: Amended Bylaws, Schedule 3: Fiscal Agent Agreement, Schedule 4: Oversight, Compliance and Reporting Agreement, Schedule 5: Description of Staff Responsibilities, Schedule 6: Physical Plant Description, Schedule 7: Required Information for a Public School Academy, and Schedule 8: Information Available to the Public and the Center.
- (s) "State Board" means the State Board of Education, established pursuant to Article 8, Section 3 of the 1963 Michigan Constitution and MCL 388.1001 et seq.
- (t) "State School Aid Fund" means the State School Aid Fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963, as amended.
- (u) "State School Reform/Redesign Office" means the office created within the Michigan Department of Technology Management and Budget by Executive Reorganization Order 2015-02 codified at MCL 18.445, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Reorganization Order 2017-02, codified at MCL 388.1282.
- (v) "Superintendent" means the Michigan Superintendent of Public Instruction.
- (w) "Terms and Conditions" means this document entitled "Terms and Conditions of Contract, Dated July 1, 2023, Issued by the Central Michigan University Board of Trustees Confirming the Status of da Vinci Schools as a Public School Academy."
- (x) "The Governor John Engler Center for Charter Schools" or "the Center" means the office designated by the Central Michigan University Board of Trustees as the initial point of contact for public school academy applicants and public school academies authorized by the Central Michigan University Board of Trustees. The Center is also responsible for administering the Central Michigan University Board of Trustees' responsibilities with respect to the Contract.
- (y) "The Governor John Engler Center for Charter Schools Director" or "the Center Director" means the person designated at Central Michigan University to administer the operations of the Center.
- (z) "University" means Central Michigan University, established pursuant to Article 8, sections 4 and 6 of the 1963 Michigan Constitution and MCL 390.551 et seq.
- (aa) "University Board" means the Central Michigan University Board of Trustees.
- (bb)"University Charter Schools Hearing Panel" or "Hearing Panel" means such persons as designated by the University President.
- (cc) "University President" means the President of Central Michigan University or his or her designee. In section 1.1(bb) above, "University President" means the President of Central Michigan University.

Section 1.2. <u>Captions</u>. The captions and headings used in this Contract are for convenience only and shall not be used in construing the provisions of this Contract.

Section 1.3. <u>Gender and Number</u>. The masculine, feminine, or neuter pronouns in this Contract shall be interpreted without regard to gender, and the use of the singular shall be deemed to include the plural (and vice versa) wherever applicable.

Section 1.4. <u>Statutory Definitions</u>. Statutory terms defined in the Code shall have the same meaning in this Contract.

Section 1.5. <u>Schedules</u>. All Schedules to this Contract are incorporated into, and made part of, this Contract.

Section 1.6. <u>Application</u>. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. To the extent there is a difference between the Contract and the Application, the Contract shall control.

Section 1.7. <u>Conflicting Contract Provisions</u>. In the event that there is a conflict between language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Method of Selection, Appointment, and Removal Resolution shall control over any other conflicting language in the Contract; (ii) the Reauthorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection, Appointment, and Removal Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the exception of language in the Method of Selection, Appointment, and Removal Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the exception of language in the Method of Selection, Appointment, and Removal Resolution and the Reauthorizing Resolution; and (iv) the Restated Articles of Incorporation shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection, Appointment, and Removal Resolution; and (iv) the Restated Articles of Incorporation shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection, Appointment, and Removal Resolution; and Removal Resolution and the Reauthorizing language in the Contract with the exception of language in the Method of Selection, Appointment, and Removal Resolution; and Removal Resolution and these Terms and Conditions.

ARTICLE II RELATIONSHIP BETWEEN THE ACADEMY AND THE UNIVERSITY BOARD

Section 2.1. <u>Constitutional Status of Central Michigan University</u>. Central Michigan University is a constitutionally established body corporate operating as a state public university. The University Board is an authorizing body as defined by the Code. In approving this Contract, the University Board voluntarily exercises additional powers given to the University under the Code. Nothing in this Contract shall be deemed to be any waiver of Central Michigan University's powers or independent status and the Academy shall not be deemed to be a part of Central Michigan University. If applicable, the University Board has provided to the Department the accreditation notice required under the Code.

Section 2.2. <u>Independent Status of the Academy</u>. The Academy is a body corporate and governmental entity authorized by the Code. It is organized and shall operate as a public school academy and a nonprofit corporation. It is not a division or part of Central Michigan University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy.

Section 2.3. <u>Financial Obligations of the Academy Are Separate From the State of Michigan</u>, <u>University Board and the University</u>. Any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be pledged for the payment of any Academy contract, mortgage, loan or other instrument of indebtedness. Section 2.4. <u>Academy Has No Power To Obligate or Bind the State of Michigan, the University</u> <u>Board or the University</u>. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, the University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, the University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy.

Section 2.5. <u>New Public School Academies Located Within the Boundaries of a Community</u> <u>District</u>. If the circumstances listed below in (a) or (b) apply to the Academy's site, the Academy represents to the University Board, intending that the University Board rely on such representation as a precondition to issuing a contract for a new public school academy, that the Academy will have substantially different governance, leadership and curriculum than the public school previously operating at the site:

- (a) The Academy's proposed site is the same location as a public school that (i) is currently on the list under Section 1280c(1), MCL 380.1280c(1) or Section 1280g(3), MCL 380.1280g(3) of the Code, as applicable; or (ii) has been on the list under Section 1280c(1) or 1280g(3) of the Code, as applicable, during the immediately preceding 3 school years.
- (b) The Academy's proposed site is the same location of another public school academy, urban high school academy, school of excellence or strict discipline academy whose contract was revoked or terminated by an authorizing body.

ARTICLE III ROLE OF THE UNIVERSITY BOARD AS AUTHORIZING BODY

Section 3.1. <u>University Board Resolutions</u>. The University Board has adopted a resolution, hereinafter the Method of Selection, Appointment, and Removal Resolution, providing for the method of selection and appointment, length of term, removal and suspension, number of Directors and the qualifications of Directors. The University Board has adopted a Reauthorization Resolution which approves the issuance of this Contract. The Reauthorization Resolution and the Method of Selection, Appointment, and Removal Resolution are hereby incorporated into this Contract. The University Board may, from time to time, amend the Method of Selection, Appointment, and Removal Resolution changing the method of selection, length of term, number of Directors and the qualifications of Directors. Any subsequent resolution of the University Board changing the Method of Selection, Appointment, and Removal Resolution shall automatically be incorporated into this Contract without the need for an amendment under Article IX of the Terms and Conditions.

Section 3.2. <u>University Board as Fiscal Agent for the Academy</u>. The University Board is the fiscal agent for the Academy. As fiscal agent, the University Board assumes no responsibility for the financial condition of the Academy. The University Board is not liable for any debt or liability incurred by or on behalf of the Academy Board, or for any expenditure approved by or on behalf of the Academy Board. Except as provided in the Oversight, Compliance and Reporting Agreement and Article X of these Terms and Conditions, the University Board shall promptly, within ten (10) business days of receipt, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 3.

Section 3.3. <u>Oversight Responsibilities of the University Board</u>. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The

responsibilities of the Academy and the University Board are set forth in the Oversight, Compliance and Reporting Agreement and incorporated herein as Schedule 4.

Section 3.4. <u>University Board Administrative Fee</u>. The Academy shall pay the University Board an administrative fee to compensate the University Board for overseeing the Academy's compliance with the Contract and all Applicable Law.

Section 3.5. <u>University Board Approval of Condemnation</u>. In the event that the Academy desires to acquire property pursuant to the Uniform Condemnation Procedures Act or other applicable statutes, it shall obtain express written permission for such acquisition from the University Board. The Academy shall submit a written request to the Center describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. Provided the Academy Board submits the written request to the Center at least sixty (60) days before the University Board's next regular meeting, the University Board may vote on whether to give express written permission for the acquisition at its next regular meeting.

Section 3.6. <u>Authorization to Employ or Contract</u>. The University Board authorizes the Academy Board to employ or contract for personnel according to the position information outlined in Schedule 5. The Academy Board shall prohibit any individual from being employed by the Academy or an Educational Service Provider in more than one (1) full-time position and simultaneously being compensated at a fulltime rate for each of these positions. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. With respect to Academy employees, the Academy shall have the power and responsibility to (i) recruit, select and engage employees; (ii) pay their wages, benefits, and applicable taxes; (iii) evaluate performance; (iv) discipline and dismiss employees; and control the employees' conduct, including the method by which the employee carries out his or her work. The Academy Board shall be responsible for carrying workers' compensation insurance and unemployment insurance for its employees.

The Academy Board may contract with an Educational Service Provider to provide comprehensive educational, administrative, management, or instructional services or staff to the Academy. Before entering into a Management Agreement with an Educational Service Provider, the Academy Board shall first comply with the Educational Service Provider Policies issued by the Center. Any Management Agreement entered into by the Academy shall also comply with Section 11.2 and 12.10 of these Terms and Conditions. A copy of the Management Agreement between the Academy Board and the Educational Service Provider shall be incorporated into this Contract under Schedule 5. Any changes to the Management Agreement shall be incorporated into this Contract by amendment in accordance with Article IX, as applicable.

Section 3.7. <u>Teacher Certification</u>. Except as otherwise provided by law, the Academy shall use certificated teachers according to State Board rule.

Section 3.8. <u>Administrator and Teacher Evaluation Systems</u>. The Academy Board shall adopt, implement and maintain a rigorous, transparent, and fair performance evaluation system for its teachers and school administrators that complies with Applicable Law. If the Academy enters into a Management Agreement with an Educational Service Provider, the Academy Board shall ensure that the Educational Service Provider complies with this section.

Section 3.9. <u>Reimbursement of University Board Services</u>. The University Board shall be reimbursed for the actual cost of University services associated with responding to third party subpoenas and freedom of information act (FOIA) requests under the following circumstances:

If the University receives a subpoena or FOIA request from a third party (including the Academy, its counsel, the Academy's ESP or its counsel) demanding the production of Academy documents related

to pending litigation or proceedings involving the Academy, the Academy's ESP (or any subcontractor of the ESP or other contractors of the Academy) or a third party, the University may charge the Academy for the actual cost of the services associated with the University's response to the subpoena or FOIA request(s) (including actual attorney's fees in fulfilling the request). The parties agree that the Academy may reduce or avoid the obligation to pay for services by the University Board associated with such responses by directly producing Academy documents to the requesting party.

ARTICLE IV

REQUIREMENT THAT THE ACADEMY ACT SOLELY AS GOVERNMENTAL ENTITY

Section 4.1. <u>Limitation on Actions in Performance of Governmental Functions</u>. The Academy shall act exclusively as a governmental entity and shall not undertake any action inconsistent with its status as a governmental entity authorized to receive state school aid funds pursuant to Section 11 of Article IX of the State Constitution of 1963.

Section 4.2. Other Permitted Activities.

- (a) Nothing in this Contract shall prohibit the Academy from engaging in other lawful activities that are not in derogation of the Academy's status as a public school or that would not jeopardize the eligibility of the Academy for state school aid funds. Except as provided for the agreements identified below in Section 4.2(b), the Academy may enter into agreements with other public schools, governmental units, businesses, community and nonprofit organizations where such agreements contribute to the effectiveness of the Academy or advance education in this state.
- (b) The Academy shall submit to the Center for prior review the following agreements:
 - (i) In accordance with the Educational Service Provider Policies, a draft copy of any ESP Agreement and any subsequent amendments;
 - (ii) In accordance with the Master Calendar, a draft copy of any Academy deed or lease, amendments to existing leases or any new leasing agreements for any Academy facility; and
 - (iii) In accordance with the Master Calendar, draft long-term or short-term financing closing documents and intercept requests.

Section 4.3. <u>Academy Board Members Serve In Their Individual Capacity</u>. All Directors of the Academy Board shall serve in their individual capacity, and not as a representative or designee of any other person or entity. A person who does not serve in their individual capacity, or who serves as a representative or designee of another person or entity, shall be deemed ineligible to continue to serve as a Director of the Academy Board. A Director who violates this section shall be removed from office, in accordance with the removal provisions found in the Method of Selection, Appointment and Removal Resolution and Contract Schedule 2: Amended Bylaws. As set forth in the Method of Selection, Appointment and Removal Resolution, a Director serves at the pleasure of the University Board, and may be removed with or without cause at any time.

Section 4.4. <u>Incompatible Public Offices and Conflicts of Interest Statutes</u>. The Academy shall comply with the Incompatible Public Offices statute, being MCL 15.181 et seq. of the Michigan Compiled Laws, and the Contracts of Public Servants with Public Entities statute, being MCL 15.321 et seq. of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited conflicts of interest for purposes of this Contract:

- (a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an Educational Service Provider or an employee leasing company, or a subcontractor to an Educational Service Provider or an employee leasing company that has an ESP Agreement with the Academy;
- (b) An individual simultaneously serving as an Academy Board member and an Academy employee;
- (c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;
- (d) An individual simultaneously serving as an Academy Board member and a member of the governing board of another public school;
- (e) An individual simultaneously serving as an Academy Board member and a University official, employee, or paid consultant, as a representative of the University; and
- (f) An individual simultaneously serving as an Academy Board member and having an ownership or financial interest in any real or personal property leased or subleased to the Academy.

Section 4.5. <u>Prohibition of Identified Family Relationships</u>. The Academy Board shall prohibit specifically identified family relationships pursuant to applicable law and the Terms and Conditions of this Contract. Language in this Section controls over section 1203 of the Code. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

- (a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner:
 - (i) Is employed by the Academy;
 - (ii) Works at or is assigned to work at the Academy;
 - (iii) Has an ownership, officer, policymaking, managerial, administrative non-clerical, or other significant role with the Academy's Educational Service Provider or employee leasing company;
 - (iv) Has an ownership or financial interest in any school building lease or sublease agreement with the Academy; or
 - (v) Is a current Academy Board member.
- (b) The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. For purposes of this subsection, familial relationship means a person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner.

Section 4.6. <u>Oath of Public Office</u>. Before entering upon the duties of a public school board member, each Academy Board member shall take the constitutional oath of office as required by the Code and as set forth in the Method of Selection, Appointment and Removal Resolution.

Section 4.7. <u>Academy Counsel</u>. The Academy Board shall select, retain and pay legal counsel to represent the Academy. The Academy shall not retain any attorney to represent the Academy if the attorney

or the attorney's law firm also represents the Academy's Educational Service Provider or any person or entity leasing real property to the Academy, if any.

ARTICLE V CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1. <u>Nonprofit Corporation</u>. The Academy shall be organized and operate as a public school academy corporation organized under the Michigan Nonprofit Corporation Act, as amended, Act No. 162 of the Public Acts of 1982, being Sections 450.2101 to 450.3192 of the Michigan Compiled Laws. Notwithstanding any provision of the Michigan Nonprofit Corporation Act, as amended, the Academy shall not take any action inconsistent with the provisions of Part 6A of the Code or other Applicable Law.

Section 5.2. <u>Articles of Incorporation</u>. The Restated Articles of Incorporation of the Academy, as set forth in Schedule 1, shall be the Articles of Incorporation of the Academy.

Section 5.3. <u>Bylaws</u>. The Amended Bylaws of the Academy, as set forth in Schedule 2, shall be the Bylaws of the Academy.

ARTICLE VI OPERATING REQUIREMENTS

Section 6.1. <u>Governance Structure</u>. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the Governance Structure as set forth in Schedule 7a. The Academy shall have four officers: President, Vice-President, Secretary and Treasurer. The officer positions shall be filled by persons who are members of the Academy Board. A description of their duties is included in Schedule 2.

Section 6.2. <u>Educational Goal and Related Measures</u>. The Academy shall achieve, or demonstrate measurable progress for all groups of pupils toward the achievement of, the educational goal and related measures identified in Schedule 7b and the results of the academic assessments identified in Schedule 7e. Upon request, the Academy shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal.

Section 6.3. <u>Educational Programs</u>. The Academy shall implement, deliver and support the educational programs identified in Schedule 7c.

Section 6.4. <u>Curriculum</u>. The Academy shall implement, deliver and support the curriculum identified in Schedule 7d.

Section 6.5. <u>Methods of Pupil Assessment</u>. The Academy shall properly administer the academic assessments identified in Schedule 7e and in accordance with the requirements detailed in the Master Calendar. The Academy also shall assess pupil performance using all applicable testing that the Code or the Contract require. The Academy shall provide the Center direct access to the results of these assessments, along with any other measures of academic achievement reasonably requested by the Center.

Section 6.6. <u>Application and Enrollment of Students</u>. The Academy shall comply with the application and enrollment requirements identified in Schedule 7f.

Section 6.7. <u>School Calendar and School Day Schedule</u>. The Academy shall comply with the school calendar and school day schedule requirements as set forth in Schedule 7g.

Section 6.8. <u>Age or Grade Range of Pupils</u>. The Academy shall comply with the age or grade ranges as stated in Schedule 7h.

Section 6.9. <u>Collective Bargaining Agreements</u>. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

Section 6.10. <u>Accounting Standards</u>. The Academy shall at all times comply with generally accepted public sector accounting principles and accounting system requirements that comply with the State School Aid Act of 1979, as amended, the Uniform Budgeting and Accounting Act, MCL 141.421, et seq., and applicable State Board and Michigan Department of Education rules.

Section 6.11. <u>Annual Financial Statement Audit</u>. The Academy shall conduct an annual financial statement audit prepared and reviewed by an independent certified public accountant. The Academy Board shall select, retain and pay the Academy's independent auditor. The Academy Board shall not approve the retention of any independent auditor if that independent auditor or auditor's firm is also performing accounting and/or auditing services for the Academy's Educational Service Provider, if applicable. The Academy shall submit the annual financial statement audit and auditor's management letter to the Center in accordance with the Master Calendar. The Academy Board shall provide to the Center a copy of any responses to the auditor's management letter in accordance with the Master Calendar.

Section 6.12. <u>Address and Description of Physical Plant</u>. The address and description of the physical plant for the Academy is set forth in Schedule 6. With the approval of the University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each configuration of age or grade levels and each site identified in Schedule 6 are under the direction and control of the Academy Board. University Board consideration regarding requests to add additional site(s) shall include, but not be limited to, the Academy Board's demonstration that it meets all statutory requirements under the Code.

Section 6.13. <u>Contributions and Fund Raising</u>. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of Central Michigan University.

Section 6.14. <u>Disqualified Organizational or Contractual Affiliations</u>. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.

Section 6.15. <u>Method for Monitoring Academy's Compliance with Applicable Law and its Targeted</u> <u>Educational Outcomes</u>. The Academy shall perform the compliance certification duties required by the University Board as outlined in the Oversight, Compliance and Reporting Agreement set forth as Schedule 4. In addition to the University Board's oversight responsibilities and other Academy compliance and reporting requirements set forth in this Contract, the Academy's compliance with the annual Master Calendar shall serve as one means by which the University will monitor the Academy's compliance with Applicable Law. Section 6.16. <u>Matriculation Agreements</u>. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft copy of the agreement to the Center for review. Any matriculation agreement entered into by the Academy shall be added to Schedule 7f through a contract amendment approved in accordance with the Contract.

Section 6.17. <u>Postings of Accreditation Status</u>. The Academy shall post notices to the Academy's homepage of its website disclosing the accreditation status of each school as required by the Code.

ARTICLE VII TUITION PROHIBITED

Section 7.1. <u>Tuition Prohibited; Fees and Expenses</u>. The Academy shall not charge tuition. The Academy may impose fees and require payment of expenses for activities of the Academy where such fees and payments are not prohibited by Applicable Law.

ARTICLE VIII COMPLIANCE WITH APPLICABLE LAWS

Section 8.1. <u>Compliance with Applicable Law</u>. The Academy shall comply with all applicable state and federal laws. Nothing in this Contract shall be deemed to apply any other state or federal law to the Academy.

ARTICLE IX AMENDMENT

Section 9.1. <u>Amendments</u>. The University Board and the Academy acknowledge that the operation and administration of a public school academy and the improvement of educational outcomes over time will require appropriate amendment of this Contract. In order to assure a proper balance between the need for independent development of the Academy and the statutory responsibilities of the University Board as an authorizing body, the parties have established a flexible process for amending this Contract.

Section 9.2. <u>Process for Amendment Initiated by the Academy</u>. The Academy, by a majority vote of its Board of Directors, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The proposal will be made to the University Board through its designee. The University Board delegates to the Center Director the review and approval of changes or amendments to this Contract. In the event that a proposed change is not accepted by the Center Director, the University Board may consider and vote upon a change proposed by the Academy following an opportunity for a presentation to the University Board by the Academy.

Section 9.3. <u>Process for Amendment Initiated by the University Board</u>. The University Board, or an authorized designee, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The University Board delegates to the Center Director the review and approval of changes or amendments to this Contract. The Academy Board may delegate to a Director of the Academy the review and negotiation of changes or amendments to this Contract. The Contract shall be amended as requested by the University Board upon a majority vote of the Academy Board. Section 9.4. <u>Final Approval of Amendments</u>. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the University Board or the Center Director. If the proposed amendment conflicts with any of the University Board's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy Board and the University Board.

Section 9.5. <u>Change in Existing Law</u>. If, after the effective date of this Contract, there is a change in Applicable Law which alters or amends the responsibilities and obligations of either the Academy or the University Board, this Contract shall be altered or amended to reflect the change in existing law as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the University Board shall conform to and be carried out in accordance with the change in Applicable Law.

Section 9.6. Emergency Action on Behalf of University Board. Notwithstanding any other provision of this Contract to the contrary, the contents of this Section shall govern in the event of an emergency situation that arises between meetings of the University Board. An emergency situation shall be deemed to occur if the University President, in his or her sole discretion, determines that the facts and circumstances warrant that emergency action take place before the next meeting of the University Board. Upon the determination that an emergency situation exists, the University President may temporarily take action on behalf of the University Board with regard to the Academy or the Contract, so long as such action is in the best interest of the University Board and the University President consults with the University Board Chairperson prior to taking the intended actions. When acting during an emergency situation, the University President shall have the authority to act in place of the University Board, and such emergency action shall only be effective in the interim before the earlier of (a) rejection of the emergency action by the Chairperson of the University Board; or (b) the next meeting of the University Board. The University President shall immediately report such action to the University Board for confirmation at the next meeting so that the emergency action continues or, upon confirmation by the University Board, becomes permanent.

ARTICLE X CONTRACT REVOCATION, TERMINATION, AND SUSPENSION

Section 10.1. <u>Statutory Grounds for Revocation</u>. In addition to the other grounds for revocation in Section 10.2 and the automatic revocation in Section 10.3 of these Terms and Conditions, the University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- (a) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or abide by and meet the educational goal and related measures set forth in this Contract;
- (b) Failure of the Academy to comply with all Applicable Law;
- (c) Failure of the Academy to meet generally accepted public sector accounting principles and to demonstrate sound fiscal stewardship; or
- (d) The existence of one or more other grounds for revocation as specified in this Contract.

Section 10.2. <u>Other Grounds for Revocation</u>. In addition to the statutory grounds for revocation set forth in Section 10.1 and the grounds for an automatic revocation set forth in Section 10.3, the University

Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- (a) The Academy fails to achieve or demonstrate measurable progress toward achieving the educational goal and related measures identified in this Contract;
- (b) The Academy fails to properly implement, consistently deliver, and support the educational programs or curriculum identified in this Contract;
- (c) The Academy is insolvent, has been adjudged bankrupt, or has operated for two or more school fiscal years with a Fund Balance Deficit;
- (d) The Academy has insufficient enrollment to successfully operate a public school academy, or the Academy has lost more than fifty percent (50%) of its student enrollment from the previous school year;
- (e) The Academy fails to fulfill the compliance and reporting requirements or defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract or, during the term of this Contract, it is discovered by the Center that the Academy failed to fulfill the compliance and reporting requirements or there was a violation of a prior Contract issued by the University Board;
- (f) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, without first obtaining the Center's approval;
- (g) The Center Director discovers grossly negligent, fraudulent or criminal conduct by the Academy's applicant(s), directors, officers, employees or agents in relation to their performance under this Contract; or
- (h) The Academy's applicant(s), directors, officers, employees or agents have provided false or misleading information or documentation to the Center in connection with the University Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law.

Section 10.3. <u>Automatic Amendment Of Contract; Automatic Termination of Contract If All</u> <u>Academy Sites Closed; Economic Hardship Termination</u>. Except as otherwise provided in this Section 10.3, if the University Board is notified by the Department that an Academy site is subject to closure under section 507 of the Code, MCL 380.507 ("State's Automatic Closure Notice"), then this Contract shall automatically be amended to eliminate the Academy's authority to operate certain age and grade levels at the site or sites identified in the State's Automatic Closure Notice. If the State's Automatic Closure Notice includes all of the Academy's existing sites, then this Contract shall automatically be terminated at the end of the current school year in which either the State's Automatic Closure Notice is received without any further action of the University Board or the Academy.

Following receipt of the State's Automatic Closure Notice, the Center Director shall forward a copy of the notice to the Academy Board and request a meeting with the Academy Board representatives to discuss the Academy's plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy's existing sites are included in that notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State's Automatic Closure Notice, including the granting of any hardship exemption by the Department rescinding the State's Automatic Closure Notice ("Pupil Hardship Exemption"), shall be directed to the Department, in a form and manner determined by the Department. If the Department rescinds the State's Automatic Closure Notice for an Academy site or sites by granting a Pupil Hardship Exemption, the Academy is not required to close the identified site(s), but shall present to the Center a proposed Contract amendment incorporating the Department's school improvement plan, if applicable, for the identified site(s).

If the Department elects not to issue a Pupil Hardship Exemption and the Center Director determines, in his or her discretion, that the closure of one or more sites as directed by the Department creates a significant economic hardship for the Academy as a going concern or the possibility of a mid-year school closure, then the Center Director may recommend to the University Board that the Contract be terminated at the end of the current school year (hereinafter "Economic Hardship Termination"). If the University Board approves the Economic Hardship Termination recommendation, then this Contract shall terminate at the end of the current school year without any further action of the parties.

The University Board's revocation procedures set forth in Section 10.6 do not apply to an automatic termination initiated by the State's Automatic Closure Notice or an Economic Hardship Termination under this Section 10.3.

Section 10.4. <u>Grounds and Procedures for Academy Termination of Contract</u>. The Academy Board, by majority vote of its Directors, may, at any time and for any reason, request termination of this Contract. The Academy Board's request for termination shall be made to the Center Director not less than six (6) calendar months in advance of the Academy's proposed effective date of termination. Upon receipt of an Academy request for termination, the Center Director shall present the Academy Board's request for termination, the Center Director shall present the Academy Board's request for termination, including a summary of the reasons for terminating the Contract, shall be included with the Academy Board's request for termination. Upon receipt of the Academy Board's request for termination, the University Board shall consider and vote on the proposed termination request. The University Board may, in its sole discretion, waive the six (6) month advance notice requirement for terminating this Contract.

Section 10.5. <u>Grounds and Procedures for University Termination of Contract</u>. The University Board, in its sole discretion, reserves the right to terminate the Contract (i) for any reason or for no reason provided that such termination shall not take place less than six (6) months from the date of the University Board's action; or (ii) if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then such termination shall take effect at the end of the current Academy fiscal year. Following University Board approval, the Center Director shall provide notice of the termination to the Academy. If during the period between the University Board action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the Contract may be revoked or suspended sooner pursuant to this Article X. If this Contract is terminated pursuant to this Section 10.5, the revocation procedures in Section 10.6 shall not apply.

Section 10.6. <u>University Board Procedures for Revoking Contract</u>. Except for the automatic revocation and procedures initiated by the State of Michigan set forth in Section 10.3, the University Board's process for revoking the Contract is as follows:

(a) <u>Notice of Intent to Revoke</u>. The Center Director, upon reasonable belief that grounds for revocation of the Contract exist, shall notify the Academy Board of such grounds by issuing the Academy Board a Notice of Intent to Revoke for non-compliance with the Contract or Applicable Law. The Notice of Intent to Revoke shall be in writing and shall set forth in sufficient detail the alleged grounds for revocation.

- (b) <u>Academy Board's Response</u>. Within thirty (30) days of receipt of the Notice of Intent to Revoke, the Academy Board shall respond in writing to the alleged grounds for revocation. The Academy Board's response shall be addressed to the Center Director, and shall either admit or deny the allegations of non-compliance. If the Academy's response includes admissions of non-compliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and timeline for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract of Applicable Law, the Academy Board response shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the Center Director prior to a review of the Academy Board's response.
- (c) <u>Plan of Correction</u>. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, the Center Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the Center Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the Center Director shall develop a plan for correcting the non-compliance ("Plan of Correction") which may include Reconstitution pursuant to 10.6(d) of these Terms and Conditions. In developing a Plan of Correction, the Center Director is permitted to adopt, modify or reject some or all of the Academy Board's response for correcting the deficiencies outlined in the Notice of Intent to Revoke. The Notice of Intent to Revoke shall be closed if the Center Director determines any of the following: (i) the Academy Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the Notice of Intent to Revoke has been corrected by the Academy Board; or (iii) the Academy Board has successfully completed the Plan of Correction.
- (d) <u>University Board's Contract Reconstitution Provision</u>. The Center Director may reconstitute the Academy in an effort to improve student educational performance or to avoid interruption of the educational process. Reconstitution may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board; (ii) termination of at-will board appointments of 1 or more Academy Board members in accordance with the Method of Selection, Appointment and Removal Resolution; (iii) withdrawing approval of a contract under Section 506 of the Code; or (iv) the appointment of a new Academy Board or a Conservator to take over operations of the Academy.

Except as otherwise provided in this subsection, reconstitution of the Academy does not prohibit the Department from issuing an order under section 507 of the Code, MCL 380.507, directing the automatic closure of the Academy's site(s).

- (e) <u>Request for Revocation Hearing</u>. The Center Director may initiate a revocation hearing before the University Charter Schools Hearing Panel if the Center Director determines that any of the following has occurred:
 - (i) the Academy Board has failed to respond to the Notice of Intent to Revoke as set forth in Section 10.6(b);
 - (ii) the Academy Board's response to the Notice of Intent to Revoke is non-responsive;
 - (iii) the Academy Board's response admits violations of the Contract or Applicable Law which the Center Director deems cannot be remedied or cannot be remedied in an appropriate

period of time, or for which the Center Director determines that a Plan of Correction cannot be formulated;

- (iv) the Academy Board's response contains denials that are not supported by sufficient documentation or other evidence showing compliance with the Contract or Applicable Law;
- (v) the Academy Board has not complied with part or all of a Plan of Correction established in Section 10.6(c);
- (vi) the Academy Board has engaged in actions that jeopardize the financial or educational integrity of the Academy; or
- (vii) the Academy Board has been issued multiple or repeated Notices of Intent to Revoke.

The Center Director shall send a copy of the request for revocation hearing to the Academy Board at the same time the request is sent to the Hearing Panel. The request for revocation shall identify the reasons for revoking the Contract.

- (f) Hearing before the University Charter Schools Hearing Panel. Within thirty (30) days of receipt of a request for revocation hearing, the Hearing Panel shall convene a revocation hearing. The Hearing Panel shall provide a copy of the notice of hearing to the Center and the Academy Board at least ten (10) days before the hearing. The purpose of the Hearing Panel is to gather facts surrounding the Center Director's request for Contract revocation, and to make a recommendation to the University Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as determined by the Center Director and shall not last more than three hours. The hearing shall be transcribed and the cost shall be divided equally between the University and the Academy. The Center Director or his or her designee, and the Academy Board or its designee, shall each have equal time to make their presentation to the Hearing Panel. Although each party is permitted to submit affidavits and exhibits in support of their positions, the Hearing Panel will not hear testimony from any witnesses for either side. The Hearing Panel may, however, question the Center Director and the Academy Board. Within thirty (30) days of the revocation hearing, the Hearing Panel shall make a recommendation to the University Board concerning the revocation of the Contract. For good cause, the Hearing Panel may extend any time deadline set forth in this subsection. A copy of the Hearing Panel's recommendation shall be provided to the Center and the Academy Board at the same time that the recommendation is sent to the University Board.
- (g) University Board Decision. If the Hearing Panel's recommendation is submitted to the University Board at least fourteen (14) days before the University Board's next regular meeting, the University Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The University Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The University Board shall have available to it copies of the Hearing Panel's recommendation and the transcript from the hearing. The University Board may waive the fourteen (14) day submission requirement or hold a special board meeting to consider the Hearing Panel's recommendation. A copy of the University Board's decision shall be provided to the Center, the Academy Board and the Department.
- (h) <u>Effective Date of Revocation</u>. If the University Board votes to revoke the Contract, the revocation shall be effective on the date of the University Board's act of revocation, or at a later date as determined by the University Board.
- (i) <u>Disposition of State School Aid Funds</u>. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a recommendation is made

by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, may be withheld by the University Board or returned to the Michigan Department of Treasury upon request. The University Board may also direct that a portion of the Academy's state school aid funds be directed to fund the Academy's Dissolution account established under Section 10.9 of these Terms and Conditions.

Section 10.7. <u>Contract Suspension</u>. The University Board's process for suspending the Contract is as follows:

- (a) <u>The Center Director Action</u>. If the Center Director determines, in his or her sole discretion, that certain conditions or circumstances exist such that the Academy Board:
 - (i) has placed staff or students at risk;
 - (ii) is not properly exercising its fiduciary obligations to protect and preserve the Academy's public funds and property;
 - (iii) has lost its right to occupancy of the physical facilities described in Schedule 6, and cannot find another suitable physical facility for the Academy prior to the expiration or termination of its right to occupy its existing physical facilities;
 - (iv) has failed to secure or has lost the necessary fire, health, and safety approvals as required by Schedule 6;
 - (v) has willfully or intentionally violated this Contract or Applicable Law; or
 - (vi) has violated Section 10.2(g) or (h),

then the Center Director may immediately suspend the Contract, pending completion of the procedures set forth in Section 10.6. A copy of the suspension notice, setting forth the grounds for suspension, shall be sent to the Academy Board and to the Hearing Panel. If this subsection is implemented, the notice and hearing procedures set forth in Section 10.6 shall be expedited as much as possible.

- (b) <u>Disposition of State School Aid Funds</u>. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the Center Director to suspend the Contract, shall be retained by the University Board for the Academy until the Contract is reinstated, or shall be returned to the Michigan Department of Treasury upon the State's request.
- (c) <u>Immediate Revocation Proceeding</u>. If the Academy Board, after receiving a notice of Contract suspension from the Center Director, continues to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may immediately convene a revocation hearing in accordance with the procedures set forth in section 10.6(e) of this Contract. The Hearing Panel has the authority to accelerate the timeline for revoking the Contract, provided that notice of the revocation hearing. If the Hearing Panel determines that the Academy Board at least five (5) days before the hearing. If the Hearing Panel determines that the Academy Board has continued to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may recommend revocation of the Contract. The University Board shall proceed to consider the Hearing Panel's recommendation in accordance with sections 10.6(f) through (h).

Section 10.8. <u>Conservator</u>; <u>Appointment By University President</u>. Notwithstanding any other provision of the Contract, in the event that the University President, in his or her sole discretion, determines that the health, safety and welfare of Academy students, property or funds are at risk, the University President, after consulting with the University Board Chairperson, may appoint a person to serve as the

Conservator of the Academy. Upon appointment, the Conservator shall have all the powers and authority of the Academy Board under this Contract and Applicable Law and shall act in the place and stead of the Academy Board. The University President shall appoint the Conservator for a definite term which may be extended in writing at his or her sole discretion. During the appointment, the Academy Board members and their terms in office are suspended and all powers of the Academy Board are suspended. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. During their appointment, the Conservator shall have the following powers:

- (a) take into his or her possession all Academy property and records, including financial, board, employment and student records;
- (b) institute and defend actions by or on behalf of the Academy;
- (c) continue the business of the Academy including entering into contracts, borrowing money, and pledging, mortgaging, or otherwise encumbering the property of the Academy as security for the repayment of loans. However, the power shall be subject to any provisions and restrictions in any existing credit documents;
- (d) hire, fire, evaluate and discipline employees of the Academy;
- (e) settle or compromise with any debtor or creditor of the Academy, including any governmental or taxing authority;
- (f) review all outstanding agreements to which the Academy is a party and to take those actions which the Academy Board may have exercised to pay, extend, rescind, renegotiate or settle such agreements as needed; and
- (g) perform all acts necessary and appropriate to fulfill the Academy's purposes as set forth under this Contract or Applicable Law.

Section 10.9. Academy Dissolution Account. If the University Board terminates, revokes or fails to issue a new Contract to the Academy, the Center Director shall notify the Academy that, beginning thirty (30) days after notification of the University Board's decision, the University Board may direct up to \$10,000 from each subsequent State School Aid Fund payment, not to exceed a combined total of \$30,000, to a separate Academy account ("Academy Dissolution Account") to be used exclusively to pay the costs associated with the wind-up and dissolution responsibilities of the Academy. Within five (5) business days of the Center Director's notice, the Academy Board Treasurer shall provide the Center Director, in a form and manner determined by the Center, with account detail information and authorization to direct such funds to the Academy Dissolution Account. The Academy Dissolution Account shall be under the sole care, custody and control of the Academy Board, and such funds shall not be used by the Academy to pay any other Academy debt or obligation until such time as all the wind-up and dissolution expenses have been satisfied. An intercept agreement entered into by the Academy and a third-party lender or trustee shall include language that the third party lender or trustee acknowledges and consents to the funding of the Academy's dissolution account in accordance with this Contract. Any unspent funds remaining in the Academy's dissolution account after payment of all wind-up and dissolution expenses shall be returned to the Academy.

ARTICLE XI PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. <u>The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit;</u> <u>Enhanced Deficit Elimination Plan</u>. The Academy agrees to comply with all of the following:

- (a) The Academy Board is responsible for establishing, approving, and amending an annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421, et seq. The Academy Board shall submit to the Center a copy of its annual budget for the upcoming fiscal year in accordance with the Master Calendar. The budget must detail budgeted expenditures at the object level as described in the Department's Michigan School Accounting Manual. In addition, the Academy Board is responsible for approving all revisions and amendments to the annual budget. In accordance with the Master Calendar, revisions or amendments to the Academy's budget shall be submitted to the Center following Academy Board approval.
- (b) Unless exempted from transmitting under section 1219 of the Code, MCL 380.1219, the Academy, on or before July 7th of each school fiscal year, shall transmit to the Center for Educational Performance and Information ("CEPI") the budgetary assumptions used when adopting its annual budget pursuant to the Uniform Budgeting and Accounting Act, MCL 141.421 et seq.
- (c) The Academy shall not adopt or operate under a deficit budget, or incur an operating deficit in a fund during any fiscal year. At any time during the term of this Contract, the Academy shall not have an existing deficit fund balance, incur a deficit fund balance, or adopt a current year budget that projects a deficit fund balance. If the Academy has an existing deficit fund balance, incurs a deficit fund balance in the most recently completed school fiscal year, or adopts a current year budget that projects a deficit fund balance, all of the following apply:
 - (i) The Academy shall notify the Superintendent and the State Treasurer immediately upon the occurrence of the circumstance, and provide a copy of the notice to the Center;
 - (ii) Within 30 days after making notification under subdivision (i), the Academy shall submit to the Superintendent in the form and manner prescribed by the Department an amended budget for the current school fiscal year and a deficit elimination plan approved by the Academy Board, with a copy to the State Treasurer. The Academy shall transmit a copy of the amended budget and the deficit elimination plan to the Center; and
 - (iii) After the Superintendent approves Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.
- (d) If the Academy is required by the State Treasurer to submit an enhanced deficit elimination plan under section 1220 of the Code, MCL 380.1220, the Academy shall do all of the following:
 - (i) The enhanced deficit elimination plan shall be approved by the Academy Board before submission;
 - (ii) After the State Treasurer approves an enhanced deficit elimination plan for the Academy, the Academy shall post the enhanced deficit elimination plan on the Academy's website; and
 - (iii) As required, submit to the Superintendent and State Treasurer an enhanced monthly monitoring reports in a form and manner prescribed by the State Treasurer and post such monthly reports on the Academy's website.

Section 11.2. <u>Insurance</u>. The Academy Board shall secure and maintain in its own name, as the "first named insured," insurance coverage as required by the University's insurance carrier.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The Academy may join with other public school academies to obtain insurance if the Academy Board finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured. The Academy shall list the University on the insurance policies as an additional insured as required by the University's insurance carrier. The coverage provided to the University as an additional covered person or organization will be primary and non-contributory with the University's insurance carrier. The Academy shall have a provision included in all policies requiring notice to the University, at least thirty (30) days in advance, upon termination or non-renewal of the policy for any reason other than nonpayment which would require a ten (10) day advance notice to the University. In addition, the Academy shall provide the Center copies of all insurance policies required by this Contract.

When changing insurance programs or carriers, the Academy must provide copies of the proposed policies to the Center at least thirty (30) days prior to the proposed change. The Academy shall not cancel or change its existing carrier without the prior review of the Center.

The University's insurance carrier periodically reviews the types and amounts of insurance coverage that the Academy must secure in order for the University to maintain insurance coverage for the authorization and oversight of the Academy. In the event that the University's insurance carrier requests additional changes in coverage identified in this Section 11.2, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the University's insurance carrier within thirty (30) days after notice of the insurance coverage change.

The Academy may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for pupils while attending school or participating in a school program or activity. Other insurance policies and higher minimums may be required depending upon academic offerings and program requirements.

Pursuant to Section 3.6 of these Terms and Conditions, the University requires that any Educational Service Provider or employee leasing company that enters into a contract with the Academy must obtain insurance coverage similar to the insurance coverage that is currently required for the Academy. Accordingly, any agreement between the Academy and an Educational Service Provider or employee leasing company shall contain a provision requiring the Educational Service Provider or employee leasing company to comply with the coverage requirements recommended by the University's insurance carrier. Furthermore, the agreement between the Educational Service Provider or employee leasing company and the Academy shall contain a provision stating that "in the event that the University's insurance carrier recommends any change in coverage by the Educational Service Provider or employee leasing company, the Educational Service Provider or employee leasing company agrees to comply with any changes in the type and amount of coverage as requested by the University or the University's insurance carrier within thirty (30) days after notice of the insurance coverage change."

Section 11.3. Legal Liabilities and Covenant Against Suit. The Academy acknowledges and agrees that it has no authority to extend the faith and credit of the University or to enter into a contract that would bind the University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy hereby covenants not to sue the University Board, the University or any of its Trustees, officers, employees, agents or representatives for any matters that arise under this Contract. The University does not assume any obligation with respect to any director, employee, agent, parent, guardian, student, or independent

contractor of the Academy, and no such person shall have the right or standing to bring suit against the University Board, the University or any of its Trustees, employees, agents, or independent contractors as a result of the issuance, non-issuance, oversight, revocation, termination or suspension of this Contract.

Section 11.4. <u>Lease or Deed for Proposed Site</u>. The Academy shall provide to the Center copies of its proposed lease or deed for the premises in which the Academy shall operate. Following the Center's review, a copy of the Academy's lease or deed shall be incorporated into this Contract under Schedule 6 and in accordance with Article IX, as applicable.

Section 11.5. <u>Certificate(s) of Use and Occupancy</u>. The Academy Board shall: (i) ensure that the Academy's physical facilities comply with all fire, health and safety standards applicable to schools; and (ii) possess the necessary occupancy certificates for the Academy's physical facilities. The Academy Board shall not occupy or use any facility until approved for occupancy by the Michigan Department of Licensing and Regulatory Affairs, Bureau of Construction Codes. Copies of these Certificate(s) of Use and Occupancy shall be incorporated into this Contract under Schedule 6 and in accordance with Article IX, as applicable.

Section 11.6. <u>New Building Construction or Renovations</u>. The Academy shall not commence construction on a new school building or the major renovation of an existing school building unless the Academy consults on the plans of the construction or major renovation regarding school safety issues with the law enforcement agency that is or will be the first responder for that school building. School building includes either a building intended to be used to provide pupil instruction or a recreational or athletic structure or field used by pupils.

Section 11.7. <u>Criminal Background and History Checks</u>; <u>Disclosure of Unprofessional Conduct</u>. The Academy shall comply with section 1230 and 1230a of the Code concerning criminal background and criminal history checks for its teachers, school administrator(s), and for any other position requiring State Board approval. In addition, the Academy shall comply with section 1230b of the Code concerning the disclosure of unprofessional conduct by persons applying for Academy employment. This Section 11.7 shall apply to such persons irrespective of whether they are employed by the Academy or employed by another entity contracting with the Academy.

Section 11.8. <u>Special Education</u>. Pursuant to Section 1701a of the Code, the Academy shall comply with Article III, Part 29 of the Code, MCL 380.1701 et seq., concerning the provision of special education programs and services at the Academy as referenced in Contract Schedule 7c. Upon receipt, the Academy shall notify the Center of any due process or state complaint filed against the Academy or notice of state audit.

Section 11.9. Information Available to the Public and the Center.

- (a) Information to be provided by the Academy. In accordance with Applicable Law, the Academy shall make information concerning its operation and management, including, without limitation, information in Schedule 8 available to the public and the Center.
- (b) Information to be provided by Educational Service Provider. The agreement between the Academy and the Educational Service Provider shall contain a provision requiring the Educational Service Provider to make information concerning the operation and management of the Academy, including the information in Schedule 8, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under paragraph 11.9 (a) above.

Section 11.10. <u>Deposit of Public Funds by the Academy</u>. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of all public or private funds received by the Academy. Such deposit shall be made within three (3) days after receipt of the funds by the Academy. Only Academy Board members or designated Academy Board employees may be a signatory on any Academy bank account.

Section 11.11. <u>Nonessential Elective Course</u>. If the Academy Board elects to provide nonessential elective courses to part-time pupils at a nonpublic school building, the Academy shall comply with Section 166b of the State School Aid Act of 1979, as amended, MCL 388.1766b. Prior to providing instruction, the Academy Board shall ensure that the Academy has sufficient documentation to qualify for part-time pupil funding under the State School Aid Act. The provision of nonessential elective courses by the Academy shall be incorporated into Schedule 7c of this Contract by amendment pursuant to Article IX of these Terms and Conditions, as applicable.

ARTICLE XII GENERAL TERMS

Section 12.1. <u>Notices</u>. Any and all notices permitted or required to be given hereunder shall be deemed duly given: (i) upon actual delivery, if delivery is by hand; or (ii) upon receipt by the transmitting party of confirmation or answer back if delivery is by facsimile or electronic mail; or (iii) upon delivery into United States mail if delivery is by postage paid first class mail. Each such notice shall be sent to the respective party at the address indicated below or to any other address or person as the respective party may designate by notice delivered pursuant hereto:

If to the University Board:	The Governor John Engler Center for Charter Schools Attn: Executive Director Central Michigan University EHS 200 Mt. Pleasant, MI 48859
General Counsel:	General Counsel Central Michigan University Mt. Pleasant, MI 48859
Chief Financial Officer:	Vice President for Finance and Administrative Services Central Michigan University Mt. Pleasant, MI 48859
If to the Academy:	Academy Board President da Vinci Schools 2985 Springport Rd. Jackson, MI 49201

Section 12.2. <u>Severability</u>. If any provision in this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of any local, state or federal law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.

Section 12.3. <u>Successors and Assigns</u>. The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns.

Section 12.4. <u>Entire Contract</u>. Except as specifically provided in this Contract, this Contract sets forth the entire agreement between the University Board and the Academy with respect to the subject matter of this Contract. All prior contracts, representations, statements, negotiations, understandings, and undertakings are superseded by this Contract.

Section 12.5. <u>Assignment</u>. This Contract is not assignable by the Academy.

Section 12.6. <u>Non-Waiver</u>. Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. <u>Governing Law</u>. This Contract shall be governed and controlled by the laws of the State of Michigan as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.8. <u>Counterparts</u>. This Contract may be executed in any number of counterparts. Each counterpart so executed shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

Section 12.9. <u>Term of Contract</u>. This Contract is for a fixed term and shall terminate at the end of the Contract term without any further action of either the University Board or the Academy. This Contract shall commence on the date first set forth above and shall remain in full force and effect for a period of three (3) academic years and shall terminate on June 30, 2026, unless sooner revoked, terminated, or suspended pursuant to Article X of these Terms and Conditions. Pursuant to University Board policy, the standards by which the Academy may be considered for the issuance of a new contract will be guided by the following core questions:

Is the Academy's academic program successful? Is the Academy's organization viable? Is the Academy demonstrating good faith in following the terms of its charter and applicable law?

The Center shall establish the process and timeline for the issuance of a new contract. The standards for the issuance of a new contract shall include increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the University Board as the most important factor of whether to issue or not issue a new contract. Consistent with the Code, the University Board in its sole discretion may elect to issue or not issue a new contract to the Academy.

Section 12.10. Indemnification of University. As a condition to receiving a grant of authority from the University Board to operate a public school pursuant to the Terms and Conditions of this Contract, the Academy agrees to indemnify, defend and hold harmless the University Board, the University and its officers, employees, agents or representatives from and against all demands, claims, actions, suits, causes of action, losses, judgments, liabilities, damages, fines, penalties, forfeitures, or any other liabilities or losses of any kind whatsoever, including costs and expenses (not limited to reasonable attorney fees, expert and other professional fees) settlement and prosecution imposed upon or incurred by the University, and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's approval of the public school academy application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for or operation of a public school, or which are incurred as a result of the reliance by the University Board, the University and its officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the

Academy's failure to comply with this Contract or Applicable Law. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

Section 12.11. <u>Construction</u>. This Contract shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Contract.

Section 12.12. <u>Force Majeure</u>. If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.

Section 12.13. <u>No Third Party Rights</u>. This Contract is made for the sole benefit of the Academy and the University Board. Except as otherwise expressly provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Section 12.14. <u>Non-agency</u>. It is understood that the Academy is not the agent of the University.

Section 12.15. <u>University Board or the Center's General Policies on Public School Academies Shall</u> <u>Apply</u>. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University Board or the Center policies regarding public school academies which shall apply immediately, University Board or the Center general policies clarifying procedure and requirements applicable to public school academies under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. Before issuing general policies under this section, the University Board or the Center shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the Center on the proposed policies before such policies shall become effective.

Section 12.16. <u>Survival of Provisions</u>. The terms, provisions, and representations contained in Section 11.2, Section 11.3, Section 11.9, Section 12.10, Section 12.13 and any other provisions of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.17. <u>Termination of Responsibilities</u>. Upon termination or revocation of the Contract, the University Board or its designee shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract. Upon termination or revocation of the Contract, the Academy may amend its articles of incorporation or bylaws as necessary to allow the Academy Board to: (a) take action to appoint Academy Board members in order to have a quorum necessary to take Academy Board action; or (b) effectuate a dissolution, provided that the Academy Board may not amend the articles of incorporation with regard to the disposition of assets upon dissolution.

Section 12.18. <u>Disposition of Academy Assets Upon Termination or Revocation of Contract</u>. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation, the Code, and Applicable Law.

Section 12.19. <u>Student Privacy</u>. In order to protect the privacy of students enrolled at the Academy, the Academy Board, subject to Section 12.22, shall not:

(a) Sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil's education records. This subsection does not apply to any of the following situations:

- (i) for students enrolled in the Academy, providing such information to an ESP that has a contract with the Academy and whose contract has not been disapproved by the University;
- (ii) providing the information as necessary for standardized testing that measures a student's academic progress and achievement; or
- (iii) providing the information as necessary to a person that is providing educational or educational support services to the student under a contract with either the Academy or an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University.
- (b) The terms "education records" and "personally identifiable information" shall have the same meaning as defined in MCL 380.1136.

Section 12.20. Disclosure of Information to Parents and Legal Guardians, subject to Section 12.22.

- (a) Within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose without charge to the student's parent or legal guardian any personally identifiable information concerning the student that is collected or created by the Academy as part of the student's education records.
- (b) Except as otherwise provided in this subsection (b) and within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose to a student's parent or legal guardian without charge any personally identifiable information provided to any person, agency or organization. The Academy's disclosure shall include the specific information that was disclosed, the name and contact information of each person, agency, or organization to which the information has been disclosed; and the legitimate reason that the person, agency, or organization had in obtaining the information. The parental disclosure requirement does not apply to information that is provided:
 - (i) to the Department or CEPI;
 - (ii) to the student's parent or legal guardian;
 - (iii) by the Academy to the University Board, University, Center or to the ESP with which the Academy has a Management Agreement that has not been disapproved by the Center Director;
 - (iv) by the Academy to the Academy's intermediate school district or another intermediate school district providing services to Academy or the Academy's students pursuant to a written agreement;
 - (v) to the Academy by the Academy's intermediate school district or another immediate school district providing services to pupils enrolled in the Academy pursuant to a written agreement;
 - (vi) to the Academy by the University Board, University, Center;
 - (vii) to a person, agency, or organization with written consent from the student's parent or legal guardian, or from the student if the student is 18 years of age;
 - (viii)to a person, agency, or organization seeking or receiving records in accordance with an order, subpoena, or ex parte order issued by a court of competent jurisdiction;
 - (ix) to a person, agency, or organization as necessary for standardized testing that measures a student's academic progress and achievement; or
 - (x) in the absence of, or in compliance with, a properly executed opt-out form, as adopted by the Academy in compliance with section 1136(6) of the Code, pertaining to uses for which the Academy commonly would disclose a pupil's "directory information."

- (c) If the Academy considers it necessary to make redacted copies of all or part of a student's education records in order to protect personally identifiable information of another student, the Academy shall not charge the parent or legal guardian for the cost of those redacted copies.
- (d) The terms "education records," "personally identifiable information," and "directory information" shall have the same meaning as defined in MCL 380.1136.

Section 12.21. List of Uses for Student Directory Information; Opt Out Form; Notice to Student's Parent or Legal Guardian.

- (a) Subject to Section 12.22, the Academy shall do all of the following:
 - (i) Develop a list of uses (the "Uses") for which the Academy commonly would disclose a student's directory information;
 - (ii) Develop an opt-out form that lists all of the Uses and allows a student's parent or guardian to elect not to have the student's directory information disclosed for one (1) or more Uses;
 - (iii) Present the opt-out form to each student's parents or guardian within the first thirty (30) days of the school year and at other times upon request; and
 - (iv) If an opt-out form is signed and submitted to the Academy by a student's parent or guardian, then the Academy shall not include the student's directory information in any of the Uses that have been opted out of in the opt-out form.
- (b) The term "directory information" shall have the same meaning as defined in MCL 380.1136.

Section 12.22. Confidential Address Restrictions.

- (a) The Academy shall not disclose the confidential address of a student if the student or the student's parent or legal guardian has obtained a participation card issued by the department of the attorney general under the address confidentiality program act and the parent or legal guardian provides notice of the issuance of the participation card, in a form and manner prescribed by the Michigan Department of Education.
- (b) The term "confidential address" shall have the meaning as defined in MCL 380.1136.

Section 12.23. <u>Partnership Agreement</u>. If the Department and State School Reform/Redesign Office impose a partnership agreement on the Academy, the Academy shall work collaboratively with the Department, the State School Reform/Redesign Office and other partners to implement the partnership agreement. In the event that a provision in the partnership agreement is inconsistent with a provision in this Contract, this Contract shall control.

As the designated representative of the Central Michigan University Board of Trustees, I hereby issue this Contract to the Academy on the date first set forth above.

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

By:_

Isaiah M. Oliver, Chair

Date:_____

As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by the Terms and Conditions of this Contract and all Applicable Law.

DA VINCI SCHOOLS

By: **Board** President

Date: 24 May 2023

As the designated representative of the Central Michigan University Board of Trustees, I hereby issue this Contract to the Academy on the date first set forth above.

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

By:_ branch to Stun

Isaiah M. Oliver, Chair

Date: 05/23/2023

As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by the Terms and Conditions of this Contract and all Applicable Law.

DA VINCI SCHOOLS

By:___

Board President

Date:_____

CONTRACT SCHEDULES

Schedules

Restated Articles of Incorporation	.1
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CONTRACT SCHEDULE 1

RESTATED ARTICLES OF INCORPORATION



CERTIFICATE OF AMENDMENT TO THE ARTICLES OF INCORPORATION For use by DOMESTIC NONPROFIT CORPORATION

Form Revision Date 07/2016

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Certificate:

The identification number assigned by the Bureau is:	800818788			
The name of the corporation is:	DAVINCI SCHOOLS			
The Articles of Incorporation is hereby amended to read as follows:				
Article I				
The name of the corporation as amended, is:				
DA VINCI SCHOOLS				
Effective Date: 07/01/2023				
2. The foregoing amendment to the Articles of Incorporation was duly adopted on: 04/27/2023 by the				
directors at a meeting in accordance with Section 611(3) of the Act.				
This document must be signed by an authorized officer or agent:				
Signed this 1st Day of June, 2023 by:				
Signed this ist bay of surie, 2023 by.				
Signature Title	Title if "Other" was selected			
Sandy Maxson Authorized Ager	nt			
By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.				

im Decline im Accept

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

FILING ENDORSEMENT

This is to Certify that the CERTIFICATE OF AMENDMENT TO THE ARTICLES OF INCORPORATION

for

DA VINCI SCHOOLS

ID Number: 800818788

received by electronic transmission on June 01, 2023 , is hereby endorsed.

Filed on June 01, 2023 , by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Effective Date: July 01, 2023



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 1st day of June, 2023.

Linda

Linda Clegg, Director Corporations, Securities & Commercial Licensing Bureau



CERTIFICATE OF AMENDMENT TO THE ARTICLES OF INCORPORATION For use by DOMESTIC NONPROFIT CORPORATION

Form Revision Date 07/2016

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Certificate:

The identification number assigned by the Bureau is:	800818788		
The name of the corporation is:	THE DA VINCI INSTITUTE		
The Articles of Incorporation is hereby amended to read as follows:			
Article I			
The name of the corporation as amended, is:			
DAVINCI SCHOOLS			
Effective Date: 07/01/2023			
2. The foregoing amendment to the Articles of Incorporation was duly adopted	on: 04/27/2023 by the		
directors at a meeting in accordance with Section 611(3) of the Act.			
This document must be signed by an authorized officer or agent:			
Signed this 31st Day of May, 2023 by:			
Signature Title	Title if "Other" was selected		
Sandy Maxson Authorized Ager	nt		
By selecting ACCEPT, I hereby acknowledge that this electronic document is be that to the best of my knowledge the information provided is true, accurate, a			

jm Decline jm Accept

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

FILING ENDORSEMENT

This is to Certify that the CERTIFICATE OF AMENDMENT TO THE ARTICLES OF INCORPORATION

for

DAVINCI SCHOOLS

ID Number: 800818788

received by electronic transmission on May 31, 2023 , is hereby endorsed.

Filed on May 31, 2023 , by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Effective Date: July 01, 2023



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 31st day of May, 2023.

Jinda

Linda Clegg, Director Corporations, Securities & Commercial Licensing Bureau

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS FILING ENDORSEMENT

This is to Certify that the RESTATED ARTICLES OF INCORPORATION - NONPROFIT

for

THE DA VINCI INSTITUTE

ID NUMBER: 735873

received by facsimile transmission on September 26, 2017 is hereby endorsed.

Filed on September 26, 2017 by the Administrator.

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



Sent by Facsimile Transmission

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 26th day of September, 2017.

ulia Dale

Julia Dale, Director Corporations, Securities & Commercial Licensing Bureau

				LATORY AFFAIRS
Date Received				1. 1.0
9/21/17				
	unless a su	ent is effective on the bsequent effective da eceived date is stated	te within 90-	7
Name				
Andrew Schulcz				
Address		-		(0)
2255 Emmons Rd.			×	
City	State	Zip		EFFECTIVE DATE:
Jackson	MI	49201		9-26-17
				735873

RESTATED ARTICLES OF INCORPORATION For Use by Domestic Nonprofit Corporations

OF

THE DA VINCI INSTITUTE

Pursuant to the provisions of the Michigan Nonprofit Corporation Act (Act 162) of 1982, as amended (the "Act"), being MCL 450.2101 <u>et seq</u>. and Revised School Code (the "Code") as amended, being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the undersigned corporation executes the following Restated Articles:

The present name of the corporation is: The da Vinci Institute.

The corporation identification number ("CID") assigned by the Bureau is: 735873.

The corporation has used no other names.

The date of filing the original Articles of Incorporation was: July 14, 1995.

The following Restated Articles of Incorporation supersede the Articles of Incorporation and shall be the Articles of Incorporation for the corporation:

ARTICLE I

The name of the corporation is: The da Vinci Institute.

Restated Articles of Incorporation - 1 The da Vinci Institute

The authorizing body for the corporation is: Central Michigan University Board of Trustees.

ARTICLE II

The purpose or purposes for which the corporation is organized are:

1. The corporation is organized for the purpose of operating as a public school academy in the State of Michigan pursuant to the Code.

2. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Restated Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

ARTICLE III

The corporation is organized on a nonstock basis.

Description:

The corporation is to be financed under the following general plan:

- a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
- b. Federal funds.
- c. Donations.
- d. Fees and charges permitted to be charged by public school academies.
- e. Other funds lawfully received.

The corporation is organized on a directorship basis.

ARTICLE IV

The name of the resident agent at the registered office is Andrew Schulcz.

The address of its registered office in Michigan is: 2255 Emmons Rd., Jackson, MI 49201.

The mailing address of the registered office in Michigan is the same.

ARTICLE V

The corporation is a governmental entity.

Restated Articles of Incorporation - 2 The da Vinci Institute

ARTICLE VI

The corporation and its incorporators, board members, officers, employees, and volunteers have governmental immunity as provided in section 7 of Act No. 170 of the Public Acts of 1964, being section 691.1407 of the Michigan Compiled Laws.

ARTICLE VII

Before execution of a Contract to charter a public school academy between the corporation and Central Michigan University Board of Trustees (the "University Board"), the method of selection, length of term, and the number of members of the Board of Directors of the corporation shall be approved by a resolution of the University Board as required by the Code.

ARTICLE VIII

The Board of Directors shall have all the powers and duties permitted by law to manage the business, property and affairs of the corporation.

ARTICLE IX

The officers of the corporation shall be a President, VicePresident, Secretary and a Treasurer, each of whom shall be a member of the Board of Directors and shall be selected by the Board of Directors. The Board of Directors may select one or more assistants to the Secretary or Treasurer, and may also appoint such other agents as it may deem necessary for the transaction of the business of the corporation.

ARTICLE X

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its board, directors, officers or other private persons, or organization organized and operated for a profit (except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes set forth in Article II hereof). Notwithstanding any other provision of these Restated Articles, the corporation shall not carry on any other activities not permitted to be carried on by a governmental entity exempt from federal income tax under section 115 of the IRC, or comparable provisions of any successor law.

To the extent permitted by law, upon the dissolution of the corporation, the board shall after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation to the University Board for forwarding to the state school aid fund established under article IX, section 11 of the Constitution of the State of Michigan of 1963, as amended.

ARTICLE XI

Restated Articles of Incorporation - 3 The da Vinci Instituto

These Restated Articles of Incorporation shall not be amended except by the process provided in Article IX of the Terms and Conditions incorporated as part of the Contract. This process is as follows:

The corporation, by a majority vote of its Board of Directors, may, at any time, propose specific changes to these Restated Articles of Incorporation or may propose a meeting to discuss potential revision to these Restated Articles of Incorporation. The proposal will be made to the University Board through its designee. The University Board delegates to The Governor John Engler Center for Charter Schools' ("The Center") Executive Director the review and approval of changes or amendments to these Restated Articles of Incorporation. In the event that a proposed change is not accepted by The Center's Executive Director, the University Board shall consider and vote upon a change proposed by the corporation following an opportunity for a written and oral presentation to the University Board by the corporation.

At any time and for any reason, the University Board or an authorized designee may propose specific changes to these Restated Articles of Incorporation or may propose a meeting to discuss potential revision. The corporation's Board of Directors may delegate to an officer of the corporation the review and negotiation of changes or amendments to these Restated Articles of Incorporation. The Restated Articles of Incorporation shall be amended as requested by the University Board or an authorized designee upon a majority vote of the corporation's Board of Directors.

Amendments to these Restated Articles of Incorporation take effect only after they have been approved by the corporation's Board of Directors and by the University Board or The Center's Executive Director, and the amendments are filed with the Michigan Department of Licensing and Regulatory Affairs. In addition, the corporation shall file with the amendment a copy of the University Board's or The Center's Executive Director's approval of the amendment.

Upon termination or revocation of the Contract, the Academy may amend its articles of incorporation as necessary to allow the Academy Board to: (a) take action to appoint Academy Board members in order to have a quorum necessary to take Academy Board action; or (b) effectuate a dissolution, provided that the Academy Board may not amend the articles of incorporation with regard to the disposition of assets upon dissolution.

ARTICLE XII

The definitions set forth in the Terms and Conditions incorporated as part of the Contract shall have the same meaning in these Restated Articles of Incorporation.

Restated Articles of Incorporation - 4 The da Vinci Institute

09/26/2017 9:46AM (GMT-04:00) The da Vinci Institute

Restated Articles of Incorporation - 5

ADOPTION OF ARTICLES

These Restated Articles of Incorporation were duly adopted on the $\frac{21}{2}$ day of <u>Section 641</u> of the Act. These Restated Articles of Incorporation restate, integrate and do further amend the provisions of the Articles of the Articles

Signed this <u>21st</u> day of <u>September</u>, 2017.

t By:

Mrs. Doria LaPorte, President

Restated Articles of Incorporation - 5 The da Vinci Institute

CONTRACT SCHEDULE 2

AMENDED BYLAWS

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DA VINCI SCHOOLS

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AMENDED BYLAWS

OF

DA VINCI SCHOOLS

ARTICLE I NAME

This organization shall be called da Vinci Schools (the "Academy" or the "corporation").

ARTICLE II FORM OF ACADEMY

The Academy is organized as a non-profit, non-stock, directorship corporation.

ARTICLE III OFFICES

Section 1. <u>Principal Office</u>. The principal office of the Academy shall be located in the state of Michigan.

Section 2. <u>Registered Office</u>. The registered office of the Academy may be the same as the principal office of the Academy, but in any event must be located in the state of Michigan, and be the business office of the resident agent, as required by the Michigan Non-Profit Corporation Act. Changes in the resident agent and registered address of the Academy must be reported to the Michigan Department of Licensing and Regulatory Affairs and to The Governor John Engler Center for Charter Schools ("the Center.")

ARTICLE IV BOARD OF DIRECTORS

Section 1. <u>General Powers</u>. The business, property and affairs of the Academy shall be managed by the Academy Board of Directors ("Academy Board"). The Academy Board may exercise any and all of the powers granted to it under the Michigan Non-Profit Corporation Act or pursuant to Part 6A of the Revised School Code ("Code"). The Academy Board may delegate such powers to the officers and committees of the Academy Board as it deems necessary, so long as such delegation is consistent with the Articles, these Amended Bylaws, the Contract and Applicable Law.

Section 2. <u>Method of Selection and Appointment</u>. The Central Michigan University Board of Trustees ("University Board") shall prescribe the method of appointment for members of an Academy's Board. The Center Director is authorized to develop and administer an academy board selection and appointment process that includes an *Application for Public School Academy Board Appointment* and is in accord with these policies:

a. The University Board shall appoint the initial and subsequent Academy Board by resolution, except as prescribed by subparagraph d. The Center Director shall recommend qualified individuals to the University Board.

- b. The Academy Board, by resolution and majority vote, shall nominate its subsequent members, except as provided otherwise. The Academy Board shall recommend to the Center Director at least one nominee for each vacancy. Nominees shall submit the *Application for Public School Academy Board Appointment* for review by the Center. The Center Director may or may not recommend the appointment of a nominee submitted by the Academy Board. If the Center Director does not recommend the appointment of a nominee or may request the Academy Board submit a new nominee for consideration.
- c. An individual appointed to fill a vacancy created other than by the expiration of a term shall be appointed for the unexpired term of that vacant position.
- d. Under exigent conditions, and with the approval of the University Board's chair and the University President, the Center Director may appoint a qualified individual to the Academy Board. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. The University Board reserves the right to review, rescind, modify, ratify, or approve any appointments made under this provision.

Section 3. <u>Length of Term</u>. A Director of the Academy Board shall serve at the pleasure of the University Board. Terms of the initial positions of the Academy Board shall be staggered in accordance with *The Academy Board of Directors Table of Staggered Terms and Appointments* established and administered by the Center Director. Subsequent appointments shall be for a term of office not to exceed four (4) years, except as prescribed by *The Academy Board of Directors Table of Staggered Terms and Appointments*.

Section 4. <u>Number of Director Positions</u>. The number of director positions on the Academy Board shall not be less than five (5) nor more than nine (9) as determined by the University Board. If the Academy Board fails to maintain its full membership by making appropriate and timely nominations, the Center Director may deem that failure an exigent condition.

Section 5. <u>Qualifications of Academy Board Members</u>. To be qualified to serve on the Academy Board, a person shall, among other things: (a) be a citizen of the United States; (b) be a resident of the State of Michigan; (c) submit all materials requested by the Center including, but not limited to, the *Application for Public School Academy Board Appointment* which must include authorization to process a criminal background check; and (d) annually submit a conflict of interest disclosure as prescribed by the Center.

The members of the Academy Board shall not include (a) employees of the Academy; (b) any director, officer, or employee of a service provider that contracts with the Academy; (c) a Central Michigan University official or employee, as a representative of Central Michigan University.

Section 6. <u>Oath of Public Office</u>. All members of the Academy Board must take the constitutional oath of office and sign the *Oath of Public Office* before beginning their service. The *Oath of Public Office* shall be filed with the Center.

Section 7. <u>Tenure</u>. Each Director shall hold office until the Director's replacement, death, resignation, removal or until the expiration of the term, whichever occurs first.

Section 8. <u>Removal and Suspension</u>. If the University Board determines that the service in office of a Director of the Academy Board is no longer necessary, then the University Board may remove

the Academy Board member with or without cause and shall specify the date when the Academy Board member's service ends. The Academy Board member may also be removed from office for cause by a two-thirds (2/3) vote of the Academy's Board.

With the approval of the University Board's chair and the University President, the Center Director may suspend the service of a Director of the Academy Board if, in his/her judgment, the person's continued presence would constitute a risk to persons or property, or would seriously impair the operation of the Academy. Any suspension made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. The University Board reserves the right to review, rescind, modify, ratify, or approve any suspensions made under this provision.

Section 9. <u>Resignation</u>. Any Director may resign at any time by providing written notice to the corporation or by communicating such intention (orally or in writing) to the Center. Notice of resignation will be effective upon receipt or at a subsequent time if designated in a written notice. A successor shall be appointed as provided in Section 2 of this Article.

Section 10. <u>Board Vacancies</u>. A Director vacancy shall occur because of death, resignation, removal, failure to maintain residency in the State of Michigan, disqualification or as otherwise specified in the Code. Any vacancy shall be filled as provided in Section 2 of this Article.

Section 11. <u>Compensation</u>. A Director of the Academy Board shall serve as a volunteer Director. By resolution of the Academy Board, the Directors may be reimbursed for their reasonable expenses incident to their duties.

ARTICLE V MEETINGS

Section 1. <u>Annual and Regular Meetings</u>. The Academy Board shall hold an annual meeting each year. The Academy Board must provide, by resolution, the time and place, within the State of Michigan, for the holding of regular monthly meetings. The Academy Board shall provide notice of the annual and all regular meetings as required by the Open Meetings Act.

Section 2. <u>Special Meetings</u>. Special meetings of the Academy Board may be called by or at the request of any Director. The person or persons authorized to call special meetings of the Academy Board may fix the place within the State of Michigan for holding any special meeting of the Academy Board called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the corporation in the state of Michigan. The corporation shall provide notice of all special meetings as required by the Open Meetings Act.

Section 3. <u>Notice; Waiver</u>. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally, mailed, or sent by facsimile or electronic mail to the Director's business address. Any Director may waive notice of any meeting by written statement, facsimile or electronic mail sent by the Director, signed before or after the holding of the meeting. The attendance of a Director at a meeting constitutes a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4. <u>Quorum</u>. In order to legally transact business, the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board Positions	<u># Required for Quorum</u>
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)

A Director of the Academy Board who is absent from a meeting of the Academy Board due to military duty may participate in the meeting virtually, and that member's virtual presence will count towards quorum and allow the absent member to participate in and vote on business before the Academy Board.

Section 5. <u>Manner of Acting</u>. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Academy Board. No member of the Academy Board may vote by proxy, by way of a telephone conference or any other electronic means of communication.

Section 6. <u>Open Meetings Act</u>. All meetings of the Academy Board shall at all times be in compliance with the Open Meetings Act.

Section 7. <u>Presumption of Assent</u>. A Director of the Academy Board who is present at a meeting of the Academy Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes of the meeting or unless that Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. This right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE VI COMMITTEES

Section 1. <u>Committees</u>. The Academy Board, by resolution, may designate one or more committees. Each committee is to consist of one or more Directors selected by the Academy Board. As provided in the resolution as initially adopted, and as thereafter supplemented or amended by further resolution, the committees shall have such powers as delegated by the Academy Board, except (i) filling of vacancies in the officers of the Academy Board or committees created pursuant to this Section; (ii) amending the Articles of Incorporation or Amended Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, Amended Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Academy Board of its activities as the Academy Board may request.

ARTICLE VII OFFICERS OF THE BOARD

Section l. <u>Number</u>. The officers of the Academy Board shall be a President, Vice-President, Secretary, Treasurer, and such assistant Treasurers and assistant Secretaries as may be selected by the Academy Board.

Section 2. <u>Election and Term of Office</u>. The Academy Board shall elect the initial officers at its first duly noticed meeting. Thereafter, the officers of the Academy Board shall be elected annually by the Academy Board. If the election of officers is not held at the annual meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officer resigns or is removed in the manner provided in Section 3.

Section 3. <u>Removal</u>. Any officer or agent elected or appointed by the Academy Board may be removed by the Academy Board whenever in its judgment the best interests of the corporation would be served thereby.

Section 4. <u>Vacancies</u>. A vacancy in any office shall be filled by appointment by the Academy Board for the unexpired portion of the term.

Section 5. <u>President</u>. The President of the Academy Board shall be a member of the Academy Board. The President of the corporation shall preside at all meetings of the Academy Board. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Academy Board attending the meeting shall preside. The President shall, in general, perform all duties incident to the office of President of the Academy Board as may be prescribed by the Academy Board from time to time.

Section 6. <u>Vice-President</u>. The Vice-President of the Academy Board shall be a member of the Academy Board. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or by the Academy Board.

Section 7. <u>Secretary</u>. The Secretary of the Academy Board shall be a member of the Academy Board. The Secretary shall: (a) keep the minutes of the Academy Board meetings in one or more books provided for that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Amended Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or the Academy Board.

Section 8. <u>Treasurer</u>. The Treasurer of the Academy Board shall be a member of the Academy Board. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation in such banks, trust companies or other depositories as shall be selected by the Academy Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent to the corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Academy Board.

Section 9. <u>Assistants and Acting Officers</u>. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Board shall have the power to appoint any member of the Academy Board to perform the duties of an officer whenever, for any reason, it is impractical for such officer to act personally. Such acting officer so appointed

shall have the powers of and be subject to all the restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may by resolution otherwise determine.

Section 10. <u>Salaries</u>. Officers of the Academy Board, as Directors of the corporation, may not be compensated for their services. By resolution of the Academy Board, officers may be reimbursed for reasonable expenses incident to their duties.

Section 11. <u>Filling More Than One Office</u>. Subject to the statute concerning the Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws, any two offices of the corporation except those of President and Vice-President may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

ARTICLE VIII CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 1. <u>Contracts</u>. The Academy Board may authorize any officer or officers, agent or agents, to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal thereto. No contract entered into, by or on behalf of the Academy Board, shall in any way bind Central Michigan University or impose any liability on Central Michigan University, its trustees, officers, employees or agents.

Section 2. <u>Loans</u>. No loans shall be contracted on behalf of the Academy and no evidences of indebtedness shall be issued in its name unless authorized by a prior resolution of the Academy Board. Such authority shall be confined to specific instances. No loan, advance, overdraft or withdrawal by an officer or Director of the corporation, shall be made or permitted unless approved by the Academy Board. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Central Michigan University or impose any liability on Central Michigan University, its trustees, officers, employees or agents.

Section 3. <u>Checks, Drafts, etc.</u> All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Academy, shall be signed by Academy Board members or Academy Board employees, which shall not include employees of the Academy Board's Educational Service Provider, and in such manner as shall from time to time be determined by resolution of the Academy Board.

Section 4. <u>Deposits</u>. All funds of the Academy shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under Section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.

Section 5. <u>Voting of Gifted, Bequested or Transferred Securities Owned by this Corporation</u>. Subject always to the specific directions of the Academy Board, any shares or other securities issued by any other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation or by proxy appointed by the President, or in the absence of the President and the President's proxy, by the Secretary or Treasurer of this corporation or by proxy appointed by the Secretary or Treasurer. Such proxy or consent in respect to any shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this corporation by the President, the Secretary or the Treasurer of this corporation without necessity of any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power and authority to vote the shares or other securities might be voted by this corporation. This section shall in no way be interpreted to permit the corporation to invest any of its surplus funds in any shares or other securities issued by any other corporation. This section shall be any other corporation. This section shall in no way be interpreted to permit the corporation to invest any of its surplus funds in any shares or other securities issued by any other corporation. This section shall in no way be interpreted to permit the corporation to invest any of its surplus funds in any shares or other securities issued by any other corporation. This section shall is no way be interpreted to permit the corporation to invest any of its surplus funds in any shares or other securities issued by any other corporation. This section shall is intended to apply, however, to all gifts, bequests or other transfers of shares or other securities issued by any other corporation which are received by the corporation.

Section 6. <u>Contracts Between Corporation and Related Persons</u>. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirements set forth in Section 3 of the statute.

The University Board authorizes the Academy Board to employ or contract for personnel according to the position information outlined in Schedule 5. However, the Academy Board shall prohibit any individual from being employed by the Academy, an Educational Service Provider or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. An employee hired by the Academy Board shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. With respect to Academy Board employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages, benefits, and applicable taxes; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. The Academy Board shall be responsible for carrying workers' compensation insurance and unemployment insurance for its employees. The Academy Board may contract with an Educational Service Provider or an employee leasing company to provide services or to provide personnel to perform services or work at the Academy. Before entering into an agreement with an Educational Service Provider or an employee leasing company to perform services or to provide personnel to perform services or work at the Academy, the Academy Board must first comply with the Educational Service Provider Policies issued by the Center. A copy of the agreement between the Academy Board and the Educational Service Provider or employee leasing company shall be included as part of Schedule 5.

The Academy shall comply with the Incompatible Public Offices statute, Act No. 566 of the Public Acts of 1978, of the Michigan Compiled Laws, and the Contracts of Public Servants With Public Entities statute, Act No. 371 of the Public Acts of 1968, of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Language in this Section controls over section 1203 of the Code. The following shall be deemed prohibited conflicts of interest:

- (a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an Educational Service Provider or an employee leasing company, or a subcontractor to an Educational Service Provider or an employee leasing company that has an ESP Agreement with the Academy;
- (b) An individual simultaneously serving as an Academy Board member and an Academy Board employee;

- (c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;
- (d) An individual simultaneously serving as an Academy Board member and a member of the governing board of another public school;
- (e) An individual simultaneously serving as an Academy Board member and a University official, employee, or paid consultant, as a representative of the University; and
- (f) An individual simultaneously serving as an Academy Board member and having an ownership or financial interest in any real or personal property leased or subleased to the Academy.

No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner:

- (a) Is employed by the Academy Board;
- (b) Works at or is assigned to work at the Academy;
- (c) Has an ownership, officer, policymaking, managerial, administrative non-clerical or other significant role with the Academy's Educational Service Provider or employee leasing company; and
- (d) Has an ownership or financial interest in any school building lease or sublease agreement with the Academy.

The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. For purposes of this sub-section, familial relationship means a person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner.

ARTICLE IX INDEMNIFICATION

To the extent permitted by Applicable Law, each person who is or was a Director, officer or member of a committee of the Academy and each person who serves or has served at the request of the Academy as a trustee, director, officer, partner, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, may be indemnified by the Academy. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the corporation would have power to indemnify such person against such liability under the preceding sentence. The corporation may, to the extent authorized from time to time by the Academy Board, grant rights to indemnification to any employee or agent of the corporation.

ARTICLE X

FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of July in each year.

ARTICLE XI AMENDMENTS

These Amended Bylaws may be altered, amended or repealed and new Amended Bylaws may be adopted by obtaining (a) the affirmative vote of a majority of the Academy Board at any regular or special meeting of the Academy Board, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements of these Amended Bylaws and applicable law, and (b) the written approval of the changes or amendments by the Center Director. In the event that a proposed change is not accepted by the Center Director, the University Board may consider and vote upon a change proposed by the corporation following an opportunity for a written presentation to the University Board by the Academy Board. These Amended Bylaws and any amendments to them take effect only after they have been approved by both the Academy Board and by the Center Director.

Upon termination or revocation of the Contract, the corporation may amend its Amended Bylaws as necessary to allow the Academy Board to: (a) take action to appoint Academy Board members in order to have a quorum necessary to take Academy Board action; or (b) effectuate a dissolution, provided that the Academy Board may not amend the Amended Bylaws with regard to the disposition of assets upon dissolution.

ARTICLE XII TERMS AND CONDITIONS DEFINITIONS

The definitions set forth in the Terms and Conditions incorporated as part of the Contract shall have the same meaning in these Amended Bylaws.

CERTIFICATION

The Board certifies that these Amended Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by the Academy Board on the 24th day of May, 2023.

Academy Board Secretary

Amended Bylaws - 9 da Vinci Schools

CONTRACT SCHEDULE 3

FISCAL AGENT AGREEMENT

SCHEDULE 3

FISCAL AGENT AGREEMENT

This Fiscal Agent Agreement is part of the Contract issued by the Central Michigan University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to da Vinci Schools ("Academy"), a public school academy.

Preliminary Recitals

WHEREAS, pursuant to the Code and the Contract, the University Board, as authorizing body, is the Fiscal Agent for the Academy, and

WHEREAS, the University Board is required by law to forward any State School Aid Payments received from the State of Michigan ("State") on behalf of the Academy to the Academy,

NOW, THEREFORE, in consideration of the premises set forth below, the parties agree to the following:

ARTICLE I DEFINITIONS AND INTERPRETATIONS

Section 1.1. <u>Definitions</u>. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Academy Account" means an account established by the Academy Board for the receipt of State School Aid Payments at a bank, savings and loan association, or credit union which has not been deemed ineligible to be a depository of surplus funds under Section 6 Act No. 105 of the Public Acts of 1855, being Section 21.146 of the Michigan Compiled Laws.

"Agreement" means this Fiscal Agent Agreement.

"Fiscal Agent" means the University Board or an officer or employee of Central Michigan University as designated by the University Board.

"Other Funds" means any other public or private funds which the Academy receives and for which the University Board voluntarily agrees to receive and transfer to the Academy.

"State School Aid Payment" means any payment of money the Academy receives from the State School Aid Fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963 or under the State School Aid Act of 1979, as amended.

"State" means the State of Michigan.

"State Treasurer" means the office responsible for issuing funds to public school academies for State School Aid Payments pursuant to the State School Aid Act of 1979, as amended.

ARTICLE II FISCAL AGENT DUTIES

Section 2.1. <u>Receipt of State School Aid Payments and Other Funds</u>. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.2.

Section 2.2. <u>Transfer to Academy</u>. Except as provided in Article X of the Terms and Conditions of Contract and in the Oversight, Compliance and ReportingAgreement, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Academy Account designated by a resolution of the Academy Board and by a method of transfer acceptable to the Fiscal Agent.

Section 2.3. <u>Limitation of Duties</u>. The Fiscal Agent has no responsibilities or duties to verify the Academy's pupil membership count, as defined in the State School Aid Act of 1979, as amended, or to authorize, to approve or to determine the accuracy of the State Aid School Payments received on behalf of the Academy from the State Treasurer. The duties of the Fiscal Agent are limited to the receipt and transfer to the Academy of State School Aid Payments and Other Funds received by the Academy. The Fiscal Agent shall have no duty to monitor, account for or approve expenditures made by the Academy Board.

Section 2.4. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board (i) authorizes a direct intercept of a portion of its State School Aid Payments from the State to a third party account for the payment of Academy debts and liabilities; or (ii) assigns or directs that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, then Academy shall submit to The Governor John Engler Center for Charter Schools at Central Michigan University for review and consideration: (i) a copy of the Academy Board's resolution authorizing the direct intercept or the assignment or direction of State School Aid Payments; (ii) a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent; and (iii) other documents as required. The Center reserves the right to not acknowledge in writing any State School Aid Payment Agreement and Direction that is not in a form and manner acceptable to the Fiscal Agent. The State School Aid Payment and Direction document shall include language that the third party lender or trustee acknowledges and consents to the transfer of State School Aid Payments into the Academy's dissolution account, as set forth in Article X of the Terms and Conditions. Any unspent funds remaining in the Academy dissolution account after payment of all wind-up and dissolution expenses shall be returned to the Academy.

ARTICLE III STATE DUTIES

Section 3.1 <u>Eligibility for State School Aid Payments</u>. The State, through its Department of Education, has sole responsibility for determining the eligibility of the Academy to receive State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the amount of State School Aid Payments, if any, the Academy shall be entitled to receive.

Section 3.2. <u>State School Aid Payment Overpayments and Penalties</u>. The State, through its Department of Education, has sole responsibility for determining State School Aid Payment overpayments to the Academy and the method and time period for repayment by the Academy. The State, through its Department of Education, has sole responsibility for assessing State School Aid penalties against the Academy for noncompliance with the Code and the State School Aid Act of 1979, as amended.

Section 3.3. <u>Method of Payment</u>. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV ACADEMY DUTIES

Section 4.1. <u>Compliance with State School Aid Act</u>. In order to assure that funds are available for the education of pupils, the Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.

Section 4.2. <u>Academy Account</u>. The Academy is authorized to establish an account in the name of the Academy. Signatories to the Academy Account shall be current Academy Board members and/or Academy Board employees, which shall not include employees of the Academy Board's Educational Service Provider, as shall from time to time be determined by resolution of the Academy Board. The Academy Board is authorized to approve withdrawals and transfers from any Academy Account. Any authorization approved by the Academy Board for automatic withdrawals or transfers from an Academy Account may only be terminated or amended by the Academy Board.

Section 4.3. <u>Expenditure of Funds</u>. The Academy may expend funds that it receives from the State School Aid Fund for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 4.4. <u>Mid-Year Transfers</u>. Funding for students transferring into or out of the Academy during the school year shall be in accordance with the State School Aid Act of 1979 or applicable State Board rules.

Section 4.5. <u>Repayment of Overpayment</u>. The Academy shall be directly responsible for reimbursing the State for any overpayment of State School Aid Payments or any State School Aid penalties. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or penalty or seek collection of the overpayment or penalty from the Academy.

ARTICLE V RECORDS AND REPORTS

Section 5.1. <u>Records</u>. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts, disbursements, allocations and application of the State School Aid Payments and Other Funds received, deposited or transferred for the benefit of the Academy, and these books shall be available for inspection at reasonable hours and under reasonable conditions by the Academy and the State.

Section 5.2. <u>Reports</u>. Annually, the Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, a written report dated as of August 31. This report shall summarize all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds which the University Board receives under this Agreement.

ARTICLE VI CONCERNING THE FISCAL AGENT

Section 6.1. <u>Representations</u>. The Fiscal Agent represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it in this Agreement and that it will carry out all of its obligations under this Agreement.

Section 6.2. <u>Limitation on Liability</u>. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

The Fiscal Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Fiscal Agent be responsible for the consequences of any error of judgment; and the Fiscal Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its gross negligence or willful default.

The Fiscal Agent shall not be liable for any deficiency in the State School Aid Payments received from the State Treasurer to which the Academy was properly entitled. The Fiscal Agent shall not be liable for any State School Aid overpayments made by the State Treasurer to the Academy for which the State subsequently seeks reimbursement.

ACKNOWLEDGMENT OF RECEIPT

The undersigned, on behalf of the State of Michigan, Department of Treasury, acknowledges receipt of the foregoing Fiscal Agent Agreement that is part of the Contract issued by the Central Michigan University Board of Trustees to da Vinci Schools.

BY: <u>Alyson Hayden</u> Alyson Hayden, Director

Alyson Hayden, Director Bureau of State and Authority Finance Michigan Department of Treasury

Date: _<u>February_ 14</u>, 2023

CONTRACT SCHEDULE 4

OVERSIGHT, COMPLIANCE AND REPORTING AGREEMENT

SCHEDULE 4

OVERSIGHT, COMPLIANCE AND REPORTING AGREEMENT

This Oversight, Compliance, and Reporting Agreement is part of the Contract issued by the Central Michigan University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to da Vinci Schools ("Academy"), a public school academy.

Preliminary Recitals

WHEREAS, the University Board, subject to the leadership and general supervision of the State Board of Education over all public education, is responsible for overseeing the Academy's compliance with the Contract and all Applicable Law.

NOW, THEREFORE, in consideration of the premises set forth below, the parties agree to the following:

ARTICLE I DEFINITIONS AND INTERPRETATIONS

Section 1.1. <u>Definitions</u>. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Agreement" means this Oversight, Compliance and Reporting Agreement.

"Oversight Responsibilities" means the University Board's oversight responsibilities set forth in Section 2.1 of this Agreement.

"Compliance and Reporting Duties" means the Academy's duties set forth in Section 2.2 of this Agreement.

"State School Aid Payment" means any payment of money the Academy receives from the state school aid fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963 or under the State School Aid Act of 1979, as amended.

ARTICLE II OVERSIGHT, COMPLIANCE AND REPORTING RESPONSIBILITIES

Section 2.1. <u>Oversight Responsibilities</u>. The Governor John Engler Center for Charter Schools ("the Center") at Central Michigan University, as it deems necessary to fulfill the University Board's Oversight Responsibilities, may undertake the following:

- a. Monitor and evaluate if the Academy Board is properly governing the Academy and following the Amended Bylaws set forth in the Contract.
- b. Monitor and evaluate the Academy's academic performance and progress toward achieving the educational goal and related measures set forth in Contract Schedule 7b.
- c. Monitor and evaluate the Academy's implementation, delivery, and support of the educational program and curriculum as set forth in Contract Schedules 7c and 7d, respectively.

- d. Monitor and evaluate the Academy's application and enrollment procedures as set forth in Contract Schedule 7f.
- e. Monitor and evaluate the Academy's organizational and financial viability.
- f. Monitor and evaluate the Academy's fiscal stewardship and use of public resources.
- g. Monitor and evaluate the records, internal controls or operations of the Academy.
- h. Monitor and evaluate if the Academy is staffed with qualified personnel and that appropriate background checks have been conducted.
- i. Monitor and evaluate if the Academy is providing a safe learning environment.
- j. Request evidence that the Academy has obtained the necessary permits and certificates to operate as a public school from the applicable governmental agencies, including, without limitation, the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes and local health departments.
- k. Conduct comprehensive on-site reviews to assess and/or evaluate the Academy's performance.
- 1. Monitor and evaluate if the Academy is demonstrating good faith in complying with the Contract, the Revised School Code, and all other Applicable Law.
- m. Request periodic reports from the Academy regarding any aspect of its operation including, but not limited to, information identified in Schedule 8 of the Contract.
- n. Initiate action pursuant to the Terms and Conditions of Contract to amend, revoke, reconstitute, terminate or suspend the Contract.
- o. Provide information and support to the Academy.

Section 2.2. <u>Compliance and Reporting Duties</u>. The Academy agrees to fulfill the following Compliance and Reporting Duties:

- a. Adopt and properly maintain governing board policies in accordance with Applicable Law.
- b. Comply with the reporting and document submission requirements set forth in the Master Calendar of Reporting Requirements issued annually by the Center.
- c. Comply with any Academy-specific reporting and document submission requirements established by the Center.
- d. Comply with the insurance requirements set forth in Article XI, Section 11.2 of the Terms and Conditions of Contract.
- e. Comply with the Center's Educational Service Provider Policies, as may be amended.

- f. Report any litigation or formal proceedings to the Center including, but not limited to, litigation initiated by or against the Academy alleging violation of any Applicable Law. If the University is a named party, notify the general counsel for the University Board as set forth in Article XII, Section 12.1 of the Terms and Conditions.
- g. The Academy shall not occupy or use any school facility set forth in Schedule 6 of the Contract until such facility has received all fire, health and safety approvals required by Applicable Law and has been approved for occupancy by the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes.
- h. Permit the Center to inspect the records, internal controls, operations or premises of the Academy at any reasonable time.
- i. Authorize the Center to perform audit and conduct systematic investigations, including research development, testing and evaluation studies, designed to develop and contribute to generalizable knowledge using Academy data including, but not limited to, personally identifiable information about the Academy's students and staff submitted by the Academy to agencies including, but not limited to, Center for Educational Performance and Information ("CEPI"), Office of Educational Assessment and Accountability ("OEAA") and the Michigan Department of Education ("MDE"). Pursuant to this authorization, the Center shall abide by the regulations that govern the use of student data within the Family Educational Rights and Privacy Act (FERPA 34 CFR Part 99), the Michigan Identity Theft Protection Act of 2004, and the Privacy Act of 1974.
- j. Upon request, the Academy Board shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving the educational goal and related measures outlined in Contract Schedule 7b.
- k. Upon request, provide the Center with copies or view access to data, documents or information submitted to MDE, the Superintendent of Public Instruction, the State Board of Education, CEPI or any other state or federal agency.
- 1. If the Academy operates an online or other distance learning program, it shall submit a monthly report to the MDE, in the form and manner prescribed by the MDE, that reports the number of pupils enrolled in the online or other distance learning program, during the immediately preceding month.

Section 2.3. <u>Waiver of Compliance and Reporting Duties</u>. The University Board, or the Center Director as its authorized designee, may modify or waive any of the Academy's Compliance and Reporting Duties.

ARTICLE III RECORDS AND REPORTS

Section 3.1. <u>Records</u>. The Academy will keep complete and accurate records and reports of its governance and operations. These records and reports shall be available for inspection by the Center at reasonable hours and under reasonable conditions.

ARTICLE IV MISCELLANEOUS

Section 4.1. <u>Administrative Fee</u>. The Academy agrees to pay to the University Board an administrative fee of 3% of the Academy's State School Aid Payments. This fee shall be retained by the University Board from each State School Aid Payment received for forwarding to the Academy. This fee shall compensate the University Board for overseeing the Academy's compliance with the Contract and all Applicable Law and other related activities for which compensation is permissible. By agreement between the Center and the Academy, the University may charge additional fees beyond the administrative fees for services rendered.

Section 4.2. <u>Time of the Essence</u>. Time shall be of the essence in the performance of obligations from time to time imposed upon the Academy and the University Board by this Agreement.

Section 4.3. Audit and Evaluation. The Academy:

- a. Hereby authorizes the Center to perform audit and evaluation studies using Academy data including, but not limited to, personally identifiable information about the Academy's students and staff submitted by the Academy to agencies including, but not limited to, CEPI, OEAA and the MDE. Pursuant to this authorization, the Center shall abide by regulations that govern the use of student data within the FERPA, the Michigan Identity Theft Protection Act of 2004 and the Privacy Act of 1974.
- b. Shall upon request, provide the Center with copies or view access to data, documents or information submitted to the MDE, the Superintendent of Public Instruction, the State Board of Education, CEPI, the Michigan DataHub or any other state or federal agency.

Section 4.4. <u>Fiscal Stress Notification from State Treasurer</u>. If the State Treasurer notifies the Academy that the State Treasurer has declared the potential for Academy financial stress exists, the Academy shall provide a copy of the notice to the Center. Within fifteen (15) days of receipt of the notification from the Academy, the Center Director shall notify the Academy whether the Center is interested in entering into a contract to perform an administrative review for the Academy. The parties shall consult with the Department of Treasury on the development of the contract and the contract for administrative review shall comply with the Code. If the Center is not interested in performing an administrative review or if the parties are unable to reach agreement on an administrative review, the Academy shall consider entering into a contract for an administrative review with an intermediate school district. Nothing in this Section 4.4 shall prohibit the Academy for electing to enter into a contract for an administrative review with the Center or not enter into a contract for an administrative review with the Center or not enter into a contract for an administrative review with the Center or an intermediate school district. Nothing in this Section 4.4 shall require the Academy to elect to enter or not enter into a contract for an administrative review with the Center or an intermediate school district.

CONTRACT SCHEDULE 5

DESCRIPTION OF STAFF RESPONSIBILITIES

DESCRIPTION OF STAFF RESPONSIBILITIES

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article III, Section 3.6., the Academy is authorized to employ or contract for personnel according to the position information outlined in this schedule. Before entering into an agreement with an Educational Service Provider, as defined in the Terms and Conditions of this Contract, to provide comprehensive educational, administrative, management or instructional services or staff to the Academy, the Academy Board must first comply with the Educational Service Provider Policies adopted by the Center.

Qualifications	
Administrator and Teacher Evaluation Systems	
Performance Evaluation System	
Teacher and Administrator Job Performance Criteria	
Reporting Structure	
Position Responsibilities	
School Administrator(s)	
Instructional Staff	
Non-Instructional Staff	

Qualifications. The Academy shall comply with all Applicable Law regarding requirements affecting personnel employed by or assigned to the Academy including (but not limited to): qualifications, evaluation systems, criminal background checks and unprofessional conduct disclosures. All administrators or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246. Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule.

<u>Administrator and Teacher Evaluation Systems</u>. The Academy Board shall adopt and implement for all teachers and school administrators a rigorous, transparent, and fair performance evaluation system that complies with the Code. If the Academy enters into an agreement with an Educational Service Provider, then the Academy Board shall ensure that the Educational Service Provider adopts a performance evaluation system that complies with MCL 380.1249.

Performance Evaluation System. During the term of this Contract, the Academy shall not assign a pupil to be taught in the same subject area for 2 consecutive years by a teacher who has been rated as ineffective on his or her 2 most recent annual year-end evaluations per the Code. If the Academy is unable to comply with this provision of the Code and plans to assign a pupil to be taught in the same subject area for 2 consecutive years by a teacher who has been rated as ineffective on his or her 2 most recent annual year-end evaluations per the Code, the Academy Board shall notify the pupil's parent or legal guardian that the pupil has been rated as ineffective on his or her 2 most recent annual year-end evaluations. The notification shall be in writing, shall be delivered to the parent or legal guardian not later than July 15th immediately preceding the beginning of the school year for which the pupil is assigned to the teacher, and shall include an explanation of why the pupil is assigned to the teacher. MCL 380.1249a.

<u>Teacher and Administrator Job Performance Criteria</u>. The Academy Board shall implement and maintain a method of compensation for its teachers and school administrators that includes job performance and job accomplishments as a significant factor in determining compensation and additional compensation. The assessment of job performance shall incorporate a rigorous, transparent, and fair evaluation system that evaluates a teacher's or school administrator's performance at least in part based upon data on student growth as measured by assessments and other objective criteria. If the Academy enters into an agreement with an Educational Service Provider, then the Academy Board shall ensure that the Educational Service Provider complies with this section. MCL 380.1250.

Reporting Structure

All positions are employed directly by the Academy Board.

Position Responsibilities

Following are the categories into which Academy staff fall. Descriptions for all positions employed by or assigned to the Academy are available at the Academy.

School Administrator(s)

As stated above, all administrators or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246. In addition to the position titles identified in MCL 380.1246, the Michigan Department of Education ("MDE") will deem an administrator working

at a district or school level to be "administering instructional programs" if the person's position description or day-today duties include any or all of the following elements *:

- 1. Responsibility for curriculum. This includes final or executive decisions which directly impact what should be taught to students and how it should be delivered, as well as what learning outcomes are expected, often following a philosophy of research, best practices, and continuous improvement providing equitable access to all students.
- 2. Responsibility for overseeing district or school improvement plan design or implementation. This includes a vision and a method for execution of plans regarding incorporating student assessment, using student performance and school safety data to drive decision-making, the use of information technology to support improvement, professional development, and overall student achievement.
- 3. Oversight of instructional policies. This includes the creation, modification, and recommendation of final policy regarding any aspect of how teachers implement, deliver, and support curriculum. Whether or not making specific financial decisions in support of these policies is part of the oversight role, this person still has final decision-making responsibility for instruction.
- 4. Executive-level reporting on academic progress to a governing authority. This includes providing updates, documentation, data, or presentations in an official or executive capacity to a governing body regarding progress on student learning goals—whether or not these reports are tied to expenditures related to the successful delivery of the instruction.
- 5. Supervision and evaluation of direct reports responsible for instruction. This includes providing executive leadership for employees who report to the individual, and providing direction to establish work priorities and decision-making. This involves evaluation of educator efficacy as well as general work performance of staff.

(*This statement and numbered items that follow it were taken directly from the February 23, 2017, Memorandum issued by the MDE.)

Instructional Staff

As stated above, except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. Individuals that are considered instructional staff are responsible for implementing the Academy's curriculum, developing assessments and monitoring student progress. Instructional staff whose main responsibility is working with students with disabilities must modify instructional techniques in order to enhance learning for all students.

Non-Instructional Staff

The staff that fall into this category are not required to hold an administrator certificate or a teaching certificate. The individuals in this category support the Academy's pursuit of its mission, vision, and educational goals.

CONTRACT SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

PHYSICAL PLANT DESCRIPTION

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article XI, Section 11.5, the Academy is authorized to operate at the physical facility or facilities outlined in this schedule. The Academy shall not occupy or use any facility until approved for occupancy by the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes.

a.		
	Site Plans	
	Permanent Building 1	
	Floor Plans	
	Property Description	
	Warranty Deed	
	Continuous Use Approval	
	FM-66 Form from the Michigan State Police Department	
	Office of Fire Safety Approval	
	Certificate of Use and Occupancy	
	Permanent Building 2	
	Floor Plans	
	Documentation of Facility Loan Satisfaction	
	Office of Fire Safety Approval	
	Certificate of Use and Occupancy	
b.	Springport Road Site	
	Site Plan	
	Floor Plans	
	Financing Documents	
	Certificate of Use and Occupancy	

1. Applicable Law requires that a public school academy application and contract must contain a description of and the address for the proposed physical plant in which the public school academy will be located. See MCL 380.502(3)(i) and 380.503(6)(f);

2. The address and a description of the site and physical plant (the "Site") of da Vinci Schools (the "Academy") is as follows:

a. Murphy Drive Site

- Address: 559 Murphy Dr. Jackson, MI 49201
- Description: The Academy's Primary School Campus includes two permanent buildings. According to the Blackman Charter Township Assessor, the permanent buildings are located on the same parcel of property owned by the Academy, parcel no. 000-08-22-304-009-01. The first permanent building is a two-story, brick structure with a full basement and playground. The main floor and second floor combined includes four classrooms, each approximately 23' x 30', and four restrooms. The building also includes a basement which includes storage and office areas. The building was constructed in 1928 and contains approximately 4,000 square feet of space. Over the years, the building was owned or leased on a continuous basis by a number of private schools. Included in this Schedule 6 are copies of (i) a letter from the Superintendent of Public Instruction, from the time the Academy moved into the building, indicating that the facility has been approved for continuous use; (ii) an FM-66 Form from the Michigan State Police Department indicating fire approval of the facility; (iii) property information and floor plan; (iv) warranty deed; and (v) OFS-40 Form from the Office of Fire Safety indicating approval of a new fire alarm system for the building, installed in 1999.

Directly adjacent to this building is the second permanent building which was constructed by the Academy in 1999. It is a bi-level, block structure with a partial basement and a playground. This building is also known as 555 Murphy Dr. and houses offices for the entire Site. In 2010, the Academy expanded the building and made minor renovations. The building now contains eight classrooms, six restrooms, two offices, a reception and waiting area, several storage areas, a work room, mechanical room, electrical room, a kitchen and a multipurpose room. This permanent building contains approximately 11,780 square feet.

<u>Configuration of Grade Levels</u>: Kindergarten through Fifth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Jackson Public Schools ISD: Jackson ISD

b. Springport Road Site

- Address: 2985 Springport Rd. Jackson, MI 49202
- <u>Description</u>: The Academy's facility at this Site, with a physical address of 2800 Springport Rd., consists of space located within the 65,000 square foot 100 Building on the campus of Baker College. The Academy has access to 29 classrooms, a large space utilized by the students taking online courses, six bathrooms, a kitchen, cafeteria, several offices and meeting areas, as well as storage areas.

<u>Configuration of Grade Levels</u>: Sixth through Twelfth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local:Northwest Community SchoolsISD:Jackson ISD

3. It is acknowledged and agreed that the following information about this Site is provided on the following pages, or must be provided to the satisfaction of the University Board or its designee, before the Academy may operate as a public school in this state.

- A. Narrative description of physical facility
- B. Size of building
- C. Scaled floor plan
- D. Copy of executed lease or purchase agreement

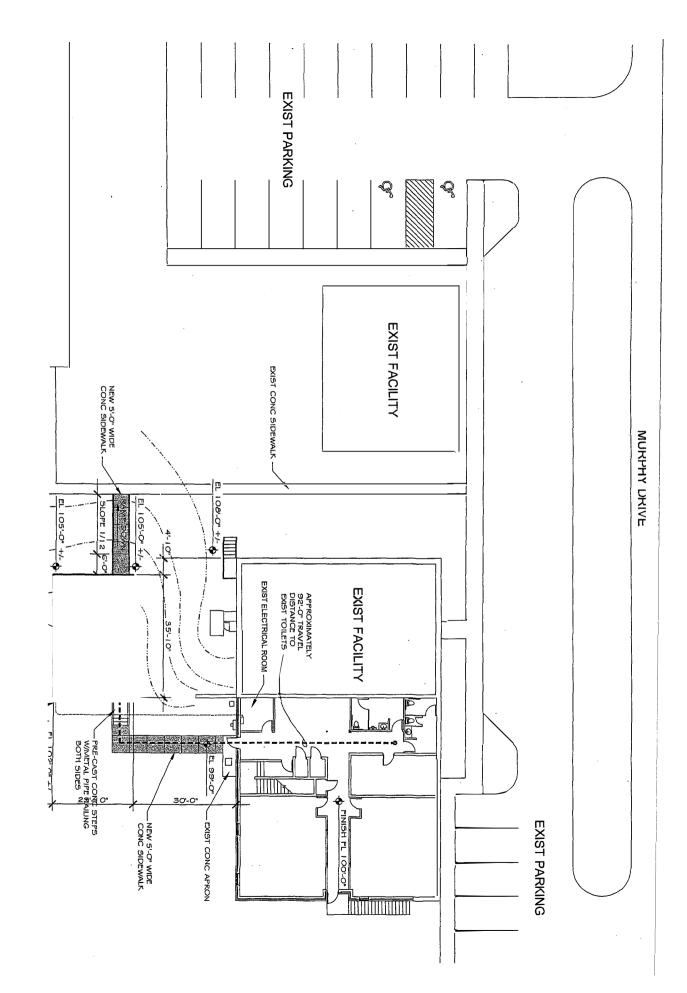
4. In addition, the Academy and the University Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire, health and safety approvals for the above-described physical facility. These approvals must be provided and be acceptable to the University Board or its designee prior to the Academy operating as a public school. In cases of disagreement, the Academy may not begin operations without the consent of the University Board or its designee.

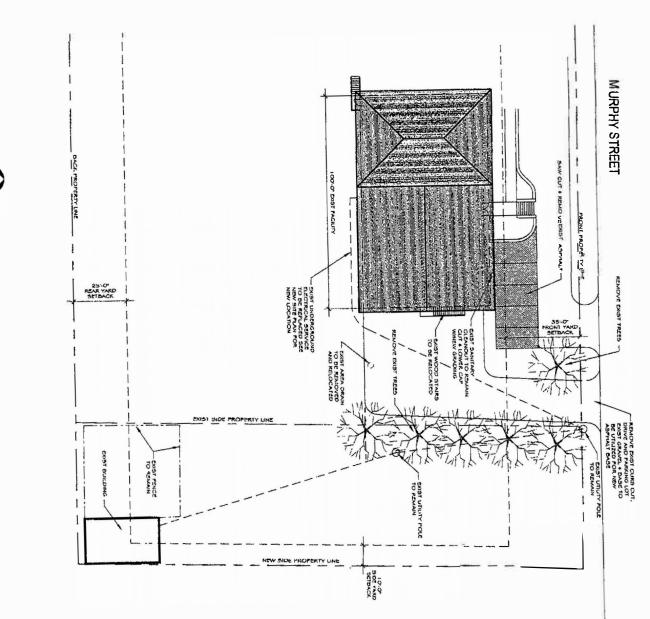
5. If the Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the University Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe, and agree upon the Academy's physical facilities. The Academy must submit to the University Board or its designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted

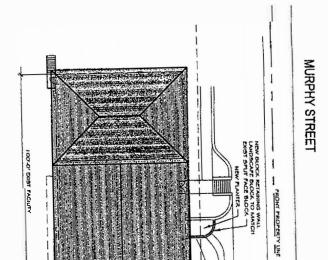
all the information described above, to the satisfaction of the University Board or its designee, and the amendment regarding the new site has been executed.

6. Any change in the configuration of grade levels at the Site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions of Contract set forth above.

Murphy Drive Site

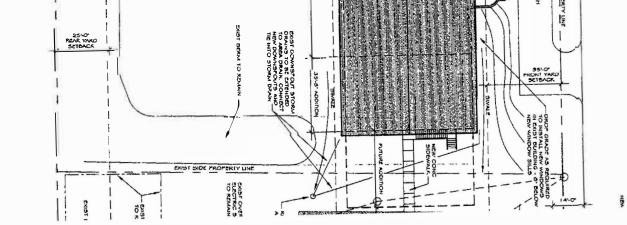






NORTH SITE DEMOLITION PLAN

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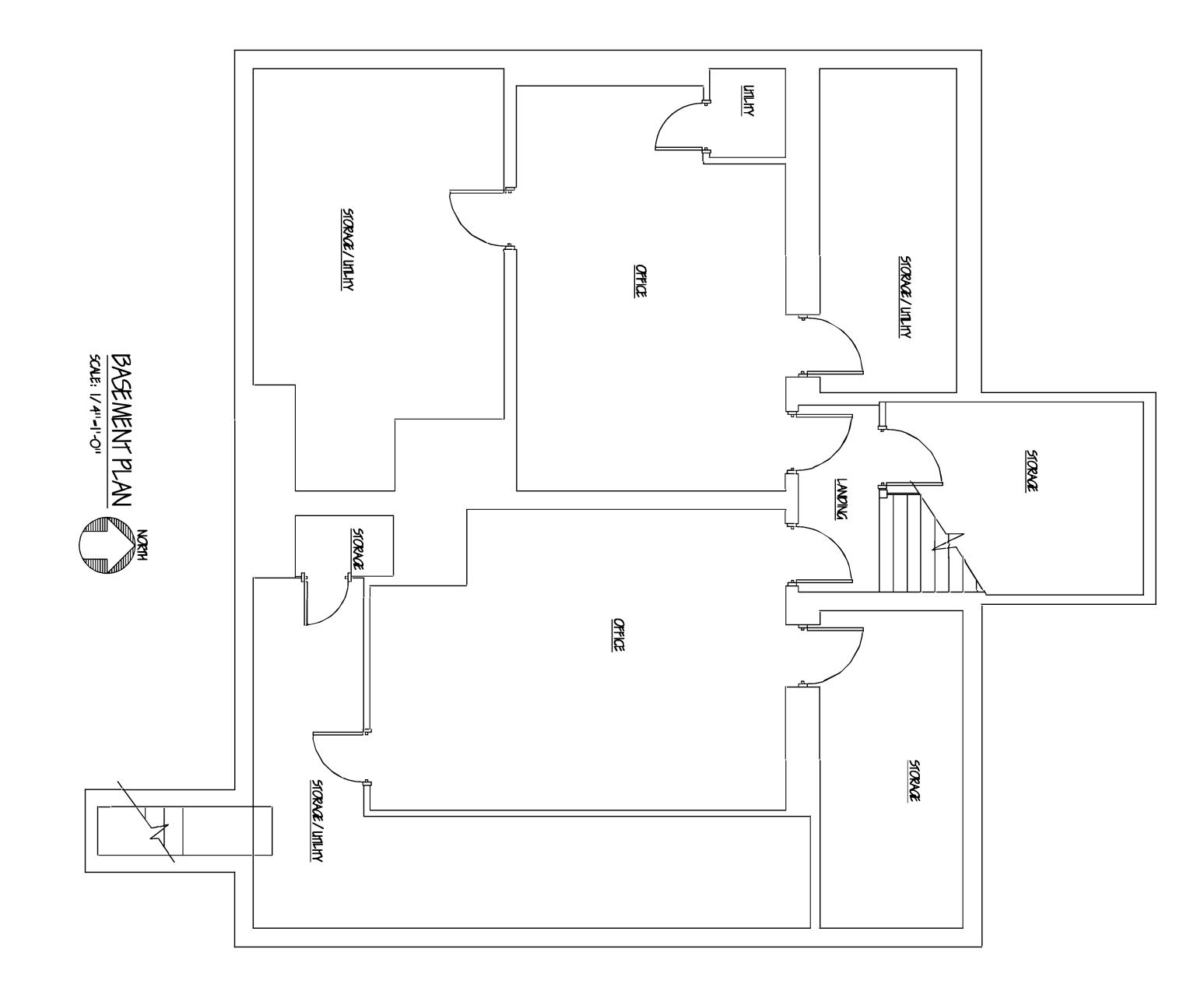




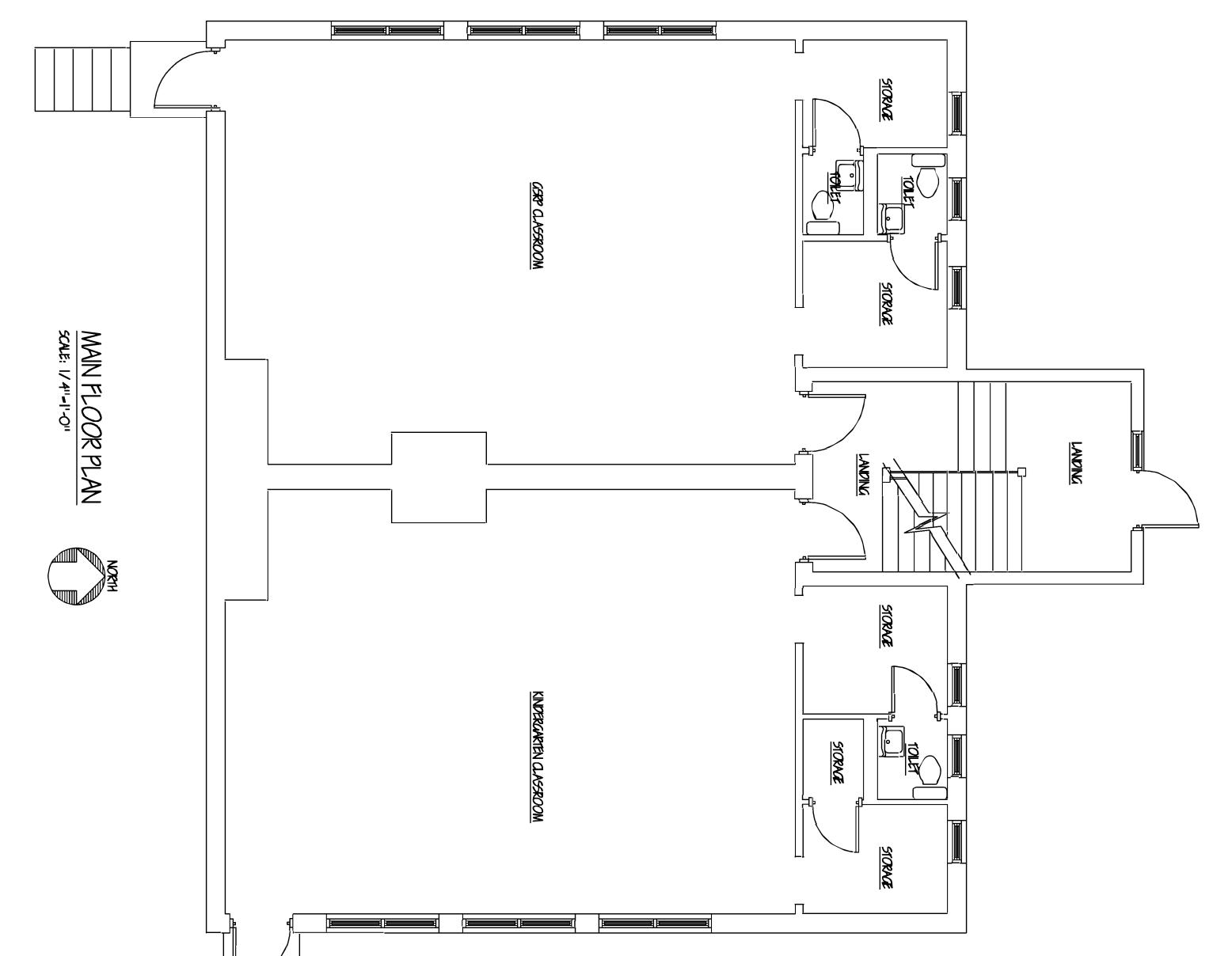
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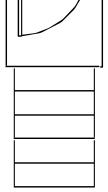
Schedule 6-5

da Vinci Schools

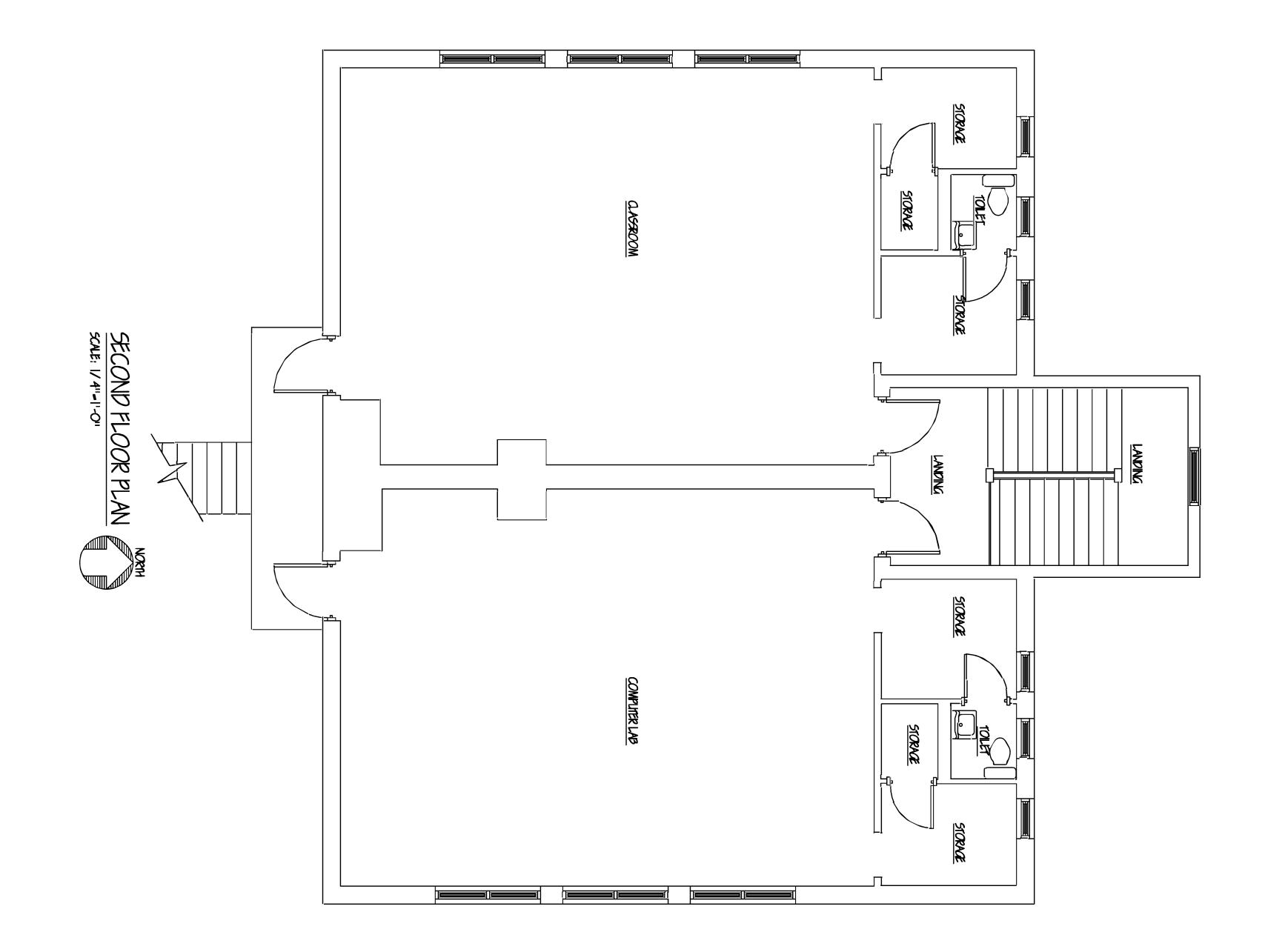


APP'D BY: APP'D BY: DATE: DATE	OL DATE REVISION APP'D BY Woodard & Associates, Architecter Woodard & Associates, Architecter HOB FIRST ST. Jackson, Michigan 492O3 Si7-789-7147 51-789-0270 (faw) WOODARDARCHESECOLOBAL.NET	is, Inc.
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APP'D BY: APP'D BY:	MEASURED DRAWINGS DA VINCI PRIMARY SCHOOL OLD BUILDING 559 murphy dr. jackson, michigan	 DATE	REVISION APP'D BY	GF.	Woodard & Associates, Architects, Inc. 1408 FIRST ST. Jackson, Michigan 49203 517-789-7147 51-789-0270 (fax) WOODARDARCHESBCALOBAL.NET
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000-08-22-304-009-01 1999 Est. T.C.V. VAN NOORD, MARLE & JOYCE Property Class: 201 Printed 08/27/98 Map #: BLACKMAN 1998 , Land Value Estimates for Neighborhood #22RES.RESIDENTIAL SECT.22 *Factors for* Description Frontage Depth Frontage Depth Rate %Adj. Reason Value LITTLE KNOLLS 320.00 239.00 0.729 0.695 65 75 7,90 7,90 320 Actual Front Feet, 1.76 Total Acres Total Est. Land Value = Cost Estimates for Commercial/Industrial Building/Section: 1 Description of Occupancy: Costs are taken from the Day Care Center cost schedules. <<<<< Calculator Cost Computations >>>> Class: D,Brick Quality: Low Cost Percent Adj: +0 Base Rate for Upper Floors = 37.65 (10) Heating system: Wall or Floor Furnace Cost/SaFt: 0.00 100१ Adjusted Square Foot Cost for Upper Floors = 37.65 2 Stories Number of Stories Multiplier: 1.000 Average Height per Story: 12 Height per Story Multiplier: 1.040 Ave. Floor Area: 1,920 Perim. Multiplier: 1.078 Perimeter: 176 Refined Square Foot Cost for Upper Floors: 42.20 County Multiplier: 1.17, Final Square Foot Cost for Upper Floors = 49.38 Base Cost New of Upper Floors = 189,60 Votal Floor Area: 3,840 Reproduction/Replacement Cost = 189,60 Effective Age: 24 Physical/Functional/Economic/Overall %Good: 48 /48 /50 / 3 21,84 Total Depreciated Cost = E.C.F. = 1.00021,84 Estimated True Cash Value of Building 1 = Est. TCV/Floor Area = 5.69 Replacement Cost/Floor Area= 49.38 21,8: Total Estimated True Cash Value of Commercial/Industrial Buildings = 1999 Est. T.C.V. 000-08-22-304-009-01 29,74 S.E.V. 1998 Assessed MBOR C.P.I. Base for Cap 11,102 11,102 11,102 2.70 10,270 1999 New Eq. Adjustment Loss Additions Tax Adjustment Loss 277 3,772 ->Taxable<-1999 Assessed MBOR S.E.V. Capped Homeste 14,874 14,874 10,547 10,547 14,874



REALTOR'S SUMMARY SHEET

Parcel: 000-08-22-304-009-01 Owner's Name: VAN NOORD, MARLE & JO Property Address: Map Number: School District: 9 BLACKMAN 1998 Property Class: 201 Neighborhood: 22RES.RESIDENTIAL SECT.22 Legal Description: Mailing Address: LOTS 25, 26, 27, 28 AND E 56 FT OF LOT 29 LITTLE KNOLLS FARMS 559 MURPHY DR JACKSON, MI 49202 Most Recent Sale Information _____ Sold on 12/31/96 for by VAN NOORD, MARLE & JOYCE. Terms of Sale: ARMS LENGTH Liber/Page: -----Physical Property Characteristics _____ 1999 S.E.V.: 14,874 Taxable: 10,547 Land Value: 7,905 1998 S.E.V.: 11,102 Taxable: 10,270 Acreage: 1.76 Frontage: 320.0 Zoning: Homestead: 0.000% Land Impr. Value: Average Depth: 239.0 Improvement Data ______ # of Ag. Buildings: 0 # of Residential Buildings: 0 Year Built: 0 Est. TCV: Occupancy: Single Family Class: D # of Commercial Buildings: 1 Style: 1 STORY Class: D,Frame Floor Area: 3,840 Exterior: Wood Siding Est. TCV: 21,842 % Good (Physical): 0 Heating System: Electric - Amps Service: 0 # of Bedrooms: 0 # of Bathrooms: 0.0 Floor Area: Ground Area: Garage Area: Basement Area: Basement Walls:



Est. TCV:

- 9100 - 9100 - 10 10 - 10 - 10 - 10 - 10	Line Cost Hard SDD STATES CLICEDICAL Materials & addition of the cost of the states to search and the states of the states to search addition of the states of the states to search addition of the states of the states where a states of the states of the states of the states of the states of the states of the states where a states of the states of the states of the states of	Aindy Patili Michig Jackson 12/10/1995 5373		EAL ESTATE ANSFER TAX: 343.80-C 3337.30-2 312218	2098844 Page: 1 of 1 12/18/1996 18:443 L-1529 P-83 * *
		WARRANTY	DEED		-
	The Grantors, MERLE VAN NOOF address is 1008 South Brown St., da VINCI INSTITUTE, a M Box 4123, Jackson, Michlgan 49 Township of Blackman, County of	Jackson, Michi lichigan Non-pr 204, the follow	igan 49203, con ofit corporation, ing described p	vey and wa whose add remises sit	rrant to THE fress is P.O.
	Lots 25, 26, 27, 28, and 29 Farms, according to the Pl Jackson County Records.				
	for the sum of Forty-five thousand	and 0/100 Dol	lars (\$45,000.00).	
	subject to easements and buildin rights-of-way and reservations of		rictions of record	d and furth	er subject lo
	Dated this <u>lottday</u> of December	, 1998.			
M5/	Signed in presence of: Barbara C. Waed Carol F. Kobert		igned by: Welle (de Terle Van Noord Van Van Noord	mark	2
	STATE OF MICHIGAN) Ss. COUNTY OF JACKSON) The foregoing instrument was ack		ore me this <u>10th</u>	<u>day</u> of Deca	ender, 1998,
	by Merle Van Noord and Joyce V	<u>9</u> Г С	Harbara C. Week lotary Public, ackson County, ly Commission I		<u>s s)</u>
• •	Prepared by: (Without Opinion) Terry J. Klaasen, Esq. BULLEN, MOILANEN, KLAASEN & SWAN, P.C. 402:S. Brown Street Jackson, Michigan 49203-1485				
Å.	Return to and send future tax Grantee	bills to:			

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STATE OF MICHIGAN



DEPARTMENT OF EDUCATION

P O. Box 30008 Lansing, Michigan 48909

September 8, 1998

STATE BOARD OF EDUCATION

Kathleen N Straus Providens Dorothy Beardmore Vice Provident Barbara Roberts Mason Sources

Marianne Yared McGuire

Herbert S Mayer NASBE Driegue Clark Durant Sharon A. Wese Gary L Wolfram

GOVERNOR JOHN ENGLER

Mr. Jim Goenner, Director Charter Schools Office Central Michgian University 208 Warriner Mount Pleasant, Michigan 48859

Dear Mr. Goenner:

The da Vinci Institute school building located at 559 Murphy Drive, Jackson, is approved as a Public School Academy facility. This approval is based on the continuous school use policy of the Michigan Department of Education.

Thank you very much for assisting the da Vinci Institute in the authorization process. Please feel free to contact Joan May at (517) 373-4631 if you have any questions or concerns.

incerely

Arthur E. Ellis

Enciosure

c: Harry Ross, Central Michigan University Donald Tassie, da Vinci Institute





	Department of S AFETY REPO			4	Dr. gr Capit	->I : ≠:12 :	Orig n	5551(UD511)	Complaint N .mper 4-00-1432-83 Job Number	000	in '	D Closed
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Township			ackson		İ	Z17 Co	49202		 Full Approval Temporary Approval un 	til		
	tw Idition	Existing Maaile Unit	- Senal No.	۵	Rer	modelin	ıg		Disapproved for Occupa	-	.)	
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5	Address 59 Marphy				•		* .	,	Correct ADD		Code 201	
	City Eckson	MICH. STI	FGPOLIL			Zio Coc . 4	4• 9202		Signature of Inspecting Official	1 10.2	19-51:0 	n.Date 35
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31 - 33		, general, fire resisti s; roof, cuiling and					141-143		rm systems, stations and signals			
ac ac	tion						151-152	Huat #1	ant room locations, construction and	use;		
25 · 36 41 · 44		ids; rooms over 100		0	0				s and vents	•• ••		
6.46		l, number, distance , uxit lights		0	0		153-155	1000153	and special purpose rooms, storage nd storage of hazardous substances;		_ ;_	_
47 . 45		ons, exit doors		0	0	0	157-158		us equipment			
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61 - 63		kers, wardrobes, ra		0		a	161	Auditor	ium stage area protection	(םיָם	
65		6	-			٥	162-163		ium firs curtain construction, size and			_
71 - 74	Exit doors. di	mensions, floors an	d glezing, doors				165-167		lts; protection boolhs		, , , , , , , , , , , , , , , , , , ,	
75-77		ower		۵	D	0	171-172	Ventilat	ion; fan and air handling equipment		;	
		ss, panic hardware		a		۵	173		• • • • • • • • • • • • • • • • • • •			
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91 - 93		ramo walls, stairway		a	a	٥	174		ridars used as plenums		1,0	U
54 - 95		ensions, constructio		•		0	175		d Plenism construction and insulation isulation		o∮o	
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111-115	windows, were	er of sprinkler equi	privent, exit	~	_	-	[·	_	-	-
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				5	5	.		·				



State of Michigan John Engler, Governor

Department of Consumer a Industry Services Kathleen M. Wilbur, Director Page 1 of I OFS-40 Office of Fire Safety General Office Building 7150 Harris Drive Lansing, MI 48909-7504

The Davinci Institute	DATE	COUNTY	PROJECT
	2-26-99	Jackson	1703-98
ADDRESS	FACILITY TYPE	RULES/CODES	JOB/LIC/FAC. NO.
559 Murphy Drive	School	School	
CITY, STATE ZIP CODE	FACILITY REPRESE		INSPECTION TYPE
Jackson Michigan 49201	Kim Norton -		Final

AREAS REOUIRING COMPLIANCE:

NEW FIRE ALARM SYSTEM

A final fire safety inspection of the above captioned project was completed this date.

This report may be considered as final approval of this project.

RECEIVED
MAR 1 2 7001
BY: 49

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FIRE SAFETY CERTIFICATION	4	PROJ	IECT F	EVIEWED BY
Approved		Clos	sed	The
TRIBUTION	INSPECTING OFFICIAL	ADDR	RESS 2	01 E. Louis Glick Hwy
cility File	Thomas F. Zellman	n	J	ackson, Michigan 49201
CIS/HQ	SIGNATURE OF OFFICIAL			517-780-7492
Education	18 mall	ner	FRYNE	

P. 02/02

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Labor & Economic Growth Bureau of Construction Codes & Fire Safety/Building Division P. O. Box 30254 Lansing, MI 48909 (517) 241-9317

> Building Permit No. LB020936 DaVinci Primary School 559 Murphy Drive Jackson, Michigan Jackson County

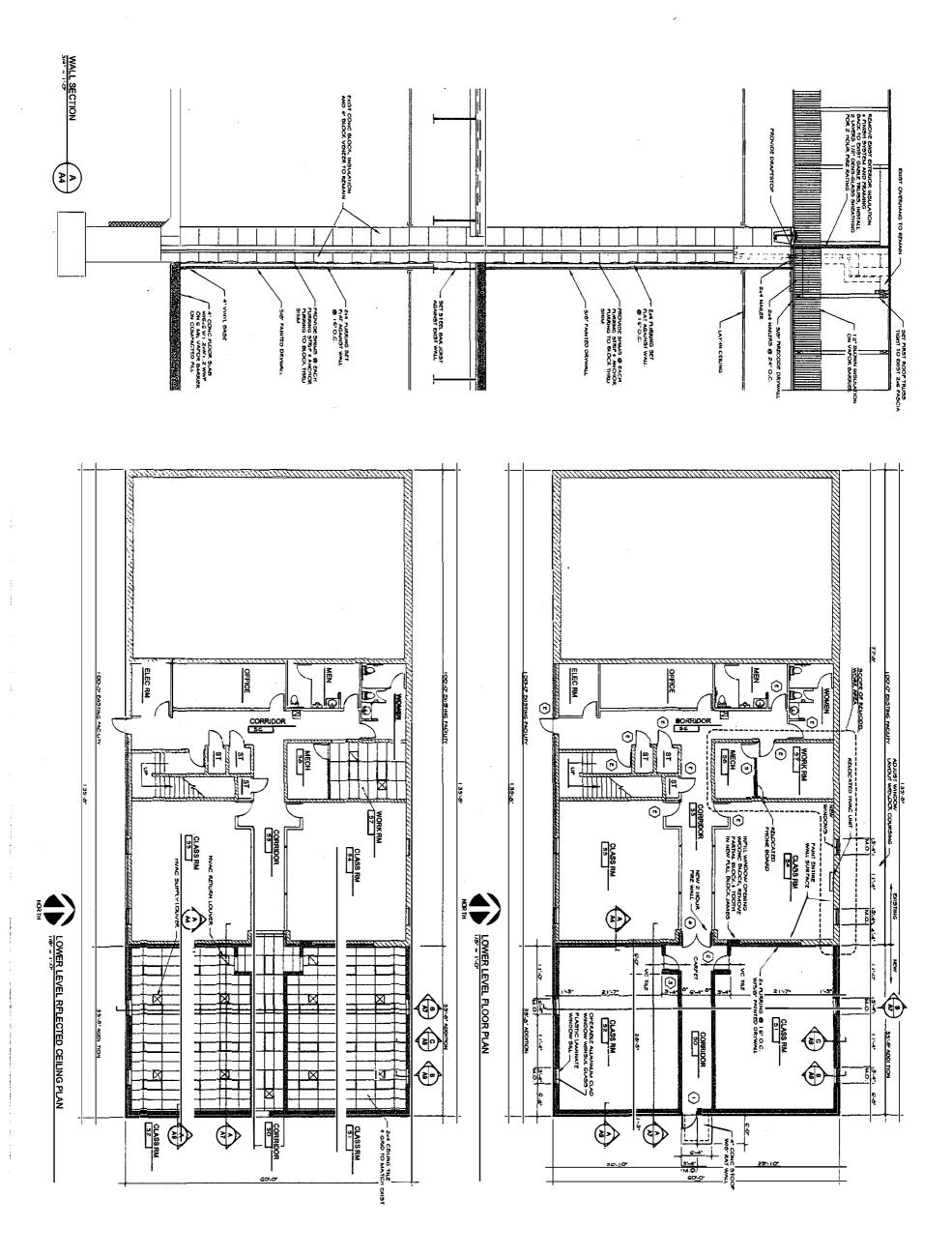
The above named building of Use Group E and Construction Type 3B is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 110.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

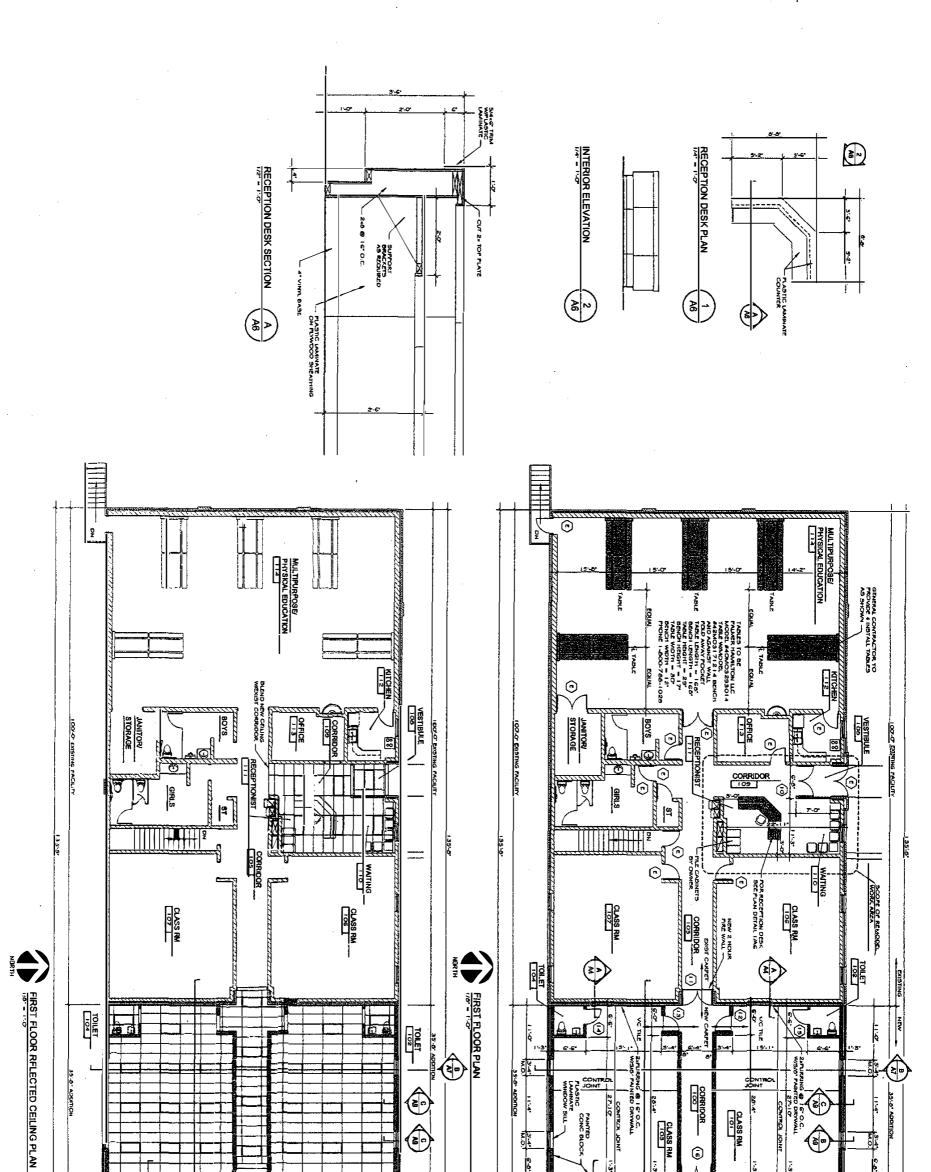
Larry Lehman, Chief Charles E. Curtis, Assistant Chief Building Division March 2, 2005

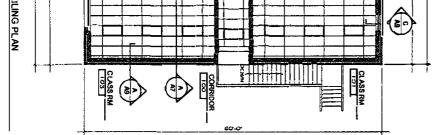


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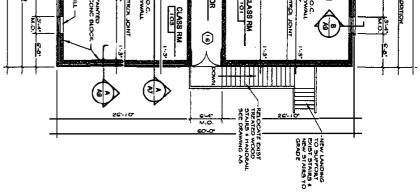


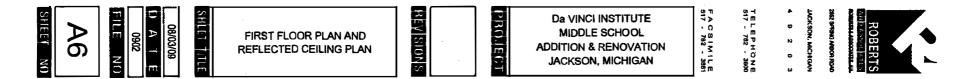
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(%) Huntington

Welcome.

Huntington National Bank 525 Vine St. 14th Floor (CN200C) Cincinnati, OH 45202 Phone: 866-329-7286 Fax: 877-368-4314 Email: hbef.service@huntington.com

July 10, 2019

The Da Vinci Institute 559 Murphy Dr. Jackson, MI 49202

RE: Customer Account Number: 101-0077676-002 Equipment Description: Bond

Dear The Da Vinci Institute:

We are reaching out to confirm that we have received the final payment due. Any interest Huntington had in the collateral has now been released.

It's been a pleasure working with you on this piece of your business. If you have any questions, please contact us at 866-329-7286 or https://www.heithigten.com.

Thanks again, and we hope you'll consider Huntington for any future projects.

Sincerely,

Christine McIntosh Huntington Equipment Finance



State of Michigan John En**gler, Gover**nor

Department of Consumer & Industry Services Kathleen M. Wilbur, Director Page 1 of I OFS-40 Office of Fire Safety General Office Building 7150 Harris Drive Lansing, MI 48909-7504

LITY NAME	DATE	COUNTY	PROJECT
DAVINCI MIDDLE SCHOOL	2-18-00	JACKSON	1175-99
ADDRESS	FACILITY TYPE	RULES/CODES	JOBALC/FAC. NO.
555 MURPHY DR	SCHOOL	89 SCHOOL	57R
CITY, STATE ZIP CODE	FACILITY REPRESE	NTATIVE	INSPECTION TYPE
JACKSON, MI 49203	PRINCIPAL		Re-Check Final

AREAS REQUIRING COMPLIANCE:

NEW BUILDING WITH TWO (2) CLASSROOMS AND MULTIPURPOSE ROOM PROJECT # 4-00-1175-99

A final fire safety inspection of the above captioned project was completed this date. Deficiencies noted in our prior inspection reports have been satisfactorily corrected. This report may be considered as final approval of this project.

RECEIVED
MAR 1 2 2001
BY: LA

FIRE SAFETY CERTIFICAT	NON I	PROJECT STATUS Closed	REVIEWED BY	
ility File US/HQ Education	Robert F. Brecked Signature of official Romat Marked	ADDRESS	301 E Louis Glick Hwy Jackson, MI 49201 517-780-7489	

» Nov. 5. 2010 6:27AM

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Energy, Labor & Economic Growth Bureau of Construction Codes/Building Division P. O. Box 30254 Lansing, MI 48909 (517) 241-9317

> Building Permit: B030013 DaViiinci Institute Middle School/Addition 559 Murphy Drive Blackman Township, Michigan Jackson County

The above named building of Use Group E and Construction Type 2B is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 110.0 OF THE STATE BUILDING CODE, THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Larry Lehman, Chief Charles E. Curtis, Assistant Chief Building Division

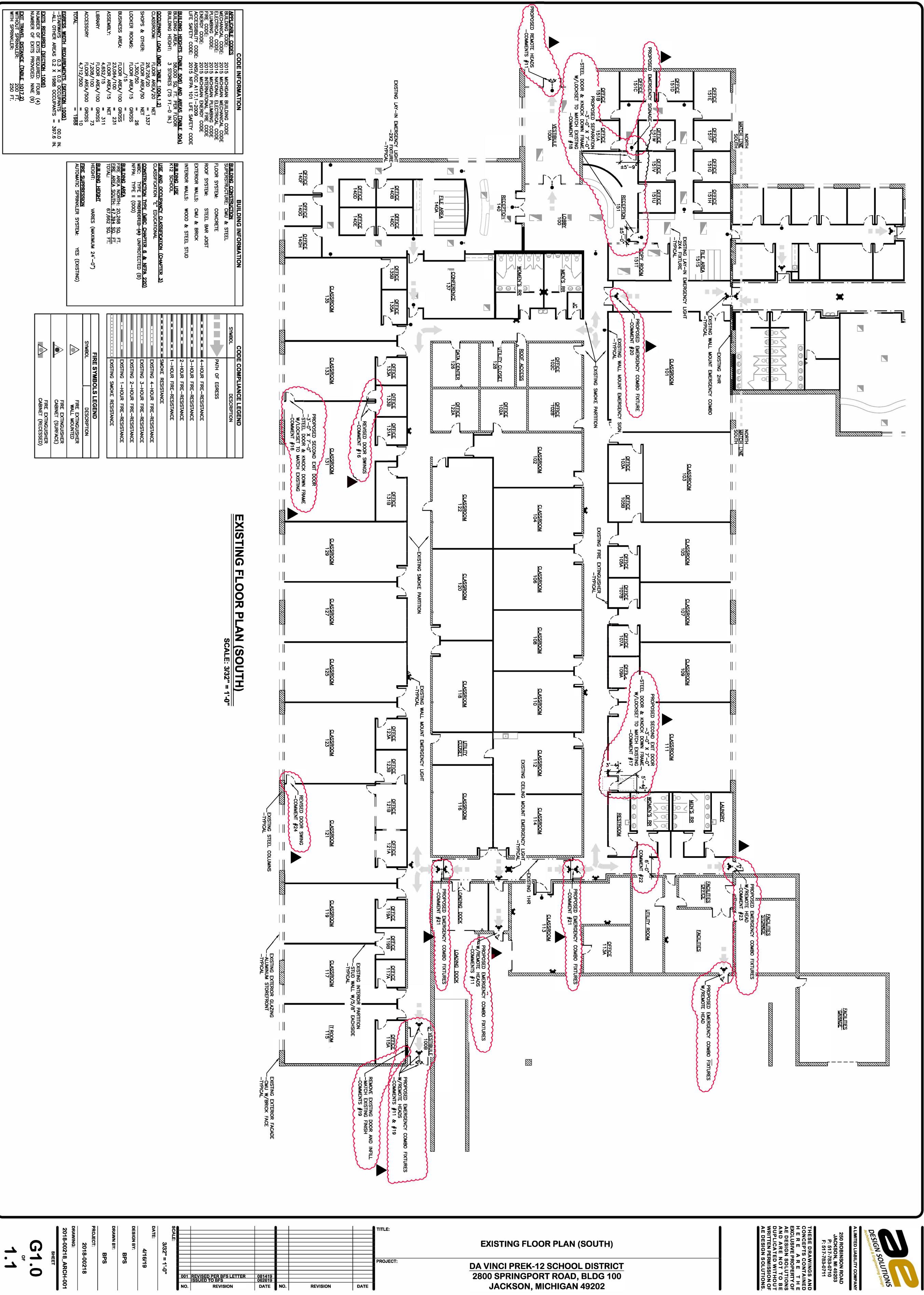
November 5, 2010

Springport Road Site

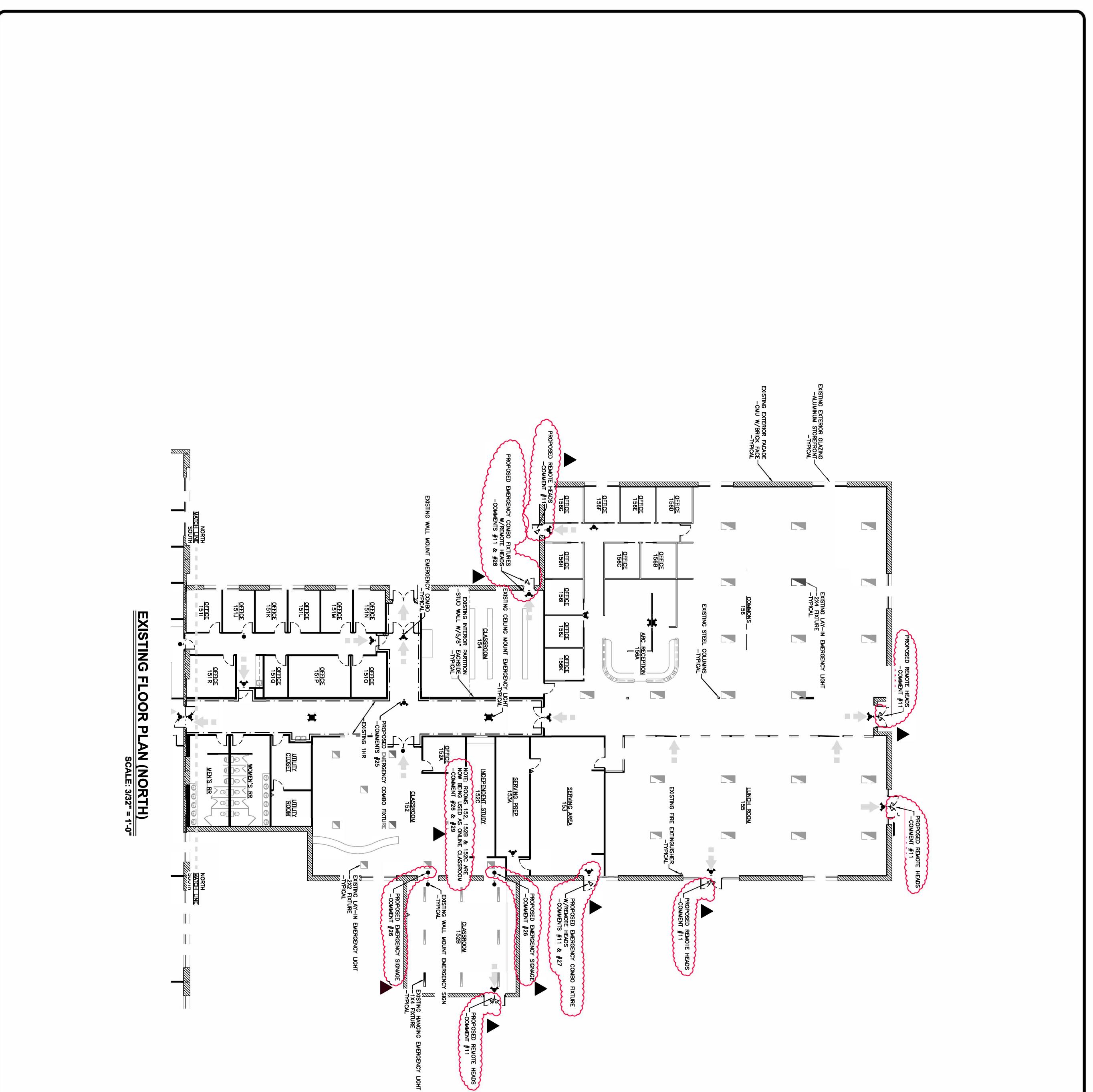


Schedule 6-21

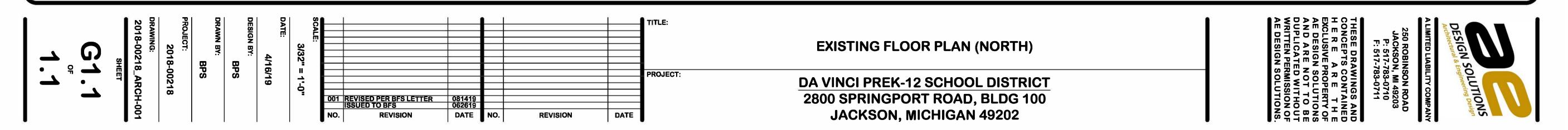
da Vinci Schools



		IRE SYMBOLS	- EXISTING SMOKE	EXISTING 1-HOUR	EXISTING 2-HOUR	EXISTING 3-HOUR	EXISTING 4-HC	SMOKE RESISTANCE	- 1-HOUR FIRE-	2-HOUR FIRE-	- 3-HOUR FIRE-	4-HOUR FIRE-	PATH OF EGRESS	 DE COMPLIANCE	
FIRE EXTINGUISHER CABINET (SURFACE) FIRE EXTINGUISHER CABINET (RECESSED)	DESCRIPTION FIRE EXTINGUISHER WALL MOUNTED	LEG	(E RESISTANCE	OUR FIRE-RESISTANCE	OUR FIRE-RESISTANCE	OUR FIRE-RESISTANCE	-HOUR FIRE-RESISTANCE	ANCE	-RESISTANCE	-RESISTANCE	-RESISTANCE	-RESISTANCE	SS	 CE LEGEND	



LIGHT



INSTALLMENT PURCHASE AGREEMENT

PART I

"OBLIGOR" means	The da Vinci Institute
"SELLER" means	Baker College
"Property" means	The real and personal property described in the Real Estate Purchase Agreement, attached hereto and incorporated herein as Attachment B
"Purchase Price" means	Three Million Three Hundred Fifty Thousand and 00/100 Dollars (\$3,350,000.00)
"Contract Amount" and "Principal" mean	Two Million Three Hundred Fifty Thousand and 00/100 Dollars (\$2,350,000.00)

"Maturity Date", "Principal Installment", and "Interest Payment" shall have the meanings as described in Attachment A.

"Dated Date" means June 5, 2023

"Interest Rate" means the interest rate pursuant to Part II of this INSTALLMENT PURCHASE AGREEMENT, which shall be four and seventy-five hundredths percent (4.75%).

The provisions of Part II of this INSTALLMENT PURCHASE AGREEMENT are hereby approved and incorporated herein.

PART II

THIS INSTALLMENT PURCHASE AGREEMENT (the "INSTALLMENT PURCHASE AGREEMENT") is dated as of the Dated Date by and among the OBLIGOR, a Michigan public school academy, the SELLER, and County National Bank, a National Banking Association, Hillsdale, Michigan (the "BANK"), as assignee of SELLER or registered assigns. All capitalized terms not defined in Part II shall have the meaning set forth in Part I.

1. Purchase Price, Title and Useful Life. For value received, the OBLIGOR promises to pay the BANK or the BANK's order, at the BANK's address, or at such other location as the BANK may designate, the Principal sum of Two Million Three Hundred Fifty Thousand and 00/100 Dollars (\$2,350,000.00) (the Principal) plus interest from the Dated Date on the unpaid Principal balance until this INSTALLMENT PURCHASE AGREEMENT matures or this obligation is accelerated. The OBLIGOR for the Purchase and SELLER agrees to sell and provide the Property to the OBLIGOR for the Purchase Price and the terms and conditions set forth in the Real Estate Purchase Agreement dated February 21, 2023 (the "Real Estate Purchase Agreement") entered into by and between the SELLER and the OBLIGOR, which Real Estate Purchase Agreement is attached hereto and incorporated herein as Attachment B. The BANK will pay the Contract Amount to the OBLIGOR in federal funds by wire transfer or other agreed upon method and the OBLIGOR will pay the full Purchase Price including the difference, if any,

between the Contract Amount and the Purchase Price to the SELLER immediately upon the receipt of the Contract Amount and the delivery of the Property to and acceptance of the Property by the OBLIGOR. Upon delivery to and acceptance by the OBLIGOR, title to the Property shall vest in the OBLIGOR. The OBLIGOR shall not sell, assign title to, lease, or obtain further financing with respect to the Property except with the permission of the BANK while Principal remains outstanding under this INSTALLMENT PURCHASE AGREEMENT. The OBLIGOR agrees that the useful life of the Property is equal to or longer than the date of the final payment hereunder. The BANK may pledge this INSTALLMENT PURCHASE AGREEMENT as security for any obligation of the BANK.

2. <u>Repayment Provisions</u>. The OBLIGOR agrees to pay to the BANK the Principal in the Principal Installments on the Maturity Dates and interest payments on the unpaid Principal balance from the Dated Date at the Interest Rate on the Interest Payment Dates. The Interest Rate shall be the rate set forth in Part I.

The INSTALLMENT PURCHASE AGREEMENT may be prepaid in whole or in part at any time without premium or penalty, with funds withdrawn from the OBLIGOR'S cash reserves as permitted by law. Any partial prepayment will not excuse any later scheduled payments until OBLIGOR pays this INSTALLMENT PURCHASE AGREEMENT in full.

It is expressly agreed between the SELLER and the OBLIGOR, and the BANK by acceptance of the assignment of this INSTALLMENT PURCHASE AGREEMENT, that the OBLIGOR shall make all payments of principal or interest due hereunder directly to the BANK or to a depository as shall be designated in writing by the BANK. The OBLIGOR further agrees that it will deposit with the BANK, or if so directed shall deposit with said depository, all payments of principal or interest due hereunder in immediately available funds at least one business day before the date on which said principal or interest due hereunder is due or in such other manner or such other time as the BANK shall approve.

OBLIGOR agrees to pay this INSTALLMENT PURCHASE AGREEMENT in sixty (60) monthly payments. The Principal/Contract Amount is amortized over 240 payments. OBLIGOR will make 59 payments of \$15,215.69 beginning on July 20, 2023, and on the 20th day of each month thereafter. A single "balloon payment" of the entire unpaid balance of Principal and interest will be due upon final maturity on June 20, 2028. Payments will be rounded to the nearest \$.01. With the final payment OBLIGOR also agrees to pay any additional fees or charges owing and the amount of any advances the BANK has made to others on OBLIGOR's behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month. Each payment OBLIGOR makes on this INSTALLMENT PURCHASE AGREEMENT will be applied first to interest that is due, then to principal that is due, then to escrow that is due (if any), then to late charges that are due (if any), and finally to any charges that OBLIGOR owes other than principal and interest (if any). If the BANK and OBLIGOR agree to a different application of payments, they will describe their mutual agreement in this INSTALLMENT PURCHASE AGREEMENT. The BANK may change how payments are applied in its sole discretion without notice to OBLIGOR. The actual amount of OBLIGOR's final payment will depend on OBLIGOR's payment record.

3. <u>Assignment by SELLER to BANK</u>. The SELLER hereby irrevocably assigns this INSTALLMENT PURCHASE AGREEMENT immediately to the BANK in consideration for

payment from the BANK of the Contract Amount. The OBLIGOR hereby consents to that assignment, except with respect to the warranties and other obligations of the SELLER set forth in Paragraphs 10, 13, and 16 of this INSTALLMENT PURCHASE AGREEMENT, all of which shall remain the sole responsibility of the SELLER and shall not be assignable and the SELLER hereby acknowledges that all of said warranties and other obligations shall not be assigned and remain the sole responsibility of the SELLER. The OBLIGOR'S obligation to the BANK is absolute and unconditional and shall remain in full force and effect until the amounts owed hereunder shall have been paid by the OBLIGOR to the BANK and such obligation shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following:

- a. Any failure of title with respect to the SELLER'S interest in the Property or the invalidity, enforceability or termination of this INSTALLMENT PURCHASE AGREEMENT;
- b. The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in this INSTALLMENT PURCHASE AGREEMENT;
- c. The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment or other similar proceedings affecting the SELLER or any of its assets or any allocation or contest of the validity of this INSTALLMENT PURCHASE AGREEMENT, or the disaffirmance of this INSTALLMENT PURCHASE AGREEMENT in any such proceedings;
- d. To the extent permitted by law, any event or action which would, in the absence of this clause, result in release or discharge by operation of law of the SELLER from the performance or observation of any obligation, covenant or agreement contained in this INSTALLMENT PURCHASE AGREEMENT;
- e. The default or failure of the SELLER fully to perform any of its obligations set forth in this INSTALLMENT PURCHASE AGREEMENT or any other agreement; or
- f. Any casualty or destruction of the Property.

After payment of the Contract Amount, the BANK shall have no liability for payment of monies to the SELLER or for the performance of any obligations to the SELLER. The SELLER represents and warrants that the assignment of this INSTALLMENT PURCHASE AGREEMENT to the BANK does not violate any agreement, contract, or loan agreement to which it is a party and that the INSTALLMENT PURCHASE AGREEMENT has been duly executed and delivered by the SELLER. Upon transfer of the Property from SELLER to OBLIGOR, SELLER shall have no further obligation to OBLIGOR or BANK under this INSTALLMENT PURCHASE AGREEMMENT. OBLIGOR agrees to the extent permissible under state law, to defend, protect,

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indemnify and hold forever harmless SELLER, from any and all claims, losses, liabilities, expenses, or damages of whatever nature which may be hereinafter brought against SELLER as a result of or arising from the INSTALLMENT PURCHASE AGREEMMENT.

4. <u>Full Faith and Credit Obligation</u>. The obligation of the OBLIGOR to pay Principal Installments and interest payments is a full faith and credit obligation, payable from the OBLIGOR'S State School Aid, revenues, receipts, and other available funds. The OBLIGOR shall include in its budget and pay each year, until this INSTALLMENT PURCHASE AGREEMENT is paid in full, such sum or sums as may be necessary each year to make payments of the Principal Installments and interest herein, when due.

The OBLIGOR has irrevocably pledged its State School Aid as security for the payment of this INSTALLMENT PURCHASE AGREEMENT. The OBLIGOR covenants to annually make an irrevocable appropriation of a sufficient amount of Pledged State Aid (as that term is defined in the OBLIGOR'S Resolution, defined below) for the payment of the Principal Installments and interest on this INSTALLMENT PURCHASE AGREEMENT.

NO MORE THAN TWENTY PERCENT (20%) OF THE STATE SCHOOL AID RECEIVED BY THE OBLIGOR IN EACH FISCAL YEAR MAY BE LEGALLY AVAILABLE TO PAY SCHEDULED PRINCIPAL INSTALLMENTS AND/OR INTEREST ON THIS INSTALLMENT PURCHASE AGREEMENT.

THIS INSTALLMENT PURCHASE AGREEMENT DOES NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL, SPECIAL OR MORAL, OF THE UNITED STATES OF CENTRAL GOVERNMENT. THE STATE MICHIGAN. **MICHIGAN** UNIVERSITY/CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (THE OBLIGOR'S AUTHORIZING BODY), OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF MICHIGAN, AND NEITHER THE FULL FAITH AND CREDIT NOR ANY TAXING POWERS OF THE STATE OF MICHIGAN, THE UNITED STATES GOVERNMENT, CENTRAL MICHIGAN UNIVERSITY/CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF MICHIGAN ARE PLEDGED TO THE PAYMENT OF PRINCIPAL INSTALLMENTS AND INTEREST WITH RESPECT TO THIS INSTALLMENT PURCHASE AGREEMENT. THE OBLIGOR HAS NO TAXING POWER.

5. <u>Mortgage</u>. This INSTALLMENT PURCHASE AGREEMENT shall be further secured by the BANK'S Mortgage on the Property and separate security instruments prepared and entered into in conjunction with this INSTALLMENT PURCHASE AGREEMENT:

Document/Instrument Name: Mortgage – 2800 Springport Rd., Jackson, MI 49202-1230

Parties to Document/Instrument: The da Vinci Institute (OBLIGOR)

Date of Security Document/Instrument: June 5, 2023

6. <u>Additional Charges</u>. As additional consideration, OBLIGOR agrees to pay, or have paid, the fees and charges listed in **Attachment C** ("FEES AND CHARGES"), which is attached to and made part of this INSTALLMENT PURCHASE AGREEMENT.

7. <u>Remedial Charges</u>. In addition to interest or other finance charges, OBLIGOR agrees that it will pay these additional fees based on OBLIGOR's method and pattern of payment. Additional remedial charges may be described elsewhere in this INSTALLMENT PURCHASE AGREEMENT.

- a. Late Charge. If a payment is more than 10 days late, OBLIGOR will be charged five percent (5%) of the Amount of Payment or \$50.00, whichever is greater. However, this charge will not be greater than \$195.00. OBLIGOR will pay this late charge promptly but only once for each late payment.
- b. **Returned Payment Charge.** OBLIGOR agrees to pay a fee not to exceed \$25.00 for each check, electronic payment, negotiable order of withdrawal or draft OBLIGOR issues in connection with the INSTALLMENT PAYMENT AGREEMENT that is returned because it has been dishonored.
- c. **Over the Limit Charge.** A(n) Over the Limit Charge equal to \$29.00.

8. <u>Events of Default</u>. The following shall be an "Event of Default" under this INSTALLMENT PURCHASE AGREEMENT:

- a. Failure by the OBLIGOR to make the Principal Installments and interest payments at the times specified in this INSTALLMENT PURCHASE AGREEMENT.
- b. Failure of the OBLIGOR to observe and perform any other covenant, condition or agreement on its part to be observed or performed and continuation of such failure for a period of 30 days after written notice specifying such failure and requesting that it be remedied, unless the BANK shall agree in writing to an extension of such time prior to its expiration and shall be such that it cannot with due diligence be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the OBLIGOR within such period and diligently pursued until corrected.
- c. The OBLIGOR shall: (1) admit in writing its inability to pay its debts generally as they become due; (2) commence a proceeding under any federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed or unstayed for 60 days; (3) make an assignment for the benefit of creditors; or (4) have applied for the appointment of a receiver, purchaser or liquidator for it or the whole or any substantial part of its property.

- d. Any procedures have been initiated to revoke, suspend, or terminate the OBLIGOR'S charter contract.
- e. The OBLIGOR shall materially breach any representation or warranty under this INSTALLMENT PURCHASE AGREEMENT.
- f. OBLIGOR fails to make a payment in full when due.
- g. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against OBLIGOR or any co-signer, endorser, surety or guarantor of this INSTALLMENT PURCHASE AGREEMENT or any other obligations OBLIGOR has with the BANK.
- h. OBLIGOR merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.
- i. Without the BANK's written consent, OBLIGOR organizes, merges into, or consolidates with an entity; acquires all or substantially all of the assets of another; materially changes the legal structure, management, ownership or financial condition; or effects or enters into a domestication, conversion or interest exchange.
- j. OBLIGOR fails to perform any condition or to keep any promise or covenant of this INSTALLMENT PURCHASE AGREEMENT.
- k. A default occurs under the terms of any other document or documents executed as a part of or in connection with this INSTALLMENT PURCHASE AGREEMENT (the "INSTALLMENT PURCHASE AGREEMENT Document" or "INSTALLMENT PURCHASE AGREEMENT Documents".
- 1. OBLIGOR is in default on any other debt or agreement it has with the BANK.
- m. OBLIGOR makes any verbal or written statement or provide any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.
- n. OBLIGOR fails to satisfy or appeal any judgment against it.
- o. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

THRUN LAW FIRM, P.C.

- p. OBLIGOR changes its name or assumes an additional name without notifying the BANK before making such a change.
- q. OBLIGOR transfers all or a substantial part of OBLIGOR's money or property.
- r. The BANK determines in good faith that the value of the Property has declined or is impaired.
- s. Without first notifying the BANK, there is a material change in OBLIGOR's business, including ownership, management, and financial conditions.
- t. OBLIGOR determines in good faith that a material adverse change has occurred in its financial condition from the conditions set forth in its most recent financial statement before the date of this INSTALLMENT PURCHASE AGREEMENT or that the prospect for payment or performance of the INSTALLMENT PURCHASE AGREEMENT is impaired for any reason

Default hereunder shall constitute default under any other instrument evidencing a debt or other obligation of the OBLIGOR to the BANK or securing such a debt or other obligation and default under any such other instrument shall constitute default hereunder. Upon any such default, the BANK at its option may declare all or any part of any such indebtedness immediately due and payable.

9. <u>Remedies Upon Default</u>. Whenever an Event of Default referred to in Paragraph 8 hereof shall occur and be continuing, the BANK may at its option do any one or more of the following:

- a. Acceleration. The BANK may make all or any part of the amount owing by the terms of this INSTALLMENT PURCHASE AGREEMENT immediately due. Upon the occurrence of an Event of Default described in Paragraph 8 hereof and the failure to cure such Event of Default within five (5) days after receipt of written request from the BANK, declare all of the unpaid amounts of principal and interest (the portion thereof accrued) to be immediately due and payable, whereupon such amounts shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived.
- b. **Sources.** The BANK may use any and all remedies it has under state or federal law or in any INSTALLMENT PURCHASE AGREEMENT Document.
- c. **Insurance Benefits.** The BANK may make a claim for any and all insurance benefits or refunds that may be available on OBLIGOR's default.
- d. **Payments Made On OBLIGOR's Behalf.** Amounts advanced on OBLIGOR's behalf will be immediately due and may be added to the balance owing under the terms of this INSTALLMENT PURCHASE AGREEMENT, and accrue interest at the highest post-maturity interest rate.

- e. Set-Off. OBLIGOR may use the right of set-off. This means OBLIGOR may set-off any amount due and payable under the terms of this INSTALLMENT PURCHASE AGREEMENT against any right OBLIGOR has to receive money from the BANK. OBLIGOR's right to receive money from the BANK includes any deposit or share account balance OBLIGOR has with the BANK; any money owed to OBLIGOR on an item presented to the BANK or in the BANK's possession for collection or exchange; and any repurchase agreement or other non-deposit obligation. "Any amount due and payable under the terms of this INSTALLMENT PURCHASE AGREEMENT " means the total amount to which the BANK is entitled to demand payment under the terms of this INSTALLMENT PURCHASE AGREEMENT at the time of the BANK's setoff. Subject to any other written contract, if OBLIGOR's right to receive money from the BANK is also owned by someone who has not agreed to pay this INSTALLMENT PURCHASE AGREEMENT, the BANK's right of set-off will apply to OBLIGOR's interest in the obligation and to any other amounts OBLIGOR could withdraw on OBLIGOR's sole request or endorsement. The BANK's right of set-off does not apply to an account or other obligation where OBLIGOR's rights arise only in a representative capacity. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account. The BANK will not be liable for the dishonor of any check when the dishonor occurs because the BANK set-off against any of OBLIGOR's accounts. OBLIGOR agrees to hold the BANK harmless from any such claims arising as a result of the BANK's exercise of its right of set-off.
- f. Waiver. Except as otherwise required by law, by choosing any one or more of these remedies the BANK does not give up the BANK's right to use any other remedy. The BANK does not waive a default if the BANK chooses not to use a remedy. By electing not to use any remedy, the BANK does not waive its right to later consider the event a default and to use any remedies if the default continues or occurs again.
- g. Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this INSTALLMENT PURCHASE AGREEMENT.

10. <u>Delivery Date</u>. It is agreed that the SELLER has delivered or will deliver the Property. If the Property is not delivered simultaneously with the execution of this INSTALLMENT PURCHASE AGREEMENT the SELLER agrees to deliver the Property as agreed to by the OBLIGOR and SELLER pursuant to the Real Estate Purchase Agreement (Attachment B).

11. <u>Limitations on Cross-Collateralization</u>. The cross-collateralization clause on any existing or future loan, but not including this INSTALLMENT PAYMENT AGREEMENT, is void and ineffective as to this INSTALLMENT PURCHASE AGREEMENT, including any extension or refinancing. The INSTALLMENT PAYMENT AGREEMENT is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined

by federal law governing unfair and deceptive credit practices. The INSTALLMENT PURCHASE AGREEMENT is not secured by a previously executed security instrument if the BANK fails to fulfill any necessary requirements or fail to conform to any limitations of the Real Estate Settlement Procedures Act (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007. The INSTALLMENT PURCHASE AGREEMENT is not secured by a previously executed security instrument if the BANK fails to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

12. <u>Tax Covenant</u>. The OBLIGOR covenants to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to delivery of this INSTALLMENT PURCHASE AGREEMENT in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes.

13. <u>Warranty</u>. Warranties expressly set forth in the Real Estate Purchase Agreement (Attachment B), if any, with respect to the Property shall not be assigned but shall remain enforceable by the OBLIGOR.

Further, OBLIGOR makes to the BANK the following warranties and representations which will continue as long as this INSTALLMENT PURCHASE AGREEMENT is in effect:

- a. **Power.** OBLIGOR is duly organized, and validly existing and in good standing in all jurisdictions in which OBLIGOR operates. OBLIGOR has the power and authority to enter into this transaction and to carry on OBLIGOR's business or activity as it is now being conducted and, as applicable, am qualified to do so in each jurisdiction in which OBLIGOR operates.
- b. Authority. The execution, delivery and performance of this INSTALLMENT PURCHASE AGREEMENT and the obligation evidenced by this INSTALLMENT PURCHASE AGREEMENT are within OBLIGOR's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which OBLIGOR is a party or to which OBLIGOR is or any of the Property is subject.
- c. Name and Place of Business. Other than previously disclosed in writing to the BANK that the OBLIGOR has not changed OBLIGOR's name or principal place of business within the last 10 years and have not used any other trade or fictitious name. Without the BANK's prior written consent, OBLIGOR does not and will not use any other name and will preserve OBLIGOR's existing name, trade names and franchises.

14. Interest Rate.

- a. **Interest After Default.** If the OBLIGOR declares a default under the terms of the INSTALLMENT PAYMENT AGREEMENT, including for failure to pay in full at maturity, the BANK may increase the Interest Rate otherwise payable as described in this paragraph. In such event, interest will accrue on the unpaid Principal balance of the INSTALLMENT PAYMENT AGREEMENT at fifteen percent (15%) until paid in full.
- b. **Maximum Interest Amount.** Any amount assessed or collected as interest under the terms of this INSTALLMENT PURCHASE AGREEMENT will be limited to the maximum lawful amount of interest allowed by applicable law. Amounts collected in excess of the maximum lawful amount will be applied first to the unpaid Principal balance. Any remainder will be refunded to OBLIGOR.
- c. **Statutory Authority.** To the extent applicable, the amount assessed or collected on this INSTALLMENT PURCHASE AGREEMENT is authorized by the Michigan Credit Reform Act (Mich. Comp. Laws §§ 445.1851-.1864).
- d. Accrual. Interest accrues using an Actual/Actual days counting method.

15. <u>Insurance</u>. OBLIGOR agrees to obtain the insurance described in this INSTALLMENT PURCHASE AGREEMENT.

- a. **Property Insurance.** OBLIGOR will insure or retain insurance coverage on the Property and abide by the insurance requirements of any security instrument securing the INSTALLMENT PURCHASE AGREEMENT.
- b. Insurance Warranties. OBLIGOR agrees to purchase any insurance coverages that are required, in the amounts the BANK requires, as described in this or any other documents OBLIGOR signs for the INSTALLMENT PURCHASE AGREEMENT. OBLIGOR will provide the BANK with continuing proof of coverage. OBLIGOR will buy or provide insurance from a firm licensed to do business in the State where the Property is located. If OBLIGOR buys or provides the insurance from someone other than the BANK, the firm will be reasonably acceptable to the BANK. OBLIGOR will have the insurance company name the BANK as loss payee on any insurance policy. The BANK will apply the insurance proceeds toward what OBLIGOR owes the BANK on the outstanding balance. OBLIGOR agrees that if the insurance proceeds do not cover the amounts OBLIGOR still owes the BANK, OBLIGOR will pay the difference. OBLIGOR will keep the insurance until all debts secured by this agreement are paid. If OBLIGOR wants to buy the insurance from the BANK, OBLIGOR has signed a separate statement agreeing to this purchase.

16. <u>Incorporation by Reference</u>. The terms and conditions of the Real Estate Purchase Agreement (Attachment B) entered into by and between the SELLER and the OBLIGOR

regarding the OBLIGOR'S purchase of the Property from the SELLER are hereby incorporated herein by reference.

17. <u>Collection Expenses and Attorneys' Fees</u>. On or after the occurrence of an Event of Default, to the extent permitted by law, OBLIGOR agrees to pay all expenses of collection, enforcement or protection of the BANK's rights and remedies under this INSTALLMENT PURCHASE AGREEMENT or any other INSTALLMENT PURCHASE AGREEMENT Document. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this INSTALLMENT PURCHASE AGREEMENT. All fees and expenses will be secured by the Property OBLIGOR has granted to the BANK, if any. In addition, to the extent permitted by the United States Bankruptcy Code, OBLIGOR agrees to pay the reasonable attorneys' fees incurred by the BANK to protect its rights and interests in connection with any bankruptcy proceedings initiated by or against OBLIGOR.

18. <u>Commissions</u>. OBLIGOR understands and agrees that the BANK (or its affiliate(s)) will earn commissions or fees on any insurance products, and may earn such fees on other services that OBLIGOR buys through the BANK or its affiliate(s).

Joint and Several Liability and Successors. OBLIGOR's obligation to pay this 19. INSTALLMENT PURCHASE AGREEMENT is independent of the obligation of any other person who has also agreed to pay it. The BANK may sue OBLIGOR alone, or anyone else who is obligated on the INSTALLMENT PURCHASE AGREEMENT, or any number of us together, to collect the INSTALLMENT PURCHASE AGREEMENT. Notwithstanding the foregoing, BANK and OBLIGOR agree that SELLER shall not be named as a party to any such lawsuit regarding OBLIGOR's obligations under this INSTALLMENT PURCHASE AGREEMENT. Extending the INSTALLMENT PURCHASE AGREEMENT, or new obligations under the INSTALLMENT PURCHASE AGREEMENT, will not affect OBLIGOR's duty under the INSTALLMENT PURCHASE AGREEMENT and OBLIGOR will still be obligated to pay the INSTALLMENT PURCHASE AGREEMENT. This INSTALLMENT PURCHASE AGREEMENT shall inure to the benefit of and be enforceable by the BANK and its successors and assigns and shall be binding upon and enforceable against OBLIGOR and OBLIGOR's successors and assigns.

20. <u>Entire Agreement</u>. Except for closing documents delivered in connection with the INSTALLMENT PURCHASE AGREEMENT to the BANK, this INSTALLMENT PURCHASE AGREEMENT constitutes the entire agreement of the parties regarding the OBLIGOR'S financing of the Property. All other prior or contemporaneous agreements, understandings, representations and statements, oral or written, regarding the OBLIGOR'S financing of the Property are hereby terminated.

21. <u>Waivers and Consent</u>. To the extent not prohibited by law, OBLIGOR waives protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

a. Additional Waivers By OBLIGOR. In addition, OBLIGOR, and any party to this INSTALLMENT PURCHASE AGREEMENT, to the extent

permitted by law, consents to certain actions the BANK may take, and generally waives defenses that may be available based on these actions or based on the status of a party to this INSTALLMENT PURCHASE AGREEMENT.

- i. The BANK may renew or extend payments on this INSTALLMENT PURCHASE AGREEMENT, regardless of the number of such renewals or extensions.
- ii. The BANK may release any OBLIGOR, endorser, guarantor, surety, accommodation maker or any other co-signer.
- iii. The BANK may release, substitute or impair any Property securing this INSTALLMENT PURCHASE AGREEMENT.
- iv. The BANK, or any institution participating in this INSTALLMENT PURCHASE AGREEMENT, may invoke the BANK's right of setoff.
- v. The BANK may enter into any sales, repurchases or participations of this INSTALLMENT PURCHASE AGREEMENT to any person in any amounts and OBLIGOR waives notice of such sales, repurchases or participations.
- vi. OBLIGOR agrees that any party signing this INSTALLMENT PURCHASE AGREEMENT as an obligor is authorized to modify the terms of this INSTALLMENT PURCHASE AGREEMENT or any instrument securing, guarantying or relating to this INSTALLMENT PURCHASE AGREEMENT.
- b. No Waiver By the BANK. The BANK's course of dealing, or its forbearance from, or delay in, the exercise of any of the BANK's rights, remedies, privileges or right to insist upon OBLIGOR's strict performance of any provisions contained in this INSTALLMENT PURCHASE AGREEMENT, or any other INSTALLMENT PURCHASE AGREEMENT Document, shall not be construed as a waiver by the BANK, unless any such waiver is in writing and is signed by the BANK.

22. <u>Legal Authority</u>. This INSTALLMENT PURCHASE AGREEMENT is issued pursuant to Act 451, Public Acts of Michigan, 1976, as amended, and pursuant to a resolution adopted by the OBLIGOR'S Board of Directors on May 3, 2023 (the "Resolution"). The OBLIGOR hereby certifies that the May 3, 2023 Board of Directors meeting was conducted in full compliance with the Open Meetings Act.

23. <u>Interpretation</u>. Whenever used, the singular includes the plural and the plural includes the singular. The paragraph headings are for convenience only and are not to be used to interpret or define the terms of this INSTALLMENT PURCHASE AGREEMENT.

24. <u>Credit Information</u>. OBLIGOR agrees to supply the BANK with whatever information the BANK reasonably requests. OBLIGOR will make requests for this information without undue frequency, and will give OBLIGOR reasonable time in which to supply the information.

25. <u>Notice, Financial Reports and Additional Documents</u>. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's principal address, or to any other address designated in writing. Notice to one OBLIGOR will be deemed to be notice to all OBLIGORS. OBLIGOR will inform the BANK in writing of any change in OBLIGOR's name, address or other application information. OBLIGOR will provide the BANK any correct and complete financial statements or other information the BANK requests. OBLIGOR agrees to sign, deliver, and file any additional documents or certifications that the BANK may consider necessary to perfect, continue, and preserve OBLIGOR's obligations under this INSTALLMENT PURCHASE AGREEMENT and to confirm the BANK's lien status on any Property. Time is of the essence.

26. <u>Errors and Omissions</u>. OBLIGOR agrees, if requested by the BANK, to fully cooperate in the correction, if necessary, in the reasonable discretion of the BANK, of any and all closing documents so that all documents accurately describe the INSTALLMENT PURCHASE AGREEMENT between the BANK and OBLIGOR. OBLIGOR agrees to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with the BANK's requests within thirty (30) days.

Agreement to Arbitrate. The BANK or OBLIGOR may submit to binding 27. arbitration any dispute, claim or other matter in question between or among the BANK and OBLIGOR that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this paragraph or as the BANK and OBLIGOR agree to in writing. For purposes of this paragraph, this Transaction includes this INSTALLMENT PURCHASE AGREEMENT and the other INSTALLMENT PURCHASE AGREEMENT Documents, and proposed loans or extensions of credit, if any, that relate to this INSTALLMENT PURCHASE AGREEMENT. The BANK and OBLIGOR will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws. The BANK and OBLIGOR must consent to arbitrate any Dispute concerning a debt secured by real estate at the time of the proposed arbitration. The BANK may foreclose or exercise any powers of sale against real property securing a debt underlying any Dispute before, during or after any arbitration. The BANK may also enforce a debt secured by this real property and underlying the Dispute before, during or after any arbitration. The BANK and OBLIGOR may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to the BANK or OBLIGOR; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration. The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree. The BANK and OBLIGOR acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among the BANK and OBLIGOR involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this paragraph. The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this INSTALLMENT PURCHASE AGREEMENT, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this INSTALLMENT PURCHASE AGREEMENT or another writing.

28. <u>Waiver of Trial for Arbitration</u>. The BANK and OBLIGOR understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, the BANK and OBLIGOR voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

29. <u>Waiver of Jury Trial.</u> If the parties do not opt for arbitration, then all of the parties to this INSTALLMENT PURCHASE AGREEMENT knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this INSTALLMENT PURCHASE AGREEMENT or any other INSTALLMENT PURCHASE AGREEMENT Document or related obligation. The BANK and OBLIGOR acknowledge that this paragraph has either been brought to the attention of their respective legal counsel or that each party had the opportunity to do so.

- 30. <u>Additional Terms</u>.
 - a. OBLIGOR will provide the BANK with annual audited financial statements.
 - b. The Interest Rate as established herein shall be reviewed and adjusted as of June 5, 2028, and is subject to being adjusted every five (5) years for the remainder of the Principal amortization.
 - c. Upon transfer of the Property from SELLER to OBLIGOR, SELLER shall have no further obligations, if any, to either BANK or OBLIGOR under this INSTALLMENT PURCHASE AGREEMENT.

31. <u>Due on Sale or Encumbrance</u>. The BANK may, at its option, declare the entire balance of this INSTALLMENT PURCHASE AGREEMENT to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

32. <u>Amendment, Integration and Severability</u>. Any attempt to modify a term or terms of this INSTALLMENT PURCHASE AGREEMENT or of any supporting document shall be ineffectual unless approved in writing by the BANK. This INSTALLMENT PURCHASE AGREEMENT may not be amended or modified by oral agreement. No amendment or modification of this INSTALLMENT PURCHASE AGREEMENT is effective unless made in writing. This INSTALLMENT PURCHASE AGREEMENT and the other INSTALLMENT PURCHASE AGREEMENT bocuments are the complete and final expression of the agreement.

If any provision of this INSTALLMENT PURCHASE AGREEMENT is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable. No present or future agreement securing any other debt OBLIGOR owes the BANK will secure the payment of this INSTALLMENT PURCHASE AGREEMENT if, with respect to this transaction, the BANK fails to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property or if, as a result, this INSTALLMENT PURCHASE AGREEMENT would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

33. <u>Applicable Law</u>. This INSTALLMENT PURCHASE AGREEMENT is governed by the laws of the State of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

34. <u>Counterparts</u>. This INSTALLMENT PURCHASE AGREEMENT may be executed in any number of counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Signatures. By signing, the parties hereto agree to the terms contained in this 35. INSTALLMENT PURCHASE AGREEMENT. Each party also acknowledges receipt of a fullyexecuted copy of this INSTALLMENT PURCHASE AGREEMENT.

SELLER:

OBLIGOR:

Baker College

By: Mucha Moole Its: System ConstRevick

The da Vinci Institute

BV Lucis Macho 0 Its: Board Secretary

Approved:

BANK:

County National Bank, a National Banking Association Hillsdale, Michigan

By:_____

Its:_____

Signatures. By signing, the parties hereto agree to the terms contained in this 35. INSTALLMENT PURCHASE AGREEMENT. Each party also acknowledges receipt of a fullyexecuted copy of this INSTALLMENT PURCHASE AGREEMENT.

SELLER:

OBLIGOR:

Baker College

The da Vinci Institute

By:_____

By:_____

Its:_____

Its:_____

Approved:

BANK:

County National Bank, a National Banking Association Hillsdale, Michigan

By: Che Commercial Long

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ATTACHMENT A

[Attach Maturity/Payment Schedule]



County National Bank

Customer Name: THE DA VINCI INSTITUTE Loan/Customer Number: 79914

8		06/05/2023 07/20/2023	Compounding: Period: Pmt Schedule:	Actual/Actual Initial Interest Rate:		2,350,000.00 0.000% 4.750% 15,215.69	
				* Escrow	ved Interest		
Paymen	t Payment		Payment	Interest		Outstanding	Equity
Number	•	Days	Amount		Reduction	Balance	Built
	Dutt	Ju <u>J</u> J J	- mount		Ittuution	Dulunce	
	0.0000000	1.5		4 607 22	4 507 22*	2 250 000 00	
1	06/20/2023	15	£15 215 CO	4,587.33	-4,587.33*	2,350,000.00	¢1 452 70
1	07/20/2023 08/20/2023	30	\$15,215.69	9,174.66	1,453.70	2,348,546.30	\$1,453.70 \$7,194.78
2 3	09/20/2023	31 31	\$15,215.69 \$15,215.69	9,474.61 9,451.45	5,741.08 5,764.24	2,342,805.22 2,337,040.98	\$12,959.02
3 4	10/20/2023	30	\$15,215.69	9,124.06	6,091.63	2,330,949.35	\$12,959.02
4 5	11/20/2023	31	\$15,215.69	9,403.62	5,812.07	2,325,137.28	\$24,862.72
6	12/20/2023	30	\$15,215.69	9,077.59	6,138.10	2,318,999.18	\$31,000.82
0	12/20/2025	50	\$13,213.09	9,077.39	0,158.10	2,510,999.10	\$51,000.82
2023	Totals:		91,294.14	60,293.32	31,000.82		
7	01/20/2024	31	\$15,215.69	9,339.75	5,875.94	2,313,123.24	\$36,876.76
8	02/20/2024	31	\$15,215.69	9,306.21	5,909.48	2,307,213.76	\$42,786.24
8 9	03/20/2024	29	\$15,215.69	8,683.57	6,532.12	2,300,681.64	\$49,318.36
10	04/20/2024	31	-	9,256.16	5,959.53	2,294,722.11	\$55,277.89
10	05/20/2024	30	\$15,215.69	8,934.37		2,288,440.79	\$61,559.21
12	06/20/2024	31	\$15,215.69 \$15,215.69	9,206.91	6,281.32 6,008.78	2,288,440.79	\$67,567.99
12		30	-				
	07/20/2024	30	\$15,215.69	8,886.52	6,329.17	2,276,102.84	\$73,897.16 \$70,055.58
14	08/20/2024		\$15,215.69	9,157.27	6,058.42	2,270,044.42	\$79,955.58 \$86.028.27
15	09/20/2024	31	\$15,215.69	9,132.90	6,082.79	2,263,961.63	\$86,038.37 \$92,430,46
16	10/20/2024	30	\$15,215.69	8,814.60	6,401.09	2,257,560.54	\$92,439.46 \$08,572.48
17	11/20/2024	31	\$15,215.69	9,082.67	6,133.02	2,251,427.52	\$98,572.48
18	12/20/2024	30	\$15,215.69	8,765.80	6,449.89	2,244,977.63	\$105,022.37
2024	Totals:		182,588.28	108,566.73	74,021.55		
19	01/20/2025	31	\$15,215.69	9,047.21	6,168.48	2,238,809.15	\$111,190.85
20	02/20/2025	31	\$15,215.69	9,031.91	6,183.78	2,232,625.37	\$117,374.63
21	03/20/2025	28	\$15,215.69	8,135.32	7,080.37	2,225,545.00	\$124,455.00
22	04/20/2025	31	\$15,215.69	8,978.40	6,237.29	2,219,307.71	\$130,692.29
23	05/20/2025	30	\$15,215.69	8,664.42	6,551.27	2,212,756.44	\$137,243.56
24	06/20/2025	31	\$15,215.69	8,926.81	6,288.88	2,206,467.56	\$143,532.44
25	07/20/2025	30	\$15,215.69	8,614.29	6,601.40	2,199,866.16	\$150,133.84
26	08/20/2025	31	\$15,215.69	8,874.80	6,340.89	2,193,525.27	\$156,474.73
27	09/20/2025	31	\$15,215.69	8,849.22	6,366.47	2,187,158.80	\$162,841.20
28	10/20/2025	30	\$15,215.69	8,538.91	6,676.78	2,180,482.02	\$169,517.98
29	11/20/2025	31	\$15,215.69	8,796.60	6,419.09	2,174,062.93	\$175,937.07
30	12/20/2025	30	\$15,215.69	8,487.78	6,727.91	2,167,335.02	\$182,664.98
2025	Totals:		182,588.28	104,945.67	77,642.61		
31	01/20/2026	31	\$15,215.69	8,743.56	6,472.13	2,160,862.89	\$189,137.11
32	02/20/2026	31	\$15,215.69	8,717.45	6,498.24	2,154,364.65	\$195,635.35
33	03/20/2026	28	\$15,215.69	7,850.15	7,365.54	2,146,999.11	\$203,000.89
33	04/20/2026	31	\$15,215.69	8,661.52	6,554.17	2,140,444.94	\$209,555.06
35	05/20/2026	30	\$15,215.69	8,356.53	6,859.16	2,133,585.78	\$216,414.22
36	06/20/2026	31	\$15,215.69	8,607.41	6,608.28	2,126,977.50	\$223,022.50
50	00/20/2020	<i></i>	ΨΙ σ 944 Ι σ 10 7	3,007.71	0,000.20		Ψear ar a' y V deel deel i a' V





County National Bank

Customer Name: THE DA VINCI INSTITUTE Loan/Customer Number: 79914

Funding Date: First Payment Date:		06/05/2023 07/20/2023	Compounding: Period: Pmt Schedule:	U.S. Rul Actual/A Monthly	ctual Initia Inter	cipal: al Interest Rate: rest Rate: Amount:	2,350,000.00 0.000% 4.750% 15,215.69
Payment	Payment		Payment	Interest	Principal	Outstanding	Equity
Number	Date	Days	Amount	Amount	Reduction	Balance	Built
37	07/20/2026	30	\$15,215.69	8,303.95	6,911.74	2,120,065.76	\$229,934.24
38	08/20/2026	31	\$15,215.69	8,552.87	6,662.82	2,113,402.94	\$236,597.06
39	09/20/2026	31	\$15,215.69	8,525.99	6,689.70	2,106,713.24	\$243,286.76
40	10/20/2026	30	\$15,215.69	8,224.84	6,990.85	2,099,722.39	\$250,277.61
41	11/20/2026	31	\$15,215.69	8,470.80	6,744.89	2,092,977.50	\$257,022.50
42	12/20/2026	30	\$15,215.69	8,171.21	7,044.48	2,085,933.02	\$264,066.98
2026	Totals:		182,588.28	101,186.28	81,402.00		
43	01/20/2027	31	\$15,215.69	8,415.17	6,800.52	2,079,132.50	\$270,867.50
44	02/20/2027	31	\$15,215.69	8,387.73	6,827.96	2,072,304.54	\$277,695.46
45	03/20/2027	28	\$15,215.69	7,551.14	7,664.55	2,064,639.99	\$285,360.01
46	04/20/2027	31	\$15,215.69	8,329.27	6,886.42	2,057,753.57	\$292,246.43
47	05/20/2027	30	\$15,215.69	8,033.70	7,181.99	2,050,571.58	\$299,428.42
48	06/20/2027	31	\$15,215.69	8,272.51	6,943.18	2,043,628.40	\$306,371.60
49	07/20/2027	30	\$15,215.69	7,978.55	7,237.14	2,036,391.26	\$313,608.74
50	08/20/2027	31	\$15,215.69	8,215.30	7,000.39	2,029,390.87	\$320,609.13
51	09/20/2027	31	\$15,215.69	8,187.06	7,028.63	2,022,362.24	\$327,637.76
52	10/20/2027	30	\$15,215.69	7,895.52	7,320.17	2,015,042.07	\$334,957.93
53	11/20/2027	31	\$15,215.69	8,129.18	7,086.51	2,007,955.56	\$342,044.44
54	12/20/2027	30	\$15,215.69	7,839.28	7,376.41	2,000,579.15	\$349,420.85
2027	Totals:		182,588.28	97,234.41	85,353.87		
55	01/20/2028	31	\$15,215.69	8,057.31	7,158.38	1,993,420.77	\$356,579.23
56	02/20/2028	31	\$15,215.69	8,019.98	7,195.71	1,986,225.06	\$363,774.94
57	03/20/2028	29	\$15,215.69	7,475.48	7,740.21	1,978,484.85	\$371,515.15
58	04/20/2028	31	\$15,215.69	7,959.89	7,255.80	1,971,229.05	\$378,770.95
59	05/20/2028	30	\$15,215.69	7,674.87	7,540.82	1,963,688.23	\$386,311.77
60	06/20/2028	31	\$1,971,588.59	7,900.36	1,963,688.23		\$2,350,000.00
2028	Totals:		2,047,667.04	47,087.89	2,000,579.15		
Gra	nd Totals:		2,869,314.30 51	9,314.30	2,350,000.00		

This amortization schedule is provided to you for your convenience. The amortization may include estimates based upon information provided by you. Actual terms of credit offered by us may vary from this amortization schedule. The outstanding balance shown above will vary from your actual outstanding balance owed to the Bank because of the timing of payments.

ATTACHMENT B

[Attach Real Estate Purchase Agreement]



REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "<u>Agreement</u>") is made and entered into as of the <u>21</u> day of February, 2023 (the "<u>Effective Date</u>"), by and among BAKER COLLEGE (the "<u>Seller</u>"), and THE DA VINCI INSTITUTE (the "<u>Buyer</u>"). Buyer and Seller are sometimes referred to individually as a "<u>Party</u>" and together as the "<u>Parties</u>."

<u>RECITALS</u>

A. Seller owns certain real property located in the Township of Blackman, County of Jackson, State of Michigan, consisting of approximately 45 acres of land (the "<u>Real Property</u>"), as more particularly described on <u>Exhibit A</u> attached hereto.

B. Buyer is desirous to buy from Seller and Seller is desirous to sell a portion of the Real Property consisting of approximately 35.96 acres, inclusive of the driveway along the western property line connecting with Springport Road (the "Purchased Property"), commonly referred to as 2985 Springport Road and as more particularly described on **Exhibit B** attached hereto.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, and for other good and valuable consideration, Buyer and Seller agree as follows:

AGREEMENT

1. <u>PURCHASE AND SALE</u>. Subject to the terms and conditions herein contained, Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller's interest in the following, subject to easements, zoning, restrictions and other matters of record:

(a) The Purchased Property described on <u>Exhibit B</u> attached hereto, including, without limitation, all Seller's right, title and interest in all the rights and appurtenances and easements, air rights, mineral and riparian rights, development rights, approvals, rights, benefits, privileges, tacking and adverse possession rights, sidewalks, alleys, gores or strips of land adjoining or appurtenant to or benefiting said real property and all other rights and appurtenances belonging, relating to, or in any way pertaining to such property, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way in, on, across, in front of, contiguous to, abutting, adjoining or otherwise benefitting such property;

(b) All buildings, structures and improvements now or hereafter located or erected on the Purchased Property (collectively the "<u>Buildings</u>"); and,

(c) All tangible personal property owned by Seller located on and used in connection with the Purchased Property and the Buildings, including all fixtures, furniture and equipment.



1

2. <u>PURCHASE PRICE; DEPOSIT</u>.

2.1 Purchase Price. The purchase price for the Property (the "Purchase Price") is Three Million Three Hundred Fifty Thousand (\$3,350,000) as adjusted by the application of the Earnest Money, plus accrued interest thereon, and the prorations and credits specified herein. For purposes of allocation, Purchaser has assigned a purchase price for the property containing Building designated as 100 at Two Million Three Hundred Thousand (\$2,300,000) and One Million Fifty Thousand (\$1,050,000) for the property containing Building designated as 200. The designation of Building 100 and Building 200 are depicted on **Exhibit C**.

2.2 Payment of Purchase Price. The Purchase Price will be paid to Seller as follows:

(a) <u>Deposit</u>. No later than ten (10) days after the Effective Date, Buyer shall deliver, by wire transfer or bank or cashier's check, at Buyer's election, an amount equal to Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) (the "Earnest Money") to the Title Insurer (hereafter defined), as escrow agent (the "Escrow Agent"). If required by the Escrow Agent, the parties will execute a standard escrow agreement.

The proceeds of the Earnest Money shall be deposited and held by the Escrow Agent and all Earnest Money, together with interest earned thereon, if any, will be applied at Closing as a credit to the Purchase Price or otherwise disbursed as set forth in this Agreement. The Escrow Agent shall invest the Earnest Money in a government insured interest-bearing account satisfactory to Buyer. Such account shall have no penalty for early withdrawal. If Buyer voluntarily terminates this Agreement in accordance with any of Buyer's rights to terminate or otherwise has a right to return of the Earnest Money hereunder, then the Escrow Agent shall deliver the Earnest Money to Buyer.

(b) <u>Balance of Purchase Price</u>. Buyer shall pay the balance of the Purchase Price in full at Closing, subject to the closing adjustments and prorations set forth in this Agreement, in cash by federal wire transfer of immediately available funds to the escrow account of American Title Company (the "Title Insurer") for the benefit of Seller.

3. <u>TIME OF CLOSING/PLACE OF CLOSING</u>. If title to the Property can be conveyed in the condition required under this Agreement, subject to the other terms and conditions hereof, Buyer and Seller agree to consummate the transactions contemplated hereunder (the "<u>Closing</u>") on the date ten (10) days after expiration of the Inspection Period (the "<u>Closing Date</u>"). The Closing shall take place at the office of the Title Company on a specific date and time mutually acceptable to the Parties.

4. <u>COMMITMENT FOR TITLE POLICY AND SURVEY</u>.

(a) Within ten (10) days following the Effective Date, Seller shall order at Seller's cost and expense a title insurance commitment (the "Title Commitment") to be issued by the Title Insurer, pursuant to which the Title Insurer shall agree to issue to Buyer



an ALTA extended coverage owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price, insuring marketable fee simple title to the Property, subject only to the Permitted Exceptions. In the event that Buyer desires to have a title insurance policy without standard exceptions, the cost of the survey required for the Title Company to provide a title insurance policy without standard exceptions shall be borne by Buyer, as set forth below in 4(b). Seller will cooperate in providing the Title Company with an owner's affidavit to Seller's knowledge, without investigation, and any other reasonable documentation in its possession or control needed to remove the standard exceptions on the title commitment, to the extent such affidavit and documentation do not add to, expand or extend Seller's representations in this Agreement. The cost of the title search, the issuance of the Title Commitment and the issuance of the Title Policy shall be Seller's expense, however, the cost of any endorsements to the Title Policy that "insure over" defects in Seller's title or otherwise cure Buyer's objections to title, or the cost of any other endorsements to the Title Policy which Buyer desires that are available at an additional expense shall be at Buyer's cost.

(b) Buyer may also, at its sole cost and expense, procure an ALTA/ACSM survey of the Property (the "<u>Survey</u>"). The Survey shall be certified to each of Buyer and the Title Company. The legal description of the Property as set forth in the Title Commitment shall be used in all conveyance documents.

5. TITLE OBJECTIONS. Buyer shall have ten (10) days after Buyer's receipt of the Title Commitment with complete, legible copies of the underlying documents within which to deliver written notice to Seller of any objections to the status of Seller's title to the Property. If any such objection(s) to the Title Commitment are timely made, Seller shall have ten (10) days from the date such written objections have been delivered to Seller to: (i) remedy the objections to Buyer's satisfaction (or agree in writing to have same remedied at or before Closing); (ii) obtain title insurance over the objections satisfactory to Buyer; or (ii) terminate this Agreement, and the Deposit shall be returned to Buyer, in which event neither Party shall have any further liability to the other except for those liabilities that survive termination as provided herein. Notwithstanding the foregoing, Buyer shall have the right, within ten (10) days after Seller's termination of this Agreement as provided above in this Section, to waive in writing such objections and continue this Agreement in force. If Seller does not terminate this Agreement or agree in writing to have such objections remedied at or before Closing, then if Seller is unable to remedy the objections or obtain title insurance over the objections within Seller's ten (10) day period specified above, then, (unless Buyer chooses to waive such objections during its ten (10)day period to so waive above), Buyer may, at its option, upon written notice to Seller given within ten (10) days of the expiration of Seller's period above, terminate this Agreement, and the Deposit shall be returned to Buyer, in which event neither Party shall have any further liability to the other under this Agreement, except as set forth in herein. If Buyer does not terminate this Agreement, it will be deemed to have accepted such title matters objected to and the same shall be Permitted Exceptions as defined herein. If, within the time period specified above, Seller remedies the objections or obtains title insurance over the objections reasonably acceptable to Buyer, Buyer agrees to proceed under the terms of this Agreement, subject to the satisfaction of the remaining contingencies and the

remaining conditions to Closing set forth herein. All easements, restrictions and other matters of record; public and utility easements; zoning and other municipal ordinances; drainage and utility district charges and assessments; general real estate taxes not yet due and payable; special and other assessments for improvements not yet completed, any matter disclosed on the Title Commitment or the Survey which Buyer has not objected to, has been remedied by Seller as provided above or with respect to which objection has been waived or deemed accepted by Buyer, shall be deemed "<u>Permitted Exceptions.</u>" No interest of any tenant or other occupant shall be considered a Permitted Exception (except for such leases that will be terminated at or before Closing) and Buyer shall be deemed to have objected thereto (whether or not written notice of such objection is provided). If the Title Commitment is substantively amended or supplemented with new exceptions (not as a result of Buyer's acts) after Buyer has submitted its objections (except for taxes and/or installments of assessments becoming due or liened), the same time periods, procedures and notices for objections and clearance of title shall apply to new matters disclosed thereby.

6. <u>POSSESSION</u>. Seller shall deliver, and Buyer shall accept, possession of the Property at Closing free of any and all tenants or other occupants; and in connection with such delivery, Seller shall give Buyer all keys, access codes and cards, security codes and the like to the Property and the Buildings.

7. TAXES, ASSESSMENTS, PRORATED ITEMS, RECORDING FEES.

(a) Any real property taxes shall be prorated and adjusted, Buyer to have the last day, to and including the Closing Date. Real property taxes shall be prorated according to the custom in the locality where the Property is located. Taxes, penalties and interest for all prior years shall be paid by Seller. All general or special assessments on the Property which are billed or become due and payable on or before the date of Closing shall be paid in full by Seller. Any late fees, penalties or interest relating to taxes or assessments due before the date of Closing shall be solely Seller's responsibility and not subject to proration hereunder.

(b) Water bills and sewer bills and other utility charges, rates, rents, and other costs shall be paid by Seller up to, but not including, the Closing Date, and an escrow shall be created for same at Closing, or in lieu thereof, final reading(s) and billing(s) to Seller shall occur on the Closing Date, with Buyer responsible for the Closing Date.

(c) Any transfer taxes relating to the sale of the Property shall be paid by Seller on the Closing Date and both Parties agree to execute any tax forms required in connection therewith.

(d) Buyer shall pay all recording fees for the Warranty Deed (as defined herein), and Seller shall pay all recording fees with respect to any documents required to be recorded in order to permit Seller to convey to Buyer title to the Property in the condition as required hereunder.

INSPECTION PERIOD. Buyer shall have ninety (90) days following the 8. Effective Date (the "Inspection Period") to inspect and investigate the physical condition of the Buildings and all other aspects of the Purchase Property, at Buyer's sole cost and expense. Buyer's right to inspect and investigate the Purchase Property shall include the right to conduct (or cause the conduct of) an environmental investigation of the Property (which may include Phase I and Phase II environmental site analyses). Buyer shall not unreasonably interfere with the business operations on the Purchase Property while conducting such inspections. Buyer shall provide reasonable advance notice to Seller by telephone of Buyer's on-site inspections and investigations, and Buyer shall schedule such inspections during non-business hours if requested by Seller. The rights granted to Buyer hereunder may be exercised by Buyer and/or its consultants and contractors and their respective agents and employees (collectively the "Buyer Representatives"). Buyer agrees to indemnify and hold Seller harmless from all costs, expenses, damages, injuries, claims, and liabilities ("Damages") arising out of Buyer's acts or omissions or those of the Buyer Representatives that may arise out of their entry or activities on the Property. Any and all test results obtained shall be kept confidential by Buyer, except as necessary for Buyer to distribute to its lenders and professional representatives, who Buyer agrees will hold same confidentially and not disclose same to any other person or entity. Within five (5) days following the Effective Date, Seller shall deliver to Buyer any third party reports regarding the Purchase Property which Seller may have in its possession or under its control (to the extent Seller has not previously delivered the same to Buyer), concerning environmental matters, soil tests results, asbestos and mold reports, which shall all remain confidential as provided in this Agreement and not to be disclosed to any person or entity, except as necessary to distribute to its lenders or professional representatives as set forth above. Additionally, Seller agrees to cooperate fully with Buyer's reasonable requests for information, data, documents, and access to the Purchase Property as necessary or desirable for Buyer's due diligence. Buyer's obligations under this Section shall survive any termination of this Agreement.

Buyer may, during the Inspection Period and prior to Closing install an alarm system at its sole cost and expense. If this Agreement is terminated, Buyer shall remove the alarm system or any such installed portion of the alarm system within seven (7) days of termination and return the premises in the same condition as prior to the installation.

Buyer will restore any portion of the Purchase Property disturbed or damaged by Buyer's inspections or investigations. To the extent permitted by law, Buyer shall indemnify, defend, and hold Seller harmless from and against all costs, expenses, damages, liabilities, liens or claims, including, without limitation, reasonable attorney fees and court costs, directly related to any entry on the Real Property by Buyer, its agents, employees or contractors in the course of performing inspections, tests and/or inquiries under this Agreement, or resulting from any conditions on the Purchase Property created by Buyer's entry and testing (but not including any claims resulting from the discovery or disclosure of pre-existing physical or environmental conditions on, in, under or about the Property). The foregoing indemnity shall survive the Closing or earlier termination of this Agreement for a period of twelve (12) months.



Buyer may, in its sole and absolute discretion, for any reason, or for no reason, elect at any time on or prior to the expiration of the Inspection Period, to terminate this Agreement by providing written notice thereof to Seller (a "Termination Notice") delivered to Seller during the Inspection Period at which time this Agreement shall be deemed terminated, neither Party shall have any further liability to the other under hereunder, except as set forth herein. At any time on or prior to the expiration of the Inspection Period, Buyer may provide written notice to Seller that Buyer is satisfied with its due diligence inspection of the Property (the "Satisfaction Notice") in which event the Parties shall proceed to Closing. subject to the conditions set forth herein. In the event that Buyer fails to provide Seller with either a Termination Notice or Satisfaction Notice on or prior to the expiration of the Inspection Period, then it shall be deemed that Buyer has provided Seller with a Satisfaction Notice. AT CLOSING, BUYER AGREES THAT, EXCEPT AS SET FORTH IN THIS AGREEMENT, IT IS TAKING THE PROPERTY IN "AS-IS" CONDITION AS OF THE CLOSING DATE. EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER DOES NOT MAKE, AND BUYER ACKNOWLEDGES THAT SELLER HAS NOT MADE, ANY REPRESENTATION, WARRANTY, OR GUARANTEE, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, OR THE PRESENT OR FUTURE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, FITNESS, OR SUITABILITY OF THE PROPERTY, OR ANY PART THEREOF. IN ANY RESPECT OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF BUYER, OR WITH RESPECT TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY, THE PHYSICAL CONDITION OF THE PROPERTY, THE HVAC, PLUMBING, GAS, OR OTHER SYSTEMS OF THE PROPERTY, THE SOILS OR THE GROUNDWATER AT, UNDER, OR IN THE PROPERTY, OR WITH RESPECT TO THE PRESENCE OF ASBESTOS, MOLD, OR OTHER MICROSCOPIC ORGANISMS, OR ANY OTHER REPRESENTATION, GUARANTEE, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO. SELLER HAS NOT MADE ANY PROMISE TO BUYER TO CONSTRUCT, ALTER, OR IMPROVE THE PROPERTY. BUYER WAIVES THE RIGHT TO PURSUE DAMAGES OR EQUITABLE RELIEF IN CONNECTION WITH THE CONDITION OF THE PROPERTY OR ANY OF THE FOREGOING.

9. <u>CONDITIONS PRECEDENT</u>.

(a) Buyer's obligation to purchase the Property and to make the closing deliveries required under this Agreement is expressly subject to the satisfaction of the following conditions precedent:

(i) Buyer shall have delivered the Satisfaction Notice to Seller prior to the expiration of the Inspection Period; and,

(ii) On the Closing Date, all of Seller's representations and warranties shall be true and correct and Seller shall have performed each covenant to have been performed by Seller under this Agreement within the time specified.

Buyer may, at its election, waive any of the foregoing conditions precedent set forth above, and proceed with the Closing of the transaction contemplated by this Agreement. In the



event that Closing has been consummated, then all remaining unsatisfied conditions precedent shall be deemed to have been waived.

(b) Seller's obligation to sell the Property and to make the closing deliveries required under this Agreement is subject, without limitation, to the satisfaction of the following conditions precedent:

(i) Payment of the Purchase Price by Buyer to Seller on the Closing Date, plus or minus any prorations or adjustments applicable herein.

(ii) On the Closing Date, all of Buyer's representations and warranties shall be true and correct and Buyer shall have performed in all material respects each covenant to have been performed by Buyer under this Agreement within the time specified.

(iii) Seller shall have received all such instruments and documents as Seller's counsel shall reasonably require and timely request, to the extent same are customary in transactions of this kind, to establish the power and authority of Buyer to execute and deliver this Agreement and to carry out Buyer's obligations hereunder.

(iv) Seller shall have completed the termination of the Master Deed Baker College of Jackson Conversion Condominium Agreement.

Property.

(v) \quad Seller has acquired a new street address for the Purchase

(vi) The utilities servicing the Real Property (including, but not exclusive of water, sewer, gas, electric, cable, and telecommunications) (collectively, the "Utilities") have been separated so that the utilities to the Purchase Property are separately metered, or the parties have entered into an agreement to prorate the cost of shared Utilities and to divide the cost equally to split any shared Utilities, and;

(vii) All necessary easements have been recorded to permit Buyer and Seller to continue to have adequate ingress and egress.

(viii) Buyer grants Seller a perpetual easement to erect and maintain a sign for Baker College. The sign will be the size, style and appearance as depicted in the drawing on Exhibit D. The sign will be erected at the entrance of Springport Road and the western property line of the Purchase Property.

Seller may, at its election, waive any of the foregoing conditions precedent set forth above, and proceed with the Closing of the transaction contemplated by this Agreement.

10. <u>CLOSING DOCUMENTS</u>.

(a) On the Closing Date, Seller shall deliver the following (which shall be executed by Seller, and such other party, or parties, as may be designated therein, and

where required acknowledged):

i. A Warranty Deed (the "Deed") conveying good, marketable title to the Purchase Property containing the following language, "The Grantor grants to Grantee the right to make remaining divisions(s) under Section 108 of the Michigan Land Division Act No. 288 of the Public Acts of 1967, as amended."

ii. A Bill of Sale conveying the Personal Property in the form of **Schedule 2**;

iii. A certificate of Seller confirming the truth and correctness of all representations and warranties of Seller set forth in <u>Section 15(a)</u> hereof from the Effective Date to, and as of, the Closing Date;

iv. A closing statement and such other documents as may be reasonably required by the Title Company;

v. An agreement mutually agreeable to the parties for the prorated cost of shared landscaping and snow removal based on acreage of the Real Property;

vi. An agreement mutually agreeable in form for the prorated cost of any shared utility, stating Seller shall pay any shared utility invoice on or before its due date. Buyer shall reimburse Seller for 80% of the amount paid by Seller. Notwithstanding the aforementioned, Buyer shall be solely responsible for the cost of any metered utility within Purchase Property. The agreement shall also contain a provision that the parties will work diligently to separate any shared utilities and such cost shall be prorated equally between Buyer and Seller;

vii. An executed Shared Driveway Access Easement Agreement for the two driveways connecting Springport Road to the southern property line of the Real Property; and,

viii. All keys to the Buildings.

b. On the Closing Date, Buyer shall:

i. Pay to Seller the full amount of the Purchase Price in the manner and subject to the adjustments and credits described herein;

ii. Deliver to Seller such evidence as the Title Insurer may reasonable require;

iii. Execute and deliver to the Title Insurer a closing statement for the purchase and sale of the Property;

iv. Execute a certificate of Buyer confirming the truth and correctness of all representations and warranties of Buyer set forth in <u>Section 15(b)</u> hereof from Effective Date to, and as of, the Closing Date;

v. Execute an agreement mutually agreeable to the parties for the prorated cost of shared landscaping and snow removal for any and all common areas;

vi. Execute an agreement mutually agreeable to the parties for the prorated cost of shared Utilities based on the individual meter readings for each meter and the cost of separating any shared Utilities be divided equally between Buyer and Seller; and,

vii. Such other documents as may be reasonably required by the Title Company.

11. <u>DEFAULT: TERMINATION</u>. In the event of a default by Buyer under this Agreement, following the expiration of ten (10) days' advance notice and opportunity to cure, Seller shall be entitled to terminate this Agreement, whereupon the Deposit shall be paid to Seller as agreed upon liquidated damages as Seller's sole and exclusive remedy and neither Party shall have any further liability to the other under this Agreement, except for those liabilities that survive termination. In the event of a default by Seller hereunder following the expiration of ten (10) days' advance notice and opportunity to cure, Buyer shall be entitled to elect one of the following remedies as it sole and exclusive remedy: (a) termination of this Agreement and the return of the Deposit to Buyer or (b) the right to seek specific performance.

12. <u>NOTICES</u>. Any notice, demand, or other communication required to be given or to be served upon any Party hereunder shall be in writing and delivered to the person to whom the notice is directed, either: (a) in person or (b) delivered by overnight delivery service (including any express mail or overnight delivery service). Any notice, demand, or other communication given by overnight delivery service for next business day delivery shall be deemed given on the date of deposit with the overnight carrier for next business day delivery. Any notice, demand, or other communication given other than by overnight carrier shall be deemed to have been given and received when delivered to the address of the Party to whom it is addressed as stated below.

If to Buyer:	2985 Springport Road Jackson, MI 49201 Attn: Sandy Maxson	
If to Seller:	1020 S. Washington Street	

Owosso, MI 48867

Attn: Michael Moore, Treasurer

with a copy (which shall not constitute notice) to:

Plunkett Cooney, P.C. 150 West Jefferson, Suite 800 Detroit, MI 48226 Attention: Roderick Fracassi, Esq.

13. <u>GENERAL PROVISIONS</u>. The pronouns and relative words herein used are written in the masculine and singular only. If more than one person or entity joins in the execution hereof as Seller or Buyer, or either Party is of the feminine sex or an entity, such words shall be read as if written in plural, feminine or neuter, respectively. The covenants herein shall bind the heirs, personal representatives, administrators, executors, assigns and successors of the respective Parties.

14. <u>ADDITIONAL DOCUMENTS</u>. Each Party agrees to execute any additional documents reasonably requested by the other Party to carry out the intent of this Agreement.

15. <u>SELLER'S AND BUYER'S REPRESENTATIONS, WARRANTIES AND</u> <u>DISCLOSURES</u>.

a. Seller represents, warrants and discloses to Buyer that:

i. Seller owns the Property and has all rights to sell the Property to Buyer in accordance with the terms of this Agreement and the obligations of Seller herein contained and contemplated hereby are and will be binding and enforceable on Seller.

ii. Seller has not received any written outstanding court order, writ, injunction or decree of any court, arbitration panel or governmental agency affecting Seller which restricts the ability of Seller to sell the Property to Buyer in accordance with the terms of this Agreement.

iii. Seller has received no written notice of any pending or threatened condemnation of the Property.

iv. From the Effective Date to the Closing Date, Seller shall not transfer any of the Property, grant any options to purchase in connection therewith or related thereto, or affirmatively create any easement or mortgage the Property.

v. There are no leases, service contracts, management agreements or other similar contracts, to which Seller is a party to with respect to the Property that will be binding on Buyer that will not be terminated at Closing.

vi. Seller has not been served with any written notices of intention to claim a construction lien against the whole or any part of the Property.

vii. There are no attachments, executions, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or pursuant to any debtor relief laws filed by Seller with respect to the Property.

viii. Neither this Agreement, nor any document or instrument to be signed by Seller in connection with this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make each statement contained herein or therein not materially misleading.

ix. Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code 1986, as amended, or any regulations promulgated thereunder.

x. Seller has good and marketable title in fee simple to the Property. The Property has not been assigned or conveyed to any party. Seller shall, at Closing, have the right to convey the Property pursuant to the terms of this Agreement. No Person (other than Buyer pursuant to this Agreement) has a right to acquire any interest in the Property.

xi. There are no known judgments presently outstanding and unsatisfied against Seller or the Property. Neither Seller nor the Property is involved in any litigation at law or in equity, or any other proceeding before any court, or by or before any governmental or administrative agency, whether relating to the transaction contemplated hereby or otherwise, and no such litigation or proceeding is threatened or pending but not yet served against Seller or the Property.

Seller's representations and warranties shall survive the Closing for a period of six (6) months.

(b) Buyer represents, warrants and discloses to Seller:

(i) (A) Buyer is an entity in good standing under the laws of the State of Michigan, and Buyer has all requisite power and authority to enter into this Agreement and to perform the obligations of Buyer hereunder; and (B) the obligations of Buyer herein contained and contemplated hereby are and will be binding and enforceable on Buyer.

(ii) There is no outstanding order, writ, injunction or decree of any court, arbitration panel or governmental agency affecting Buyer which would in any manner impede or impair the ability of Buyer to purchase the Property from Seller in accordance with the terms of this Agreement.

(iii) To Buyer's actual knowledge, without investigation, neither this Agreement, nor any document or instrument to be signed by Buyer in connection with

this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make each statement contained herein or therein not materially misleading.

Buyer's representations and warranties shall survive the Closing.

16. <u>OPERATION OF THE PROPERTY</u>. From the Effective Date through the Closing Date, Seller shall:

(a) Operate the Property as it has historically operated it and in accordance with applicable laws.

(b) Keep and maintain in full force and effect similar insurance coverage with regard to Seller and/or the Property as Seller maintains as of the Effective Date.

(c) Subject to the provisions herein upon a casualty prior to Closing, keep and preserve the Property in substantially the same condition than existing as of the Effective Date.

(d) Not, without obtaining the prior written consent of Buyer which consent may be withheld by Buyer in Buyer's sole and absolute discretion, enter into any lease or other agreement with respect to the Property which will extend in force beyond the Closing Date and which binds Buyer or the Property thereafter.

(e) Not, without obtaining the prior written consent of Buyer which consent may be withheld by Buyer in Buyer's sole and absolute discretion, initiate a change in the zoning applicable to the Property.

(f) Pay all utility charges and other service charges accrued through the date of closing.

17. INDEMNIFICATION.

(a) Seller covenants and agrees to indemnify, defend, protect and hold harmless, Buyer and its respective members, managers, officers, directors, employees, (individually a "<u>Buyer Indemnified Party</u>" and collectively the "<u>Buyer Indemnified Parties</u>") from, against and in respect of all liabilities, losses, claims, damages, causes of action, lawsuits, administrative investigations, audits, demands, assessments, adjustments, judgments, settlement payments, deficiencies, penalties, fines, interest (including interest from the date of such damages), costs and expenses (including without limitation reasonable attorneys' fees and disbursements of every kind, nature and description) but net of any insurance and tax benefits and excluding any consequential or incidental damages (collectively, "<u>Damages</u>") suffered, sustained or incurred or paid by the Buyer Indemnified Parties in connection with, resulting from or arising out of: (i) any material breach of any representation or warranty of Seller as set forth in this Agreement or in any instrument executed by Seller and delivered to Buyer at Closing; (ii) the assertion against any Buyer Indemnified Party of any Damages relating to injury on the Property accruing



and/or occurring prior to the Closing Date, except for any such Damages in connection with Buyer's inspection of the Property under this Agreement; or (iii) any unpaid taxes of Seller with respect to the Property to any local, State or Federal governmental authority that would be Seller's responsibility under the terms of this Agreement.

(b) Buyer hereby covenants and agrees to indemnify, defend, protect and hold harmless, Seller and its respective officers, directors, employees, shareholders, partners, members, managers, assigns, successors and affiliates (individually a "<u>Seller</u> <u>Indemnified Party</u>" and collectively the "<u>Seller Indemnified Parties</u>") from, against and in respect of all Damages (as defined in <u>Section 17(a)</u> above) suffered, sustained or incurred or paid by the Seller Indemnified Parties in connection with, resulting from or arising out of: (i) any breach of any representation or warranty of Buyer as set forth in this Agreement or any document, instrument, schedule or certificate, delivered by or on behalf of Buyer in connection therewith; or (ii) the assertion against any Seller Indemnified Party of any Damages relating to the Property occurring and accruing after the Closing Date, or the actions or omissions of the shareholders, partners, members, managers, directors, officers, employees or agents of Buyer after the Closing Date.

18. <u>SECTIONS AND OTHER HEADINGS</u>. Section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

19. <u>TIME</u>. In computing any period of time prescribed by the terms of this Agreement, the day from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday (i.e., not a "<u>Business Day</u>"), in which event the period shall run until the end of the next day which is a Business Day. In the event any day on which any act is to be performed by Seller or Buyer under the terms of this Agreement is not a Business Day, the time for the performance by Seller or Buyer of any such act shall be extended to the next day which is a Business Day.

20. <u>WAIVER</u>. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

21. <u>EMINENT DOMAIN</u>. If before Closing all or any part of the Property is taken by eminent domain, Buyer may terminate this Agreement, whereupon the Deposit shall be returned to Buyer. If Buyer does not terminate, this Agreement will remain in effect and Seller will assign to Buyer all of Seller's rights to receive any awards that may be made for such taking.

22. <u>RISK OF LOSS</u>. Risk of loss to the Property from casualty shall be borne by Seller until the Closing and Seller shall be entitled to all insurance proceeds from any such loss (subject to the following). If the Property or any such part thereof is substantially damaged or destroyed as a result of such casualty, Seller shall immediately notify Buyer



and Buyer may elect in a writing delivered to Seller within ten (10) Business Days thereafter to: (a) proceed with the transactions contemplated hereunder and be entitled to an assignment of all net insurance proceeds paid to Seller as a result of such casualty, less any costs of restoration incurred and paid for by Seller; or (b) terminate this Agreement, whereupon the Deposit shall be returned to Buyer and the Parties shall have no further liability to each other, except as set forth herein. If Buyer fails to make an election within ten (10) Business Days after receipt of Seller's notice of such casualty, Buyer shall be deemed to have elected to proceed with the transactions contemplated hereunder pursuant to clause (a) of this <u>Section 22</u>.

23. <u>COOPERATION/FURTHER ASSURANCES</u>. The Parties hereto agree to cooperate with each other in every reasonable way in carrying out the transactions contemplated hereunder and in obtaining and delivering all required closing documents. Time shall be of the essence. After the Closing Date, at the request of Buyer, Seller will execute and deliver to Buyer such other instruments of conveyance and transfer and take such other actions as Buyer may reasonably require to more effectively convey, transfer to, and vest in Buyer marketable, insurable, fee simple title to the Property, in the manner required hereunder, subject only to the Permitted Exceptions. In addition, after the Closing Date, Seller and Buyer agree to cooperate with each other in every reasonable way to make any necessary adjustments or corrections to the closing documents and the prorations contained on the closing statement. The provisions of this Section applicable to period(s) after the Closing Date shall survive the Closing Date.

24. <u>ASSIGNMENT OF PURCHASE AGREEMENT</u>. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their successors, heirs and permitted assigns. This Agreement may be assigned by Buyer prior to closing to an entity under common control with Buyer upon prior written notice to the Seller. The Seller may not assign this Agreement, any of its rights hereunder or its interest in the Property to any third party without the prior written consent of the Buyer, which consent may be withheld by Buyer in its sole and absolute discretion.

25. <u>ENTIRE AGREEMENT AND AMENDMENTS</u>. This Agreement (and the Recitals, and the Exhibits attached hereto, which are by this reference incorporated herein and made a part hereof) constitutes the entire agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any and all other agreements, either oral or written, between the Parties with respect to the subject matter hereof. This Agreement only by an instrument in writing executed by both Parties hereto.

26. <u>SEVERABILITY</u>. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if the invalid or unenforceable provisions were omitted.

27. <u>NO THIRD PARTY BENEFICIARIES</u>. Except as otherwise specifically provided herein, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person, firm or corporation other than Seller and Buyer, any



rights or remedies under or by reason of this Agreement. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their successors, heirs and permitted assigns.

28. <u>CHOICE OF LAW: JURISDICTION</u>. It is the intention of the Parties that the laws of the State of Michigan should govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Parties.

29. <u>EXPENSES: ATTORNEYS' FEES.</u> Except as may be otherwise set forth in this Agreement, each of Seller and Buyer will pay all of its own expenses, including attorneys' and accountants' fees in connection with the negotiation of this Agreement, the performance of its obligations hereunder or thereunder, and the consummation of the transaction contemplated by this Agreement. Notwithstanding the foregoing Buyer and Seller shall share equally any closing escrow fees. Additionally, in the event it becomes necessary for either Party to enforce the terms of this Agreement, the prevailing party shall be entitled, in addition to such damages or other relief as may be granted, to recover reasonable attorneys' fees and costs, such attorneys' fees to include those incurred on any appeal.

30. <u>ARM'S LENGTH NEGOTIATIONS</u>. Buyer and Seller each represent and warrant to the other that: (a) before executing this Agreement, said Party has fully informed itself of the terms, contents, conditions, and effects of this Agreement; (b) said Party has relied solely and completely upon its own judgment in executing this Agreement; (c) said Party has had the opportunity to seek and has obtained the advice of counsel before executing this Agreement; (d) said Party has acted voluntarily and of its own free will in executing this Agreement; (e) said Party is not acting under duress, whether economic or physical, in executing this Agreement; and (f) this Agreement is the result of arm's length negotiations conducted by and between the Parties and their respective counsel. The representations and warranties set forth in this <u>Section 30</u> shall survive the Closing or the termination of this Agreement.

31. <u>CONFIDENTIALITY</u>. Seller and Buyer will, prior to the Closing, keep all nonpublic information regarding this transaction or the other Party strictly confidential, except as may be required by law or in connection with any enforcement proceedings, including, without limitation, any lawsuit between the Parties. No press release or other public announcement related to this Agreement or the transaction contemplated hereby will be issued by any Party hereto without the prior approval of the other Party. Nothing in this <u>Section 31</u>, shall prohibit either Party from disclosing any such information to its attorneys, accountants, consultants, or lenders who shall be advised to keep same confidential. In addition thereto, it shall not be a violation of this provision for Buyer to make application at any time from and after the Effective Date for any State or local licenses required by Buyer to operate the Property or the Business after the Closing Date.

32. <u>COUNTERPART: FACSIMILE: ELECTRONIC SIGNATURE</u>. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one agreement. This Agreement may be



executed by facsimile or electronic mail scan signature which shall be deemed binding upon the Parties with an original to follow via mail or overnight delivery service. The Parties have executed this Agreement the day and year first above written.

33. <u>BROKERAGE COMMITMENTS</u>. Seller and Buyer represent and warrant that they have not engaged any real estate broker regarding this transaction. Seller and Buyer agree that should any claim be made for brokerage commissions or finder's fees by any broker or finder, through or on account of any acts of said party or its representatives, said party will be responsible for and reimburse the other party for any and all loss, liability, cost, damage and expense in connection therewith (including reasonable attorney fees). The provisions of this Section 33 shall survive Closing.

34. <u>DISPOSITION OF DEPOSIT</u>. The Deposit shall be (a) applied to the Down Payment at Closing; (b) delivered to the Seller for all reasons other than (i) the default of Seller hereunder (ii) failure of the Seller to deliver marketable title to the Property and (c) to the Buyer in the event of any of the circumstance described in (i) – (ii) of subparagraph (b) of this Section 34. The Parties further agree to enter into an escrow agreement in the form requested by Escrow Agent regarding disposition of the Deposit.

IN WITNESS WHEREOF, the Seller and the Buyer have executed this Real Estate Purchase Agreement as of the 21 and 21 day of February, 2023.

SELLER: Baker College

Michael Moore Its: Treasurer

BUYER: The Da Vinci Institute

ATTACHMENT B

EXHIBIT A **REAL PROPERTY LEGAL DESCRIPTION**

LAND DESCRIPTION AS ELIBVETED BEING PART OF THE WEST HALF OF THE WEST HALF OF THE SOUTHEAST DUARTER AND THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST DUARTER OF SECTION 20, TOWN I SOUTH, RANCE I WEST, BLACKMAN TOWWISHIP, JACKSON DOUNTY, MICHIGAN, MORE PANTCHEARLY DESCRIBED 433

DEGINIERIO AT A POINT DISTANT ON THE SCUTH LINE OF THE SOUTHEAST OUARTER. NE948'27'E, ALONG SAID SOUTH LINE, 185.53 FEET FROM THE SOUTH DUARTER CORNER OF SAID SECTION: THENCE NOO'DO'OD'E AND PARALLO. WITH THE WEST LINE OF THE SOUTHEAST DUARTER (BASED ON PROPERTY CONTROLLING MONUMENTATION), 290.00 FEET, THENCE SOUTHE'S?"W AND PARALLEL WITH THE SOUTH LINE OF THE SOUTHEAST DUABLER (BASED ON PROPERTY CONTROLLING MONUMENTATION), 181,50 FEET TO THE WEST LINE OF THE SOUTHEAST QUARTER (BASED OF PROPERTY CONTROLLING NONUMENTATION): THENCE NOPDOYOO'E ALONG SAID WEST LINE OF THE SOUTHEAST QUARTER (GASED ON PROPERTY CONTROLLING MONUMENTION), 574.82 FEET; THENCE STUTZADO'W, 128.27 FEET TO THE CENTER INE OF SPRINGPORT ROAD: THENCE HIRSO 20 W ALTER SAM DENTERLINE, SOLO FEET: THENCE N7824 DOLE. 397.29 FEET THENCE NORTOG OD'E AND FARALLEL WITH THE NEST LINE OF THE SOLITHEAST GUARTER (BASED OF PROPERTY CONTROLLING MONUMENTATION), 783.88 FEET, THENCE NEBTROT'E, 67.00 FEET, THENCE NOOMO'ON'E ALONG THE WEST LINE OF THE SOUTHWEST QUARTER (BASED OF PROPERTY CONTROLLING MONUMENTATION) B71.31 FEET TO THE CENTER OF SAID SECTION 20. THENCE NEB 4855 TO THE WEST UNE OF THE EAST WALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 20. 66415 FEET: THENCE SOUCHING SAD WEST LINE OF THE EST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAD SECTION 20, 2074,06 FEET, THENCE NOR 48 27 E TO THE WEST LINE OF REGENCY PARKWAY, JOBE FEET, THENCE SOUTH JAW 377.10 FEET, THENCE ALONG AN ARC OF CURVE TO THE RIGHT J2.15 FEET, SAID ARC HAMNS A RADIUS OF 50 FEET, A CHORD DEARING OF ST8 30'06 W AND A CHORD DISTANCE OF 31.62 FEET, THENCE ALONG AN ARC OF CURVE TO THE LEFT 32.15 FEET, SAID ARE HAVING A MADIUS OF BUTTERT A CHORD BEARING OF STEDO'OG'W AND A CHORD DISTANCE OF BLAR FEET THENCE SOO 03 33 W. TO THE SOUTH LINE OF SAID SECTION 20, 144 DD FEET, TRENCE SEG 42'27 W ALONG SAID SOUTH SECTION LINE, TET.33 FEET BACKTO THE POINT OF DEGINNING. LANDS SUBJECT TO ALL EASEMENTS, RESERVATIONS & RESTRICTIONS OF RECORD OR OTHERWSE. CONTAINING 1,950,226 SQ FEET OR 45 ACRES OF LAND.

ATTACHMENT B

Open.07734.21034.30180733-1

EXHIBIT B Purchased Property

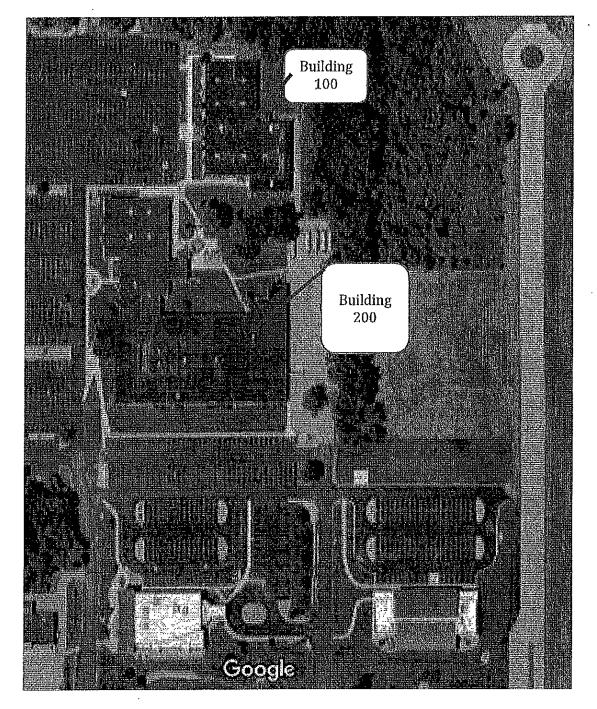
LEGAL DESCRIPTION - 35.96 Acro Parcel (Remainder)

Commencing at the South % corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence 5 80'08'27" E 4.87 feet to a Property Controlling Corner; thence N 00'00'18" E 289.88 feet along the North-South % line of said Section 20 as monumented to the POINT OF BEGINNING; thence continue N 00'00'18" E 576.32 feet; thence 5 78'27'57" W 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the are of a curve to the left, having a radius of 3819.98 feet and a central angle of 1'01'12", subtended by a chord bearing N 25'29'21" W 68.01 feet; thence N 78'24'54" E 393.67 feet; thence N 00'00'05" E 763.51 feet; thence S 89'51'03" E 67.15 feet to the North-South % line as monumented; thence N 00'00'18" E 972.37 feet along the North-South % line to the Center of said Section 20; thence N 89'48'49" E 664.21 feet along the Southeast % of said Section 20; thence S 00'01'10" E 2187.32 feet along the East-West % of the Southeast % of said Section 20; thence S 00'01'10" E 2187.32 feet along the East line of the West % of the Southeast % of said Section 20; thence S 69'47'26" W 483.62 feet; thence S 00'00'18" W 178.51 feet; thence S 89'48'18" W 181.51 feet back to the POINT OF BEGINNING. Containing 35.96 acres of land, more or less, and subject to easements and restrictions of record, if any.

Open.07734.21034.30180750-1

ATTACHMENT B

EXHIBIT C Buildings 100 and 200

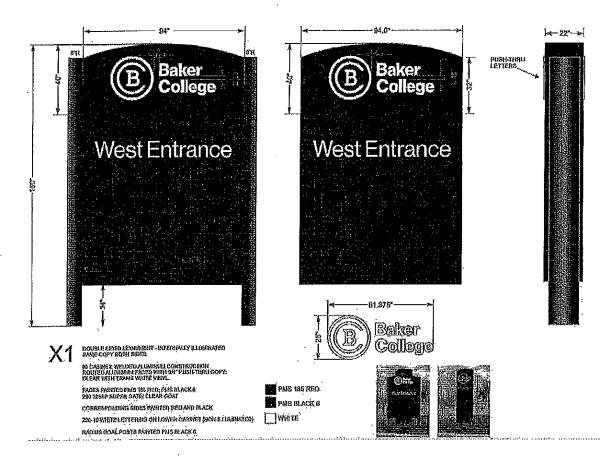


ATTACHMENT B

Open.07734.21034.30180845-1

EXHIBIT D

(Approved Signage)



ATTACHMENT B

Open.07734.21034.30463989-1

SCHEDULE 2

BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BAICRCONE(5E) ("Seller"), conveys to The Da Vinci Institute ("Buyer"), all right, title and interest in and to all tangible personal property upon the land described on Exhibit B (the "Purchase Property") attached hereto or within the improvements located on such land, including all appliances, furniture, carpeting, draperies and curtains, tools and supplies, and any other items of personal property owned by Seller and used in connection with the operation of the land and the improvements located thereon (the "Personal Property"), except as listed on Schedule 1, or otherwise agreed upon by the parties in writing.

Seller is the sole and lawful owner of the Personal Property, Seller has the full power and authority to transfer all rights, interests, title and benefits of Seller in and to the same to Buyer. Seller does not make any other express or implied warranty or representation with respect to the Personal Property, including, but not limited to, fitness for any particular purpose; the design or condition of the Personal Property; the quality or capacity of the Personal Property; workmanship or compliance of the Personal Property with the requirements of any law, rule, specification or contract relating thereto; patent infringement; or latent defect. Except as expressly stated herein or in the Agreement of Purchase and Sale referenced above, Buyer accepts the Personal Property on an "AS IS, WHERE IS" basis.

IN WITNESS WHEREOF, Seller has caused this instrument to be executed and delivered as of this $\underline{28}$ day of <u>FEBRUARY</u>, 2023.

SELLER;

BAKOR WHELE

Bv:

Print Name: MICHAEL MOURE Its: TREASULER

Open.07734.21034.30575784-1

DECLARATION OF SHARED DRIVEWAY ACCESS EASEMENT AGREEMENT

This Declaration of Shared Driveway Access Easement Agreement ("Agreement"), is entered into and stated on February 2L 2023 by and between Baker College ("Baker") and The Da Vinci Institute ("Da Vinci"). Baker and Da Vinci are sometimes referred to individually as a "Party" and together as the "Parties."

RECITALS

WHEREAS, Baker owns real property commonly known as 2778 Springport Road, Jackson, Michigan, which is more particularly described on **Exhibit A**, attached hereto and incorporated herein ("Parcel A");

WHEREAS, Da Vinci has entered into a purchase agreement to purchase approximately 35.96 acres immediately to the North, which contains two buildings and a driveway along the western property line connecting to Springport Road, commonly referred to as 3985 Springport Road, Jackson, Michigan, which is more particularly described on **Exhibit B**, attached hereto and incorporated herein ("Parcel B");

WHEREAS, Parcel A and Parcel B are benefitted and burdened by and share two common ingress and egress points along the southern property line of Parcel A with access to Springport Road (the "Shared Driveways") (Exhibit C);

WHEREAS, to erase any doubt and allow both Parties to utilize the Shared Driveways, the purpose of this Agreement is to grant an access easement to the Shared Driveways, as shown on the Survey;

NOW THEREFORE, based on the premises set forth above and inconsideration of the terms and conditions set forth herein, the parties agree as follows:

1. <u>Grant of Easement to Benefit Parcel B</u>. Baker, as owner and on behalf of Parcel A, hereby grants, creates, declares and confirms to Parcel B and for the benefit of Parcel B, a perpetual, non-exclusive easement for vehicular and pedestrian ingress and egress over the Shared Driveways, as identified on Exhibit C. The easement granted under this section shall be for the benefit of owners of the Parcel B together with their respective



employees, agents, customers, business visitors, guests, licensees and invitees. Baker reserves to itself and its successors and assigns all incidents of ownership of Parcel A that are not inconsistent with the Shared Driveway easement granted herein.

2. <u>Legal Effect</u>. The easement and rights created and confirmed by this Agreement benefit and burden, as stated herein, Parcel A and Parcel B, and may not be transferred, assigned or encumbered except as an appurtenance to the parcels. Each covenant contained in this Agreement constitutes a covenant running with the land, shall be perpetual, and may only be terminated in accordance with Paragraph 5 hereof.

3. <u>Maintenance and Repair: Taxes</u>. Baker shall, for the benefit of themselves and Da Vinci, continually repair and maintain in a reasonable manner the Shared Driveways throughout the term of this Agreement, including lighting, striping and landscaping from time to time, and shall pay all property taxes and special assessments applicable thereto. Da Vinci shall for the benefit of themselves and Baker be responsible for snow removal and ice treatment of the Shared Driveways. Baker shall be responsible for employing the necessary persons or companies for the maintenance and repairs and Da Vinci shall undertake to employ the necessary persons or companies to perform snow removal and ice treatment.

4. <u>Indemnity</u>. Da Vinci shall indemnify, defend, and hold Baker harmless from and against any and all claims, damages, losses, or expenses (including reasonable attorney's fees), arising as a result of the use of the Shared Driveways by Da Vinci, or its successors, assigns, tenants, agents, employees, contractors or invitees. This provision shall survive the termination of this Agreement.

5. <u>Amendment/Termination</u>. This Agreement may be modified, amended or terminated only by all of the Owners of the Parcels, but no other persons, such as tenants or occupants of said Parcels shall have any rights whatsoever to join in, prevent or otherwise effect of limit any such modification, amendment or termination.

- 6. <u>Additional Conditions</u>. The parties agree as follows:
 - A. Each party acknowledges that the other party has access from Springport Road to the Shared Driveway;
 - B. Each party agrees that it will not construct, interfere or place any obstructions on its Parcel that would adversely affect vehicular traffic in and on the Shared Driveway (except for temporary interference due to maintenance or repair actions after notice by the party taking such actions);
 - C. No default under this Agreement shall entitle either party to terminate, cancel or otherwise rescind the easements granted in this Agreement for the Shared Driveway, but either party may take action to enforce the rights and responsibilities of the parties hereunder.

ATTACHMENT B



7. <u>Binding Effect</u>. This Agreement and the easement granted herein shall be binding upon and inure to the benefit of the Owners, their successors, assigns and mortgagees.

8. <u>Severability</u>. If any provision of this Agreement is, to any extent, declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement (or the application of such provision to persons or circumstances other than those in respect of which the determination of invalidity or unenforceability was made) will not be affected thereby and each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law.

9. <u>Governing Law</u>. This Agreement will be construed in accordance with the laws of the State of Michigan. Enforcement may be by legal proceedings against any person or persons violating or attempting to violate any declaration, restriction, covenant, condition or agreement herein contained either to restrain or enjoin such violation and/or recover damages; provided, however, that no such easements or covenants or any similar rights or privileges may be enforced by legal action or otherwise by any persons whatsoever (such as lessees or occupants of the buildings and structures which may now or hereafter by constructed upon the Parcels), except the owners, their successors, assigns, and mortgagees of the Parcels, who shall be the only persons entitled to bring action under and to enforce the rights and remedies of this Agreement.

10. <u>No Dedication</u>. Nothing contained herein shall be construed to be a gift or dedication of all or any portion of either Parcel, to the general public, for the general public for any public use whatsoever.

11. <u>No Partnership of Joint Venture</u>. Nothing contained in this Agreement nor shall any acts of the parties performed, pursuant to this Agreement, be deemed to create the relationship of principal and agent, or of partnership, or of joint venture or any association among the parties to this Agreement. Further, nothing contained in this Agreement shall be construed to require either Owner to acquire the consent or permission from the other Owner for any sale or transfer of an Owner's Parcel.

12. <u>Further Execution</u>. Each party agrees to execute and/or correct any documents reasonably necessary to effectuate this Agreement.

13. <u>Entire Agreement</u>. This Agreement and the Exhibits to this Agreement constitute the entire agreement between the parties hereto with respect to the subject matter of their agreement and replaces and supersedes any and all agreements on the subject matter of the Agreement. The Agreement shall be recorded by Baker at its sole cost and expense.

This conveyance is exempt from county and state transfer taxes pursuant to MCL 207.505(a) and MCL 207.526(a).

ATTACHMENT B

3

IN WITNESS WHEREOF, Buyer and Seller have duly executed and delivered this Agreement as of the date first written above.

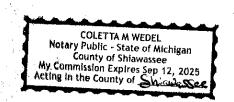
WITNESSED BY:

BAKER COLLEGE

By: Muchul Moore Its: TREASURER

STATE OF MICHIGAN)§ COUNTY OF Shiandes

The foregoing instrument was acknowledged before me this $\underline{28}$ day of February, 2023 by MUCHAEL MODEL, on behalf of BAKER COLLEGE.



, Notary Public Wedel

Miawassec County, Michigan My Commission Expires: 9122025 Acting in Sucourty, Michigan

WITNESSED BY

THE DAVINCI INSTITUTE

Its: Lucas Camacho

STATE OF MICHIGAN ſ }§ COUNTY OF JACKSON

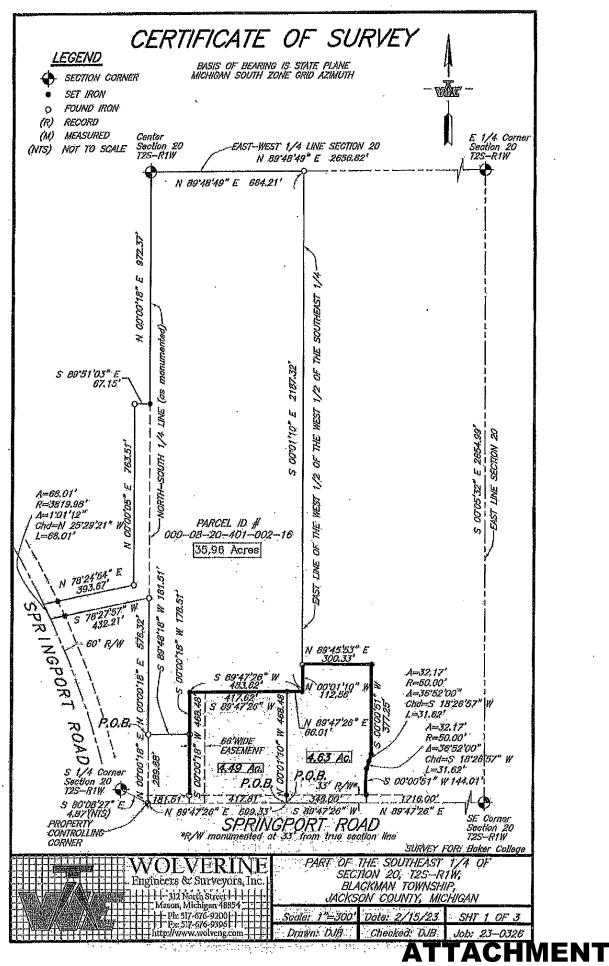
The foregoing instrument was acknowledged before me this <u>al</u> day of February, 2023 by Lucas Camacho, on behalf of THE DA VINCI INSTITUTE.

Notary)ue l QUEZ Public __ County, Michigan Jackson_

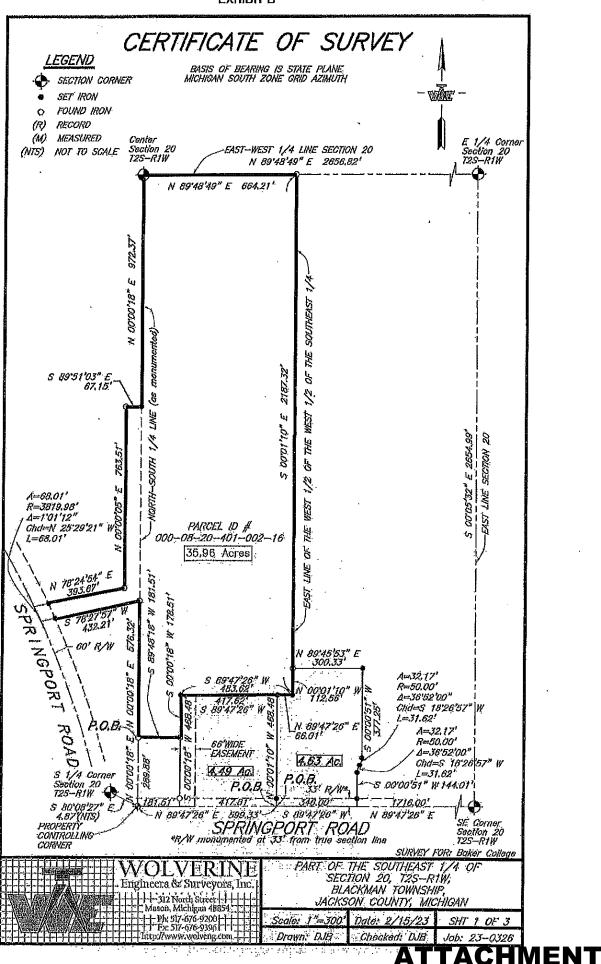
My Commission Expires: <u>11 - 20</u> Acting in <u>JCCKSON</u> County, Michigan 11-2026



EXHIBIT A



В



В

EXHIBIT B

CERTIFICATE OF SURVEY

LEGAL DESCRIPTION - 4.49 Acre Parcel

Commencing at the South ¼ corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence S 80'08'27" E 4.87 feet ia a Property Controlling Corner; thence N 89'47'26" E 599,33 feet along the South line of said Section 20 as monumented to the POINT OF BEGINNING; thence N 00'01'10" W 468,48 feet; thence 5' 89'47'26" W 417.62 feet; thence S 00'00'18" W 468,48 feet to the South line of said Section 20 as monumented; thence N 89'47'26" E 417.81 feet along the South line of said Section 20 as monumented back to the POINT OF BEGINNING.

SUBJECT TO a 66 tool wide easement for Ingress and egress described as commencing at the South & corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence 5 80'08'27" E 4.87 feet to a Property Controlling Corner; thence N 89'47'26" E 181.51 feet along the South line of said Section 20 as monumented to the POINT OF BEGINNING; thence N. 0'00'18" E 468.48 feet; thence N 89'47'26" E 66.00 feet; thence S 00'00'18" W 468.48 feet to the South line of said Section 20; thence S 89'47'26" W 66.00 feet along the South line of said Section 20 back to the POINT OF BEGINNING.

This parcel contains 4.49 Acres of land, more or less, and is subject to other easements and restrictions of record, if any.

LEGAL DESCRIPTION - 4.63 Acre Parcel

Commencing at the South ¥ corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan, thence 5 80'08'27" E 4.87 feet to a Property Controlling Corner; thence N 89'47'26" E 999,33 feet along the South line of said. Section 20 as monumented to the POINT OF BEGINNING; thence N 00'01'10" W 468,48 feet; thence N 89'47'26" E 66.01 feet; thence N 00'01'10" W 112,56 feet; thence N 89'45'53" E 300.33 feet; thence 5 00'00'51" W 377.25 feet; thence 32.17 feet along the arc of a clurve to the right, having a radius of 50.00 feet and a central angle of 36'52'00", subtended by a chord bearing S 18'26'57" W 31.62 feet; thence 32,17 feet along the arc of curve to the left, having a radius of 50.00 feet and a central subtended by a ohord bearing S 18'26'57" W 31.62 feet; thence 5 00'00'51" W 144.01 feet to the South line of said Section 20' thence 5 89'47'26" W 346.00 feet back to the POINT OF BEGINNING, Containing 4.63 Acres of land, more of lees, and subject to easoments and restrictions of record, if any.

VERINE

Engineers & Surveyors, Inc.

Mason, Michigan 48854

11 Fx: 517-676-5396111

PART OF THE SOUTHEAST 1/4 OF

SECTION 20, T2S-RIW, BLACKMAN TOWNSHIP,

Scale: N/A

Dravins DJR

JACKSON COUNTY, MICHIGAN

Date: 2/15/23

Checked: DJB

SHT 2 OF 3

Job; 23-0326

ACHMENT

CERTIFICATE OF SURVEY

LEGAL DESCRIPTION - 35,96 Acre Parcel (Remainder)

Commencing at the South ¼ corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thenao S 80'08'27" E 4.87 feet to a Property Controlling Corner, thence N 00'00'18" E 289.88 feet along the North-South ¼ line of said Section 20 as monumented to the POINT OF BEGINNING; thence continue N 00'00'18" E 576.32 feet; thence S 78'27'57" W 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the arc of a curve to the left, having a radius of 3819.98 feet and a central angle of 1'01'12", subtended by a chord bearing N 25'29'21" W 68.01 feet; thence N 78'24'54" E 393.67 feet; thence N 00'00'05" E 763.51 feet; thence S 89'51'03" E 67.15 feet to the North-South ¼ line as monumented; thence N 00'00'18" E 972.37 feet along the North-South ¼ line to the Center of said Section 20; thence N 89'48'49" E 664.21 feet along the East-West ¼ line of said Section 20 to the East line of the West ½ of the West ½ of the Southeast ¼ of said Section 20;

thence 5 00'01'10" E 2187.32 feet along the East line of the West ½ of the West ½ of the Southeast ¼ of sold Section 20; thence S 89'47'26" W 483,62 feet; thence S 00'00'18" W 178.51 feet; thence S 89'48'18" W 181.51 feet back to the POINT OF BECINNING.

TOGETHER WITH a 66 foot wide easement for ingress and egress described as commencing at the South & corner of Section 20, Town 2 South; Range 1 West, Blackman Township, Jackson County, Michigan; thence S 80'08'27" E 4.87 feet to a Property Controlling Corner; thence N 89'47'28" E 181.51 feet along the South line of said Section 20 as monumented to the POINT OF BEGINNING; thence N 0'01'10" E 468.48 feet; thence N 89'47'26" E 66.00 feet; thence S 00'00'18" W 468.48 feet to the South line of sold Section 20; thence S 89'47'26" W 66.00 feet along the South line of said Section 20 back to the POINT OF BEGINNING.

This parcel contains 35,96 acres of land, more or less, and is subject to easements and restrictions of record, if any,

SECTION CORNER WITNESSES

Center Section 20, T25, R1W	Southeast Corner Section 20, 725, R1W
Cone Mon W/Reinon Cap	Harrison in Man Box
N 80'E 15.60' Find Nail & tag In S tace 19" EIm stump S 75'E 24.54' Find Nail & tag In N tace 9" Ock. S 26'E 19.35' Find Nail & tag In NE face 16" Walnut S 16'W 27.00' Find Nail & tag In E tace 12" Hickory	Nº 10'E 71,05° SE comer metal bidg Nº 45'E 63,32° SW face steel comer post Nº 30'W 76,72° SE comer metal box 2310 S 60'W 64,04" Top centerline byd
South 1/4 Corner Section 20, 125, R1W	East 1/4 Corner Section 20, 725, R1W
Harrison in Mon Box	Conc Mon w/Remon Cap
S 72'E 116:44' Fnd N&T ALS S elde Powr Pole S 59'E 86:98' Top Centerline Hydrant S 57'W 77:05' Fnd N&T ALS S elde Powr Pole S 06'W 47:68' Fnd N&T ALS S elde 10" Maple S 80'E 4:87' 1" bar - Property Controlling Corner	N 10'W. 51.75' S'ly Tage of S'ly metal power pole S 13'E 20.79' Fnd N&T 35998 in E: side 12" Cheny." N 80'W 27.68' Set N&T in S. side 9" Grabaphe S 82'E 42.54' Fnd N&T 551 in S. side 15" Walnut
CERTIFICATION STATEMENT. I. Donald J. Bondzinski, Professional Surveyor, 135969, cartlly that this survey was made under my direction, that all corners have been marked as shown, that the relative positional precision of the corners identified for this survey and shown on the map are within the imits accepted by the practice of professional surveying, and that the requirements for MCL Section 54.213 of PA 132 of 1970; as dimended; have been met. Durl J. Burl J. Burl J. Burl J. Corners 2/17/222 Dire	
WOI VERINE Engineers & Surveyous, Inc. BLACKMAN TOWNSHIP, JACKSON GOUNTY, MICHIGAN	
Scale:	
Draw	m: DJB Checked: DJB Job: 23-0326
ATTACHMENT B	

EXHIBIT C



Open.07734.21034.30572787-1

ATTACHMENT C

[Attach BANK's "Fees and Charges" Page]

ATTACHMENT C

FEES AND CHARGES

As described in the ADDITIONAL CHARGES section of the attached INSTALLMENT PURCHASE AGREEMENT, OBLIGOR agrees to pay, or have paid these additional fees and charges. Nonrefundable Fees and Charges. The following fees are earned when collected and will not be refunded if I prepay this INSTALLMENT PURCHASE AGREEMENT before the scheduled maturity date.

Loan Processing. A(n) Loan Processing fee of \$30,000.00 payable from the loan proceeds.

Property Tax Monitoring. A(n) Property Tax Monitoring fee of \$84.00 payable from the loan proceeds.

Flood Determination. A(n) Flood Determination fee of \$11.50 payable from the loan proceeds.

Appraisal Review. A(n) Appraisal Review fee of \$100.00 payable from the loan proceeds.

Environmental Inspection. A(n) Environmental Inspection fee of \$95.00 payable from the loan proceeds.

Appraisal. A(n) Appraisal fee of \$5,000.00 payable from the loan proceeds.

LL 3 2231 PAGE 0486 1 of 9



STATE OF MICHIGAN - JACKSON COUNTY Received 06/14/2023 11:07:00 AM 2939977 Processed 06/14/2023 01:04:24 PM M Cierra L. Sowle, Clerk/Register of Deeds

Received and Returned For Errors: 06/13/2023 11:23:00 AM Trans # 3328161 Jackson County, MI

MORTGAGE

This instrument was prepared by Erica M. Curl, County National Bank, 100 S. Jackson St., Ste 206, Jackson, MI 49201 MAXIMUM PRINCIPAL AMOUNT: \$2,350,000.00.

🔆 Return To: Erica M Curl, County National Bank, 100 S.Jackson St., Ste 206, Jackson, MI 49201

DATE AND PARTIES. The date of this Mortgage (Security Instrument) is June 5, 2023. The parties and their addresses are:

MORTGAGOR:

THE DA VINCI INSTITUTE A Michigan Corporation 2985 SPRINGPORT RD JACKSON, MI 49201-9060

LENDER:

COUNTY NATIONAL BANK Organized and existing under the laws of Michigan One South Howell St Hillsdale, MI 49242

1. DEFINITIONS. For the purposes of this document, the following term has the following meaning.

A. Loan. "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

2. MAXIMUM OBLIGATION LIMIT. The maximum principal amount, excluding protective advances, secured by this Security Instrument at any one time and from time to time will not exceed \$2,350,000.00. Any limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Protective advances are defined by law and include an expenditure or expenditures such as advances made under the terms of this Security Instrument to protect Lender's priority and advances made to fulfill or perform an obligation of the Mortgagor under this Security Instrument, with respect to the mortgaged property, that the Mortgagor has failed to fulfill or perform.

3. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Mortgagor's performance under this Security Instrument, Mortgagor does hereby grant, bargain, convey, sell, mortgage and warrant to Lender, with the power of sale, the following described property:

SEE ATTACHED SCHEDULE "C"

The property is located in Jackson County at 2800 SPRINGPORT RD., JACKSON, Michigan 49202-1230.

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, wells, ditches and water stock, crops, timber including timber to be cut now or at any time in the future, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

4. SECURED DEBTS. The term "Secured Debts" includes and this Security Instrument will secure each of the following:

A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, dated June 5, 2023, from Mortgagor to Lender, with a loan amount of \$2,350,000.00 and maturing on June 20, 2028.

B. All Debts. All present and future debts from Mortgagor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Security Instrument will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.

C. Sums Advanced. All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

5. LIMITATIONS ON CROSS-COLLATERALIZATION. The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

6. PAYMENTS. Mortgagor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

7. WARRANTY OF TITLE. Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, mortgage, and warrant, with the power of sale, the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

8. PRIOR SECURITY INTERESTS. With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

A. To make all payments when due and to perform or comply with all covenants.

B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.

C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

9. CLAIMS AGAINST TITLE. Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

10. DUE ON SALE OR ENCUMBRANCE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

11. TRANSFER OF AN INTEREST IN THE MORTGAGOR. If Mortgagor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

A. A beneficial interest in Mortgagor is sold or transferred.

B. There is a change in either the identity or number of members of a partnership or similar entity.

C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

12. WARRANTIES AND REPRESENTATIONS. Mortgagor makes to Lender the following warranties and representations which will continue as long as this Security Instrument is in effect:

A. Power. Mortgagor is duly organized, and validly existing and in good standing in all jurisdictions in which Mortgagor operates. Mortgagor has the power and authority to enter into this transaction and to carry on Mortgagor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Mortgagor operates.

B. Authority. The execution, delivery and performance of this Security Instrument and the obligation evidenced by this Security Instrument are within Mortgagor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Mortgagor is a party or to which Mortgagor is or any of Mortgagor's property is subject.

C. Name and Place of Business. Other than previously disclosed in writing to Lender, Mortgagor has not changed Mortgagor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve Mortgagor's existing name, trade names and franchises.

13. PROPERTY CONDITION, ALTERATIONS, INSPECTION, VALUATION AND APPRAISAL. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time and frequency for the purpose of inspecting, valuating, or appraising the Property. Lender will give Mortgagor notice at the time of or before an on-site inspection, valuation, or appraisal for on-going due diligence or otherwise specifying a reasonable purpose. Any inspection, valuation or appraisal of the Property will be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection, valuation or appraisal for its own purpose, except as otherwise provided by law.

14. AUTHORITY TO PERFORM. If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

15. DEFAULT. Mortgagor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. Mortgagor fails to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy,

reorganization, composition or debtor relief law by or against Mortgagor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender.

C. Business Termination. Mortgagor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

D. Failure to Perform. Mortgagor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

E. Other Documents. A default occurs under the terms of any other document relating to the Secured Debts.

F. Other Agreements. Mortgagor is in default on any other debt or agreement Mortgagor has with Lender.

G. Misrepresentation. Mortgagor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

H. Judgment. Mortgagor fails to satisfy or appeal any judgment against Mortgagor.

I. Forfeiture. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

J. Name Change. Mortgagor changes Mortgagor's name or assumes an additional name without notifying Lender before making such a change.

K. Property Transfer. Mortgagor transfers all or a substantial part of Mortgagor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

L. Property Value. Lender determines in good faith that the value of the Property has declined or is impaired.

M. Material Change. Without first notifying Lender, there is a material change in Mortgagor's business, including ownership, management, and financial conditions.

N. Insecurity. Lender determines in good faith that a material adverse change has occurred in Mortgagor's financial condition from the conditions set forth in Mortgagor's most recent financial statement before the date of this Security Instrument or that the prospect for payment or performance of the Secured Debts is impaired for any reason.

16. REMEDIES. On or after the occurrence of an Event of Default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts, including, without limitation, the power to sell the Property. Any amounts advanced on Mortgagor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Mortgagor's default.

Subject to any right to cure, required time schedules or any other notice rights Mortgagor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of an Event of Default or anytime thereafter.

If there is an occurrence of an Event of Default, Lender may, in addition to any other permitted remedy, invoke the power of sale and sell the Property as a whole or in such parcels (and in such order) as Lender may direct at public sale to the highest bidder. If Lender invokes the power of sale, Lender will give notice of the sale as prescribed by applicable law in effect at the time of the proposed sale. Lender or its designee may purchase the Property at any sale. The proceeds of the sale will be applied in the manner prescribed by applicable law.

Upon any sale of the Property, Lender will make and deliver a deed without warranty or appropriate deed required by applicable law that conveys all right, title and interest to the Property that was sold to the purchaser(s). The recitals in any deed of conveyance will be prima facie evidence of the facts set forth therein.

All remedies are distinct, cumulative and not exclusive, and Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

17. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, Mortgagor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Mortgagor agrees to pay expenses

for Lender to inspect, valuate, appraise and preserve the Property. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Mortgagor.

18. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide

Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

19. CONDEMNATION. Mortgagor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

20. INSURANCE. Mortgagor agrees to keep the Property insured against the risks reasonably associated with the Property. Mortgagor will maintain this insurance in the amounts Lender requires. This insurance will last until the Property is released from this Security Instrument. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debts. Mortgagor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

All insurance policies and renewals shall include a standard "mortgage clause" (or "lender loss payable clause") endorsement that names Lender as "mortgagee" and "loss payee". If required by Lender, all insurance policies and renewals will also include an "additional insured" endorsement that names Lender as an "additional insured". If required by Lender, Mortgagor agrees to maintain comprehensive general liability insurance and rental loss or business interruption insurance in amounts and under policies acceptable to Lender. The comprehensive general liability insurance must name Lender as an additional insured. The rental loss or business interruption insurance must be in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing).

Mortgagor will give Lender and the insurance company immediate notice of any loss. All insurance proceeds will be applied to restoration or repair of the Property or to the Secured Debts, at Lender's option. If Lender acquires the Property in damaged condition, Mortgagor's rights to any insurance policies and proceeds will pass to Lender to the extent of the Secured Debts.

Mortgagor will immediately notify Lender of cancellation or termination of insurance. If Mortgagor fails to keep the Property insured, Lender may obtain insurance to protect Lender's interest in the Property and Mortgagor will pay for the insurance on Lender's demand. Lender may demand that Mortgagor pay for the insurance all at once, or Lender may add the insurance premiums to the balance of the Secured Debts and charge interest on it at the rate that applies to the Secured Debts. This insurance may include lesser or greater coverages than originally required of Mortgagor, may be written by a company other than one Mortgagor purchased the insurance. Mortgagor acknowledges and agrees that Lender or one of Lender's affiliates may receive commissions on the purchase of this insurance.

21. ESCROW FOR TAXES AND INSURANCE. Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

22. WAIVERS. Except to the extent prohibited by law, Mortgagor waives all appraisement and homestead exemption rights relating to the Property.

23. USE OF PROPERTY. Mortgagor shall not use or occupy the Property in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Mortgagor becomes aware of such a violation, Mortgagor shall take all actions allowed by law to terminate the violating activity.

In addition to all other indemnifications, obligations, rights and remedies contained herein, if the Lender and/or its respective directors, officers, employees, agents and attorneys (each an "Indemnitee") is made a party defendant to any litigation or any claim is threatened or brought against such Indemnitee concerning this Security Instrument or the related property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use of such property, then the Mortgagor shall (to the extent permitted by applicable law) indemnify, defend and hold each Indemnitee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnitee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. To the

extent permitted by applicable law, the within indemnification shall survive payment of the Secured Debt, and/or any termination, release or discharge executed by the Lender in favor of the Mortgagor. Violation of this provision is a material breach of this Security Instrument and thereby constitutes a default under the terms and provisions of this Security Instrument.

24. APPLICABLE LAW. This Security Instrument is governed by the laws of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

25. JOINT AND SEVERAL LIABILITY AND SUCCESSORS. Each Mortgagor's obligations under this Security Instrument are independent of the obligations of any other Mortgagor. Lender may sue each Mortgagor severally or together with any other Mortgagor. Lender may release any part of the Property and Mortgagor will still be obligated under this Security Instrument for the remaining Property. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Mortgagor.

26. AMENDMENT, INTEGRATION AND SEVERABILITY. This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

27. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

28. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Mortgagor will be deemed to be notice to all Mortgagors. Mortgagor will inform Lender in writing of any change in Mortgagor's name, address or other application information. Mortgagor will provide Lender any other, correct and complete information Lender requests to effectively mortgage or convey the Property. Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

29. AGREEMENT TO ARBITRATE. Lender or Mortgagor may submit to binding arbitration any dispute, claim or other matter in question between or among Lender and Mortgagor that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this section or as Lender and Mortgagor agree to in writing. For purposes of this section, this Transaction includes this Security Instrument and any other document relating to the Secured Debts, and proposed loans or extensions of credit that relate to this Security Instrument. Lender or Mortgagor will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws.

Lender and Mortgagor must consent to arbitrate any Dispute concerning the Secured Debt secured by real estate at the time of the proposed arbitration. Lender may foreclose or exercise any powers of sale against real property securing the Secured Debt underlying any Dispute before, during or after any arbitration. Lender may also enforce the Secured Debt secured by this real property and underlying the Dispute before, during or after any arbitration.

Lender or Mortgagor may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to Lender or Mortgagor; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter

a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

Lender and Mortgagor acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among Lender and Mortgagor involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this section.

The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this Security Instrument, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Security Instrument or another writing.

30. WAIVER OF TRIAL FOR ARBITRATION. Lender and Mortgagor understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, Lender and Mortgagor voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

31. WAIVER OF JURY TRIAL. If the parties do not opt for arbitration, then all of the parties to this Security Instrument knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Security Instrument or any other documents relating to the Secured Debts or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

SIGNATURES. By signing, Mortgagor agrees to the terms and covenants contained in this Security Instrument. Mortgagor also acknowledges receipt of a copy of this Security Instrument.

MORTGAGOR:

THE DA VINCI INSTITUTE

Bv(

LUCAS CAMACHO, Secretary

ACKNOWLEDGMENT.

STATE OF MICHIGAN, OF ss. Jackson County

This instrument was acknowledged before me this 5th day of June 2023 by LUCAS CAMACHO - Secretary of THE DA VINCI INSTITUTE a Michigan corporation, on behalf of the corporation.

Date 01512023

TAMMIE COOK NOTARY PUBLIC, Jackson County, Mi My Commission Expires Sept. 19, 2028 Acting in Jackson County Notary Public, State of Michigan, County of Jackson My commission expires ______ Acting in the of ______

RIDER A

PROPERTY DESCRIPTION

The land referred to is described as follows:

Land in Township of Blackman, Jackson County, Michigan described as:

Commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 00 degrees 00' 18" East 289.88 feet along the North-South 1/4 line of said Section 20 to the Northwest corner of a parcel of land described in Liber 2058, page 878, Jackson County Records, as monumented to the point of beginning; thence continuing North 00 degrees 00' 18" East 576.32 feet; thence South 78 degrees 27' 57" West 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the arc of a curve to the left, having a radius of 3819.98 feet and a central angle of 1 degree 01' 12", subtended by a chord bearing North 25 degrees 29' 21" West 68.01 feet; thence North 78 degrees 24' 54" East 393.67 feet; thence North 00 degrees 00' 05" East 763.51 feet; thence South 89 degrees 51' 03" East 67.15 feet to the North-South 1/4 line as monumented; thence North 00 degrees 00' 18" East 972.37 feet along the North-South 1/4 line to the center of said Section 20; thence North 89 degrees 48' 49" East 664.21 feet along the East-West 1/4 line of said Section 20 to the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 00 degrees 01' 10"East 2187.32 feet along the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 89 degrees 47' 26" West 483.62 feet; thence South 00 degrees 00' 18" West 178.51 feet to the Northeast corner of a parcel of land described in Liber 2058, Page 878, Jackson County Records; thence South 89 degrees 48' 18" West along the North line of a parcel of land described in Liber 2058, page 878, Jackson County Records, 181.51 feet back to the point of beginning.

Together with a 66 foot wide easement for ingress and egress described as commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 89 degrees 47' 26" East 181.51 feet along the South line of said Section 20 as monumented to the point of beginning; thence North 0 degrees 01' 10" East 468.48 feet; thence North 89 degrees 47' 26" East 66.00 feet; thence South 00 degrees 00' 18" West 468.48 feet to the South line of said Section 20'; thence South 89 degrees 47'26" West 66.00 feet along the South line of said Section 20 back to the point of beginning.

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STATE OF MICHIGAN - JACKSON COUNTY Received 06/14/2023 11:07:00 AM 2939978 Processed 06/14/2023 01:04:25 PM LASRNT Cierra L. Sowle, Clerk/Register of Deeds

PAGE 0487

Received and Returned For Errors: 06/13/2023 11:23:00 AM Trans # 3328161 Jackson County, MI

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ASSIGNMENT OF LEASES AND RENTS

This instrument was prepared by Erica M. Curl, County National Bank, 100 S. Jackson St., Ste 206, Jackson, MI 49201

MAXIMUM PRINCIPAL AMOUNT: \$2,350,000.00.

X Return To: Erica M Curl, County National Bank, 100 S.Jackson St., Ste 206, Jackson, MI 49201

DATE AND PARTIES. The date of this Assignment of Leases and Rents (Assignment) is June 5, 2023. The parties and their addresses are:

ASSIGNOR:

THE DA VINCI INSTITUTE A Michigan Corporation 2985 SPRINGPORT RD JACKSON, MI 49201-9060

LENDER:

COUNTY NATIONAL BANK Organized and existing under the laws of Michigan One South Howell St Hillsdale, MI 49242

1. DEFINITIONS. For the purposes of this document, the following term has the following meaning.

A. Loan. "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

2. MAXIMUM OBLIGATION LIMIT. The maximum principal amount, excluding protective advances, secured by this Assignment at any one time and from time to time will not exceed \$2,350,000.00. Any limitation of amount does not include interest and other fees and charges validly made pursuant to this Assignment. Protective advances are defined by law and include an expenditure or expenditures such as advances made under the terms of this Assignment to protect Lender's priority and advances made to fulfill or perform an obligation of the Assignor under this Assignment, with respect to the assigned property, that the Assignor has failed to fulfill or perform.

3. SECURED DEBTS. The term "Secured Debts" includes and this Assignment will secure each of the following:

A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, dated June 5, 2023, from Assignor to Lender, with a loan amount of \$2,350,000.00 and maturing on June 20, 2028.

B. All Debts. All present and future debts from Assignor to Lender, even if this Assignment is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Assignment, each agrees that it will secure debts incurred either individually or with others who may not sign this Assignment. Nothing in this Assignment constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Assignment will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Assignment will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Assignment will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.

C. Sums Advanced. All sums advanced and expenses incurred by Lender under the terms of this Assignment.

4. LIMITATIONS ON CROSS-COLLATERALIZATION. The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

5. ASSIGNMENT OF LEASES AND RENTS. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Assignor's performance under this Assignment, Assignor does hereby assign, grant, bargain and mortgage to Lender as additional security all the right, title and interest in the following (Property).

A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (Leases).

B. Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Assignor may have regarding the Property (Rents). Excluded from Rents are rents, issues and profits from the use and occupancy of the portion of the Property which is a family residence or an apartment building with less than six apartments.

C. The term Property as used in this Assignment shall include the following described real property:

SEE ATTACHED SCHEDULE "C"

The property is located in Jackson County at 2800 SPRINGPORT RD., JACKSON, Michigan 49202-1230.

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

6. PAYMENTS. Assignor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Assignment.

7. COLLECTION OF RENTS. Assignor may collect, receive, enjoy and use the Rents so long as Assignor is not in default. Assignor will not collect in advance any Rents due in future lease periods, unless Assignor first obtains Lender's written consent.

Upon default, Assignor will receive any Rents in trust for Lender and Assignor will not commingle the Rents with any other funds. When Lender so directs, Assignor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting, valuating, appraising and preserving the Property, and other necessary expenses.

Assignor agrees that this Assignment is immediately effective between Assignor and Lender and effective as to third parties on the recording of this Assignment.

This Assignment applies when it secures commercial or industrial property other than an apartment building with less than six apartments or any family residence.

8. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, Assignor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Assignment or any other document relating to the Secured Debts. Assignor agrees to pay expenses for Lender to inspect, valuate, appraise and preserve the Property. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and

payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Assignor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Assignor.

9. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Assignor represents, warrants and agrees that:

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A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Except as previously disclosed and acknowledged in writing to Lender, Assignor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Assignor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Assignor will take all necessary remedial action in accordance with Environmental Law.

D. Except as previously disclosed and acknowledged in writing to Lender, Assignor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Assignor or any tenant of any Environmental Law. Assignor will immediately notify Lender in writing as soon as Assignor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Except as previously disclosed and acknowledged in writing to Lender, Assignor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Assignor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Assignor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Assignor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Assignor agrees, at Assignor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Assignor's obligations under this section at Assignor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Assignor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Assignment and in return Assignor will provide Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Assignment.

L. Notwithstanding any of the language contained in this Assignment to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Assignment regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

10. CONDEMNATION. Assignor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Assignor authorizes Lender to intervene in Assignor's name in any of the above described actions or claims. Assignor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Assignment. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

11. DUE ON SALE OR ENCUMBRANCE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

12. TRANSFER OF AN INTEREST IN THE ASSIGNOR. If Assignor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

A. A beneficial interest in Assignor is sold or transferred.

B. There is a change in either the identity or number of members of a partnership or similar entity.

C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Assignment.

13. WARRANTIES AND REPRESENTATIONS. Assignor makes to Lender the following warranties and representations which will continue as long as this Assignment is in effect:

A. Power. Assignor is duly organized, and validly existing and in good standing in all jurisdictions in which Assignor operates. Assignor has the power and authority to enter into this transaction and to carry on Assignor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Assignor operates.

B. Authority. The execution, delivery and performance of this Assignment and the obligation evidenced by this Assignment are within Assignor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Assignor is a party or to which Assignor is or any of Assignor's property is subject.

C. Name and Place of Business. Other than previously disclosed in writing to Lender, Assignor has not changed Assignor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Assignor does not and will not use any other name and will preserve Assignor's existing name, trade names and franchises.

D. Title. Assignor has good title to the Leases, Rents and Property and the right to assign, grant, bargain, convey, mortgage and warrant to Lender as additional security the Leases and Rents, and no other person has any right in the Leases and Rents.

E. Recordation. Assignor has recorded the Leases as required by law or as otherwise prudent for the type and use of the Property.

F. Default. No default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Assignor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Assignor or any party to the Lease defaults or fails to observe any applicable law, Assignor will promptly notify Lender.

G. Lease Modification. Assignor has not sublet, modified, extended, canceled, or otherwise altered the Leases, or accepted the surrender of the Property covered by the Leases (unless the Leases so require).

H. Encumbrance. Assignor has not assigned, compromised, subordinated or encumbered the Leases and Rents.

14. COVENANTS. Assignor agrees to the following covenants:

A. Rent Abatement and Insurance. When any Lease provides for an abatement of Rents due to fire, flood or other casualty, Assignor will insure against this risk of loss with a policy satisfactory

to Lender. Assignor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

B. Copies of Leases. Assignor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed.

C. Right To Rents. Immediately after the execution of this Assignment, Assignor will notify all current and future tenants and others obligated under the Leases of Lender's rights to the Leases and Rents, and will request that they immediately pay all future Rents directly to Lender when Assignor or Lender asks them to do so.

D. Accounting. When Lender requests, Assignor will provide to Lender an accounting of Rents, prepared in a form acceptable to Lender, subject to generally accepted accounting principles and certified by Assignor or Assignor's accountant to be current, accurate and complete as of the date requested by Lender.

E. Lease Modification. Assignor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's written consent.

F. Encumbrance. Assignor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent.

G. Future Leases. Assignor will not enter into any future Leases without prior written consent from Lender. Assignor will execute and deliver such further assurances and assignments as to these future Leases as Lender requires from time to time.

H. Personal Property. Assignor will not sell or remove any personal property on the Property, unless Assignor replaces this personal property with like kind for the same or better value.

I. Prosecution and Defense of Claims. Assignor will appear in and prosecute its claims or defend its title to the Leases and Rents against any claims that would impair Assignor's interest under this Assignment and, on Lender's request, Assignor will also appear in any action or proceeding on behalf of Lender. Assignor agrees to assign to Lender, as requested by Lender, any right, claims or defenses which Assignor may have against parties who supply labor or materials to improve or maintain the leaseholds subject to the Leases and/or the Property.

J. Liability and Indemnification. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses or damages due to Lender's gross negligence or intentional torts. Otherwise, Assignor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

K. Leasehold Estate. Assignor will not cause or permit the leasehold estate under the Leases to merge with Assignor's reversionary interest, and agrees that the Leases shall remain in full force and effect regardless of any merger of the Assignor's interests and of any merger of the interests of Assignor and any party obligated under the Leases.

L. Insolvency. Lender will be the creditor of each tenant and of anyone else obligated under the Leases who is subject to an assignment for the benefit of creditors, an insolvency, a dissolution or a receivership proceeding, or a bankruptcy.

M. Use of Property and Related Indemnification. Assignor shall not use or occupy the Property in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Assignor becomes aware of such a violation, Assignor shall take all actions allowed by law to terminate the violating activity.

In addition to all other indemnifications, obligations, rights and remedies contained herein, if Lender and/or its respective directors, officers, employees, agents and attorneys (each an "Indemnitee") is made a party defendant to any litigation or any claim is threatened or brought against such Indemnitee concerning this Assignment or the related Property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use of such Property, then Assignor shall (to the extent permitted by applicable law) indemnify, defend and hold each Indemnitee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnitee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. To the extent permitted by applicable law, the within indemnification shall survive payment of the Secured Debt, and/or any termination, release or discharge executed by Lender in favor of Assignor.

Violation of this provision is a material breach of this Assignment and thereby constitutes a default under the terms and provisions of this Assignment.

15. DEFAULT. Assignor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. Assignor fails to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Assignor, Borrower, or any co-signer, endorser, surety or guarantor of this Assignment or any other obligations Borrower has with Lender.

C. Business Termination. Assignor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

D. Failure to Perform. Assignor fails to perform any condition or to keep any promise or covenant of this Assignment.

E. Other Documents. A default occurs under the terms of any other document relating to the Secured Debts.

F. Other Agreements. Assignor is in default on any other debt or agreement Assignor has with Lender.

G. Misrepresentation. Assignor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

H. Judgment. Assignor fails to satisfy or appeal any judgment against Assignor.

I. Forfeiture. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

J. Name Change. Assignor changes Assignor's name or assumes an additional name without notifying Lender before making such a change.

K. Property Transfer. Assignor transfers all or a substantial part of Assignor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

L. Property Value. Lender determines in good faith that the value of the Property has declined or is impaired.

M. Material Change. Without first notifying Lender, there is a material change in Assignor's business, including ownership, management, and financial conditions.

N. Insecurity. Lender determines in good faith that a material adverse change has occurred in Assignor's financial condition from the conditions set forth in Assignor's most recent financial statement before the date of this Assignment or that the prospect for payment or performance of the Secured Debts is impaired for any reason.

16. REMEDIES. After Assignor defaults, Lender may at Lender's option do any one or more of the following.

A. Acceleration. Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due.

B. Additional Security. Lender may demand additional security or additional parties to be obligated to pay the Secured Debts.

C. Sources. Lender may use any and all remedies Lender has under Michigan or federal law or in any document relating to the Secured Debts.

D. Insurance Benefits. Lender may make a claim for any and all insurance benefits or refunds that may be available on Assignor's default.

E. Payments Made On Assignor's Behalf. Amounts advanced on Assignor's behalf will be immediately due and may be added to the Secured Debts.

F. Rents. Lender may terminate Assignor's right to collect Rents and directly collect and retain Rents in Lender's name without taking possession of the Property and to demand, collect, receive, and sue for the Rents, giving proper receipts and releases. In addition, after deducting all reasonable expenses of collection from any collected and retained Rents, Lender may apply the balance as provided for by the Secured Debts.

G. Entry. Lender may enter, take possession, manage and operate all or any part of the Property; make, modify, enforce or cancel or accept the surrender of any Leases; obtain or evict any tenants or licensees; increase or reduce Rents; decorate, clean and make repairs or do any other act or incur any other cost Lender deems proper to protect the Property as fully as Assignor could do. Any funds collected from the operation of the Property may be applied in such order as Lender may deem proper, including, but not limited to, payment of the following: operating

expenses, management, brokerage, attorneys' and accountants' fees, the Secured Debts, and toward the maintenance of reserves for repair or replacement. Lender may take such action without regard to the adequacy of the security, with or without any action or proceeding, through any person or agent, or receiver to be appointed by a court, and irrespective of Assignor's possession.

The collection and application of the Rents or the entry upon and taking possession of the Property as set out in this section shall not cure or waive any notice of default under the Secured Debts, this Assignment, or invalidate any act pursuant to such notice. The enforcement of such remedy by Lender, once exercised, shall continue for so long as Lender shall elect, notwithstanding that such collection and application of Rents may have cured the original default.

H. Waiver. Except as otherwise required by law, by choosing any one or more of these remedies Lender does not give up any other remedy. Lender does not waive a default if Lender chooses not to use a remedy. By electing not to use any remedy, Lender does not waive Lender's right to later consider the event a default and to use any remedies if the default continues or occurs again.

17. TERM. This Assignment will remain in full force and effect until the Secured Debts are paid or otherwise discharged and Lender is no longer obligated to advance funds under any loan or credit agreement which is a part of the Secured Debts. If any or all payments of the Secured Debts are subsequently invalidated, declared void or voidable, or set aside and are required to be repaid to a trustee, custodian, receiver or any other party under any bankruptcy act or other state or federal law, then the Secured Debts will be revived and will continue in full force and effect as if this payment had not been made.

18. WAIVERS. Except to the extent prohibited by law, Assignor waives all appraisement and homestead exemption rights relating to the Property.

19. APPLICABLE LAW. This Assignment is governed by the laws of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

20. JOINT AND SEVERAL LIABILITY AND SUCCESSORS. Each Assignor's obligations under this Assignment are independent of the obligations of any other Assignor. Lender may sue each Assignor severally or together with any other Assignor. Lender may release any part of the Property and Assignor will still be obligated under this Assignment for the remaining Property. Assignor agrees that Lender and any party to this Assignment may extend, modify or make any change in the terms of this Assignment or any evidence of debt without Assignor's consent. Such a change will not release Assignor from the terms of this Assignment. Lender may assign all or part of Lender's rights under this Assignment without Assignor's consent. If Lender assigns this Assignment, all of Assignor's covenants, agreements, representations and warranties contained in this Assignment will benefit Lender's successors and assigns. The duties of this Assignment will bind the successors and assigns of Assignor.

21. AMENDMENT, INTEGRATION AND SEVERABILITY. This Assignment may not be amended or modified by oral agreement. No amendment or modification of this Assignment is effective unless made in writing. This Assignment and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Assignment is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

22. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Assignment.

23. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Assignor will be deemed to be notice to all Assignors. Assignor will inform Lender in writing of any change in Assignor's name, address or other application information. Assignor will provide Lender any other, correct and complete information Lender requests to effectively mortgage or convey the Property. Assignor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Assignment. Assignor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Assignor's obligations under this Assignment and to confirm Lender's lien status on any Property, and Assignor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

24. AGREEMENT TO ARBITRATE. Lender or Assignor may submit to binding arbitration any dispute, claim or other matter in question between or among Lender and Assignor that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this section or as Lender and Assignor

agree to in writing. For purposes of this section, this Transaction includes this Assignment and any other document relating to the Secured Debts, and proposed loans or extensions of credit that relate to this Assignment. Lender or Assignor will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws.

Lender and Assignor must consent to arbitrate any Dispute concerning the Secured Debt secured by real estate at the time of the proposed arbitration. Lender may foreclose or exercise any powers of sale against real property securing the Secured Debt underlying any Dispute before, during or after any arbitration. Lender may also enforce the Secured Debt secured by this real property and underlying the Dispute before, during or after any arbitration.

Lender or Assignor may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to Lender or Assignor; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

Lender and Assignor acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among Lender and Assignor involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this section.

The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this Assignment, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Assignment or another writing.

25. WAIVER OF TRIAL FOR ARBITRATION. Lender and Assignor understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, Lender and Assignor voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

26. WAIVER OF JURY TRIAL. If the parties do not opt for arbitration, then all of the parties to this Assignment knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Assignment or any other documents relating to the Secured Debts or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

SIGNATURES. By signing, Assignor agrees to the terms and covenants contained in this Assignment. Assignor also acknowledges receipt of a copy of this Assignment.

ASSIGNOR:

THE DA VINCI INSTITUTE

LUCAS CAMACHO, Secretary

ACKNOWLEDGMENT.

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STATE OF MICHIGAN, OF ss. Jackson County

This instrument was acknowledged before me this 5th day of June 2023 by LUCAS CAMACHO -Secretary of THE DA VINCI INSTITUTE a Michigan corporation, on behalf of the corporation.

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RONALD L. ELLISON NOTARY PUBLIC, Jackson County, MI My Commission Expires April 14, 2024 Acting in Jackson County Notary Public, State of Michigan, County of Jackson My commission expires _____ Acting in the of _____

RIDER A

PROPERTY DESCRIPTION

The land referred to is described as follows:

Land in Township of Blackman, Jackson County, Michigan described as:

Commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 00 degrees 00' 18" East 289.88 feet along the North-South 1/4 line of said Section 20 to the Northwest corner of a parcel of land described in Liber 2058, page 878, Jackson County Records, as monumented to the point of beginning; thence continuing North 00 degrees 00' 18" East 576.32 feet; thence South 78 degrees 27' 57" West 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the arc of a curve to the left, having a radius of 3819.98 feet and a central angle of 1 degree 01' 12", subtended by a chord bearing North 25 degrees 29' 21" West 68.01 feet; thence North 78 degrees 24' 54" East 393.67 feet; thence North 00 degrees 00' 05" East 763.51 feet; thence South 89 degrees 51' 03" East 67.15 feet to the North-South 1/4 line as monumented; thence North 00 degrees 00' 18" East 972.37 feet along the North-South 1/4 line to the center of said Section 20; thence North 89 degrees 48' 49" East 664.21 feet along the East-West 1/4 line of said Section 20 to the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 00 degrees 01' 10"East 2187.32 feet along the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 89 degrees 47' 26" West 483.62 feet; thence South 00 degrees 00' 18" West 178.51 feet to the Northeast corner of a parcel of land described in Liber 2058, Page 878, Jackson County Records; thence South 89 degrees 48' 18" West along the North line of a parcel of land described in Liber 2058, page 878, Jackson County Records, 181.51 feet back to the point of beginning.

Together with a 66 foot wide easement for ingress and egress described as commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 89 degrees 47' 26" East 181.51 feet along the South line of said Section 20 as monumented to the point of beginning; thence North 0 degrees 01' 10" East 468.48 feet; thence North 89 degrees 47' 26" East 66.00 feet; thence South 00 degrees 00' 18" West 468.48 feet to the South line of said Section 20'; thence South 89 degrees 47'26" West 66.00 feet along the South line of said Section 20 back to the point of beginning.

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG19-01020

2800 SPRINGPORT RD JACKSON, MI 49202 COUNTY: JACKSON

The above named building of Use Group E, Education and Construction Type 2A is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 02/18/2020

CONTRACT SCHEDULE 7

<u>REQUIRED INFORMATION FOR</u> <u>A PUBLIC SCHOOL ACADEMY</u>

SCHEDULE 7

REQUIRED INFORMATION FOR A PUBLIC SCHOOL ACADEMY

<u>Required Information for a Public School Academy</u>. This Schedule contains information required by the Code and the Contract. The required information for the Academy is contained in this Schedule 7.

Section a.	<u>Governance Structure</u> . The governance structure of the Academy is set forth in Section a of this Schedule.
Section b.	Educational Goal and Related Measures. The educational goal and related measures of the Academy are set forth in Section b of this Schedule.
Section c.	<u>Educational Programs</u> . The educational programs of the Academy are set forth in Section c of this Schedule.
Section d.	<u>Curriculum.</u> The curriculum of the Academy is set forth in Section d of this Schedule.
Section e.	<u>Methods of Pupil Assessment.</u> The methods of pupil assessment of the Academy are set forth in Section e of this Schedule.
Section f.	<u>Application and Enrollment of Students</u> . The Academy's criteria for the application and enrollment of students is set forth in Section f of this Schedule.
Section g.	School Calendar and School Day Schedule. The school calendar and school day schedule procedures are set forth in Section g of this Schedule.
Section h.	<u>Age or Grade Range of Pupils</u> . The age or grade range of pupils to be enrolled by the Academy is set forth in Section h of this Schedule.

SECTION A

GOVERNANCE STRUCTURE

GOVERNANCE STRUCTURE

The People of Michigan through their Constitution have provided that schools and the means of education shall forever be encouraged and have authorized the Legislature to maintain and support a system of free public elementary and secondary schools. All public schools are subject to the leadership and general supervision of the State Board of Education and the Legislature has authorized an alternative form of public school designated a "public school academy" to be created to serve the educational needs of pupils and has provided that pupils attending these schools shall be eligible for support from the State School Aid Fund. The Legislature has delegated to the governing boards of state public universities, community college boards, intermediate school district boards and local school district boards, the responsibility for authorizing the establishment of public school academies. The University Board has approved the issuance of a contract conferring certain rights, franchises, privileges, and obligations of a public school academy to the Academy Board.

The Academy is incorporated as a Michigan nonprofit corporation, organized on a non-stock, directorship basis for the purpose of operating as a Michigan public school academy. The Academy shall conduct its affairs as a governmental entity exempt from federal income taxes under Section 115 of the United States Internal Revenue Code or any successor law. The Academy is a body corporate and is not a division or part of Central Michigan University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract.

The Academy Board shall have at least five (5), but no more than nine (9) members, as determined by the University Board. Academy Board members shall be appointed according to the terms of the Method of Selection, Appointment and Removal Resolution adopted by the University Board. The Academy Board has all the powers and duties permitted by law to manage the business, property and affairs of the Academy and for adopting policies by which the Academy shall be governed. The Academy Board is responsible for assuring that the Academy operates according to the Terms and Conditions of this Contract and Applicable Law. Contract Schedule 2: Amended Bylaws, set forth a further description of the Academy Board's governance structure.

Academy Board members shall serve in their individual capacity, and not as a representative or designee of any other person or entity. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest and prohibited familial relationships, including Article IV, Sections 4.4 and 4.5 of the Terms and Conditions of this Contract.

Pursuant to applicable law and the Terms and Conditions of this Contract, including Article III, Section 3.6, the Academy Board may employ or contract for personnel according to the position information outlined in Schedule 5. Before entering into an agreement with an Educational Service Provider or an employee leasing company to provide services or to provide personnel to perform services or work at the Academy, the Academy Board must first comply with the Educational Service Provider Policies issued by the Center.

SECTION B

EDUCATIONAL GOAL AND RELATED MEASURES

EDUCATIONAL GOAL AND RELATED MEASURES

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.2, the Academy shall achieve or demonstrate measurable progress for all groups of pupils toward the achievement of the educational goal identified in this schedule. Although an increase in academic achievement for all groups of pupils as measured by assessments and other objective criteria is the most important factor in determining the Academy's progress toward the achievement of the educational goal, the Center also considers other factors. Upon request, the Academy shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal. In addition, the University expects the Academy will meet the State of Michigan's accreditation standards pursuant to state and federal law.

Educational Goal to be Achieved

Prepare students academically for success in college, work and life.

Measures to Assist In Determining Measurable Progress Toward Goal Achievement

To assist in determining whether the Academy is achieving measurable progress toward the achievement of this goal, the Center will annually assess the Academy's performance using the following measures.

Measure 1: Student Achievement

The academic achievement of **all students who have been at the academy for one or more years**¹ in grades 3-8 will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current, spring, grade-level national norms ² on the NWEA Growth reading and math tests administered in the spring.	Distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 50.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	50%
	performance against the standard falls below the this goal" will be defined using the following m	hese required expectations, "measurable progress towards t neasures and targets:	he
Over Time:	The percentage of students meeting or surpassing spring grade-level national norms over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\ge 6.0\%$ Meets $\ge 3.0\%$ Approaching $\ge 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The percentage of students categorized as proficient or advanced on the most recent state assessment will surpass the school's Composite Resident District (CRD) percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

¹ One or more years students (also called 1+ students) are students who are enrolled in the academy on or before count day and are still enrolled at the end of a given academic year.

² Grade level national norms are updated periodically by NWEA following comprehensive norming studies. The Center will use the most updated national norms published by NWEA and will inform the Academy when the norms are updated and how the updated norms may impact analysis and performance reporting.

<u>Measure 2: Student Growth</u> The academic growth of all students in grades 3-8 at the Academy will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The median of student growth percentiles (MGP) reflecting fall-to-spring scaled score growth on the reading and math NWEA Growth tests.	MGP: Exceeds \geq 65th Meets \geq 50th Approaching \geq 45th Does not meet < 45th	Reading: 50 Math: 50
	performance against the standard falls below these requi this goal" will be defined using the following measures a		ards the
Over Time:	The percentage of students making at least one year's growth over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\ge 6.0\%$ Meets $\ge 3.0\%$ Approaching $\ge 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The mean student growth percentile reflecting growth on the two most recent state assessments will surpass the school's Composite Resident District.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\ge 10.0\%$ Meets $\ge 5.0\%$ Approaching $\ge 0.0\%$ Does not meet $< 0.0\%$	5.0%

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<u>Measure 3: Post-Secondary Readiness: Grades 9-11</u> The 'on-track' towards college readiness rates of all students in grades 9-11 will be assessed using the following measures and targets.

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current grade-level college readiness benchmarks on the PSAT (grades 9 and 10) and SAT (grade 11) in Evidence- Based Reading and Writing (EBRW) and Math.	For EBRW, distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 60.0\%$ Approaching $\geq 50.0\%$ Does not meet $< 50.0\%$ For Math, distribution (which will be in the form of percentages): Exceeds $\geq 50.0\%$ Meets $\geq 40.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	PSAT 9 EBRW: 60% Math: 40% PSAT 10 EBRW: 60% Math: 40% SAT 11 EBRW: 60% Math: 40%
	this goal" will be defined using the t The percentage of students meeting or surpassing the current grade-level college readiness benchmarks on the PSAT (grades 9 and10) and SAT (grade 11) over time	alls below these required expectations, "measurable progress following measures and targets: Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\ge 6.0\%$ Meets $\ge 3.0\%$ Approaching $\ge 1.0\%$ Does not meet $< 1.0\%$	towards the 3.0%
Comparison Measure:	(CY-AVG(PY1+PY2+PY3)). The percentage of students meeting or surpassing the current grade-level college readiness benchmarks on the SAT (grade 11) will surpass the school's Composite Resident District percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\ge 10.0\%$ Meets $\ge 5.0\%$ Approaching $\ge 0.0\%$ Does not meet $< 0.0\%$	5.0%

SECTION C

EDUCATIONAL PROGRAMS

EDUCATIONAL PROGRAMS

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.3, the Academy shall implement, deliver and support the educational programs identified in this schedule.

"Just as eating against one's will is injurious to health, so study without a liking for it spoils the memory and it retains nothing it takes in." Leonardo daVinci

History

daVinci Schools ("Academy") is a tuition free preschool through twelfth grade public school chartered by Central Michigan University. The Academy was founded in August of 1995. The high school was located on the campus of Jackson College to service students in sixth through twelfth grades. Shortly after the establishment of the high school, the Academy expanded to include kindergarten through eighth grades at a separate location on the north side of Jackson. In 2011, the Academy's high school designated itself as an alternative education program to better serve the population and needs of Academy high school students. In 2013, the Academy opened a Great Start Readiness Program ("GSRP") for preschool, housed at the primary school. In 2016, the Academy opened a virtual program, located in the center of downtown Jackson, to provide an online learning option to area students. In 2019, the Academy moved its high school and virtual program to the campus of Baker College. Over a two-year transition period, the middle school was also moved to expand classrooms and provide more matriculation to the high school. This allowed a substantial increase in space for the middle and high school as well as the primary school. In 2023, the Academy purchased two buildings on the campus of Baker College, one building that continues to house the middle and high school students and the virtual program and one building for the primary school.

Mission

The purpose of the Academy is 'Fostering a community that will empower every student to realize their potential.'

Vision

daVinci Schools are based on common sense and human dignity. The importance of learning and creating a kind and caring community is emphasized at all levels. The Academy believes students are curious and capable learners, deserving of respect, no matter what. To be well educated, students need to understand and accept boundaries and expectations that foster continuous growth. The Academy staff encourages and teaches all students to share in the responsibility of the learning process in a respectful and reasonable way. The Academy believes personal responsibility is learned through building strong, caring relationships with students (Glasser, 1986). The guiding principles begin with understanding the difference between consequences and punishment when dealing with student behaviors (Fay & Funk, 1995). We are committed to continuous improvement, based on best practices, high expectations, coaching and professional development. Our vision is 'students empowered for personal success'.

Values

daVinci believes that every individual is deserving of respect, no matter what. The Academy strives to reveal each students' inherent greatness and inner wealth, by focusing on the whole child,

continuous growth and life-long learning. The importance of community is supported by a kind, caring, nurturing and compassionate atmosphere at all levels. We pledge that:

- We will always do what's best for students
- We will do whatever it takes
- We will accept no excuses
- We will do no harm.

Program Delivery

The Academy's Educational Program supports the mission, vision and values of the district through an intentional focus on knowing information about all students (i.e. academics, social and emotional learning, social behavior and interactions, mental and physical health, and family background) and considering all facets of student lives while placing students in the most appropriate courses, interventions and groups. Frequent formative assessment allows staff to stay current on student levels of achievement, as well as changing life conditions that affect learning, and make changes accordingly. Some of these changes are supported through differentiated instruction, while others are supported through a school engagement specialist and/or referral to services, in or outside the Academy.

At the high school, online course opportunities for credit recovery and personal curriculum accessibility, as well as courses that assist with building basic skills, motivation and goal setting, target an alternative high school population. Through the virtual program, online courses can be taken at home, worked on remotely or worked on at the Academy's Virtual Center. The Virtual Center allows students in the virtual program a place to get individual academic support, as well as support through a school engagement specialist and/or referral to other support services, programs, therapy or medical attention.

The diversity of students in classrooms continues to increase and there is a greater need to shape curriculum and instruction to maximize learning for all students, especially underserved, at-risk, poverty stricken, traumatized and/or non-traditional alternative students. One of the primary instructional methods used at the Academy is differentiated instruction. Differentiation assists the teacher in responding to the needs of the students, such as allowing a faster or slower pace of learning as well as choosing themes and content that allow for investigation that is more complex. Individualization is the process of adapting the curriculum to meet the needs of and appeal to the interests of a student. This process is especially valuable to address the needs of at-risk, those who have experienced or are experiencing trauma, and alternative students. The rationale for differentiated instruction comes from theory, research and educational common sense (Stronge, 2007).

Curriculum Adaptations and Modification

A resource room exists at each site for students with an Individualized Education Program ("IEP"). Both sites also have Teacher Support Teams ("TST") that review the needs of struggling and gifted students to provide interventions or programs that not only help students to be academically and behaviorally successful but also be challenged to their greatest ability.

When making educational placement decisions for students with disabilities, the Academy will ensure that parents are contributing members of the IEP team, and together the team will make decisions that are subject to requirements regarding provision of the least-restrictive environment. When determining how services will be delivered to students with disabilities, the Academy will follow all Special Education Rules as issued by the Michigan Department of Education. If a child with a current IEP enrolls in the Academy, the Academy will implement the existing IEP to the extent possible or will provide an interim IEP agreed upon by parents until a new IEP can be developed. IEPs will be developed, revised and implemented in accordance with the Individuals with Disabilities Education Improvement Act ("IDEIA") and state law and regulations.

The Academy will fully comply with federal laws and regulations governing children with disabilities as follows:

- The Academy is responsible for providing a free, appropriate public education to children with disabilities enrolled in the Academy that have been determined through an IEP to require Special Education programs and services.
- The Academy will ensure that children who are suspected of having disabilities are properly evaluated by a multidisciplinary team, as defined in the Michigan Special Education Rules, and that children who have already been identified are re-evaluated by the multidisciplinary team at least every three years.
- When a multidisciplinary team determines that a special education student requires Special Education programs and services, the Academy will ensure that the IEP is fully implemented in accordance with IDEIA and reviewed on an annual basis or more frequently as determined by the IEP team.

The Academy's program for English Learners ("EL") includes techniques, methodology and customized curriculum designed to teach EL students explicitly the English language, including the academic vocabulary needed to access content instruction and to develop English language proficiency in all four language domains (speaking, listening, reading, and writing). Some modes of instructional delivery may include collaborative teaching, with the ESL-endorsed teacher joining the content area teacher to assist in providing language support to the ELs, and/or EL students being pulled out of class for individual or small group intervention, often provided by an ESL-endorsed teacher. Other modes include online programming to support vocabulary. The Academy conducts an initial English Language Screening to any students who are new to the United States, as well as administer all EL students an annual assessment, WIDATM, to determine the student's ability in one of six levels of English language proficiency.

Primary School

The Academy's Primary School serves students in preschool through fifth grades. The Academy is a school-wide Title 1 building that creates a flexible, continuous learning environment where all classes have a student to teacher ratio of twenty-two to one (22:1) or less. The small atmosphere paired with caring staff members creates an environment of strong relationships. Data indicates these relationships lead to a safe and secure learning community where students can excel academically. Smaller class sizes lead to significant improvements in reading and mathematics, where benefits are greatest for students who start in small classes early in education. For these students, smaller classes can diminish the achievement gap and lead to reduced grade retention, fewer disciplinary actions, decreased drop out and more students taking college entrance exams (Center for Public Education, 2004).

The Academy's Primary School provides best practice instruction and high expectations in all academic areas while allowing for flexibility and choice for students. Flexibility and choice provide students an opportunity to show mastery of skills. Research shows that successful programs for youth at risk of academic failure have clearly demonstrated that having high expectations, with high support, is a critical factor for academic achievement in school. Students achieve more when they believe the teachers expect the students will achieve more (Benard, 1995). We teach students the difference between fixed and growth mindset. Research shows that with the right mindset, we can motivate kids to reach their goals. (Dweck, 2006). High expectations result from a strong belief in the unlimited potential of each student and are also a reliable indication of high student achievement. The Academy builds a culture of high expectations by instilling higher order thinking skills; engaging students in big ideas and complex understanding; and taking into account the abilities and learning styles of all learners while integrating technology into the lives of students to prepare learners for 21st century skills. Students respond positively and work hard to achieve these expectations.

Kindergarten through fifth grade classrooms incorporate the Nurtured Heart Approach ("NHA"). When the NHA is implemented school-wide, classroom by classroom, the entire school advances to inspiring levels of respect, emotional safety and development of character, which promotes greater academic achievement. Using rich relationships balanced by clear limits increases the time actually spent teaching. Staff feel more effective at helping students overcome problems, while students feel an environment of positivity while at school. Academy staff incorporate monthly character trait education with a focus for being reasonable, respectful and responsible at all times. The Academy has also added social emotional curriculum to meet the needs of our students.

Curriculum is developed into a series of units and aligned to formative and summative assessments. Formative assessments may include a variety of strategies such as quizzes, compositions, reports or performance events (Walker and Williamson, 2009), while summative assessments serve as a guide for directing the curriculum and instruction (Hoge & Colardarci, 1989).

The curriculum at the Primary School is aligned to the Michigan Academic Standards ("MAS"). Active participation and frequent use of formative assessments assist in individualizing education. Individualization is the process of adapting the curriculum to meet the needs of and appeal to the interests of a student. Differentiation of instruction works through flexibility in length and/or depth of assignments, lessons developed around multiple intelligences and cooperative learning structures and the growing use of technology in the classroom (Kagan, 1997).

English Language Arts ("ELA")

The ELA curriculum follows the General Education Leadership Network ("GELN") initiative to ensure all students increase in the capacity to improve literacy by identifying systematic and effective practices that can be implemented in the educational setting. Teachers use a balanced literacy approach to teach reading, writing, speaking and listening. Balanced literacy instruction is characterized by meaningful literacy activities that provide children with both the skill and desire to become proficient and lifelong learners. High levels of student achievement result by implementing and defining core instructional practices. System supports are in place to contribute to literacy success for every student; these include the instructional practices recommended for use in every classroom every day, as well as tier supports for students and teacher coaching for newer teachers.

Running records are one of many formative assessments used to ensure all students are showing proficiency in reading. When a student is not showing the growth needed to reach proficiency, special interventions are provided to give the student every opportunity to bring reading skills to grade level within the school year.

Mathematics

The mathematics curriculum uses the eight mathematical practices found in the MAS for instruction, practice and assessment. The Academy's research-based pedagogy assists students in developing a deeper understanding of concepts and application in real-world situations. Its use of innovative instruction breaks complex concepts into simpler increments, recognizing that smaller pieces of information are easier to teach and learn. The distributed approach ensures that students gain and retain critical thinking concepts in real-world situations. Data shows that the population at the Academy are more successful when the concepts are broken down and used in real-world applications.

Social Studies

The social studies curriculum follows the recent state changes to make social studies standards "fewer, clearer, and higher". The Academy's focus on "success in college, career and life" is closely linked with the C3 Framework that promotes College, Career and Civic ("C3") life. The use of predominantly hands-on/project-based curriculum at the Primary School leads to a clearer understanding of basic concepts that encourage mastery of higher-level standards. When the focus is on life outside of the K-5 arena, both from a personal and community perspective, a deeper understanding is blended with practical application of skills to better assist students beyond the classroom.

Science

The Academy's Science curriculum is fully aligned to the MAS and promotes three-dimensional ("3D") learning. 3D learning refers to the intentional integration of three distinct dimensions: Scientific and Engineering Practices ("SEPs"), Disciplinary Core Ideas ("DCIs"), and Crosscutting Concepts ("CCCs"). Using this approach, the MAS emphasizes that science is not just a series of isolated facts. This awareness enables students to view science more as an interrelated world of inquiry and phenomena rather than a static set of science disciplines. This fundamental shift in science education requires a different approach to teaching science than in the past; teachers are now using a range of strategies to engage students and create opportunities to demonstrate students' thinking and learning.

Curriculum, Adaptation and Modification

Supplemental services for students with current IEPs include a kindergarten through fifth grade resource room, staffed by a certified special education teacher. The special education teachers help students identified as having a learning or other disability achieve grade level expectations. The Academy's special education staff and the Jackson County Intermediate School District ("ISD") Special Education staff meet monthly to review the needs of special needs students.

Those students who do not qualify under an IEP but have difficulty in a subject area are referred to the Teacher Support Team ("TST"). The TST meets monthly to determine which students are candidates for appropriate supplemental services. Interventions determined from the TST include working with the Title One teacher or paraprofessional as individuals or in small groups to reduce the achievement gap. The TST also discusses the needs of gifted and talented students and the challenge required to help these students meet their highest academic potential.

The Academy recognizes that the "whole child" is a unique learner comprised of interacting dimensions, such as cognitive, physical, behavioral, social and emotional. The whole child lives within many connected environments including home, school and community. As part of the

Whole Child Approach, the Academy embraces the comprehensive Multi-Tiered Systems of Support ("MTSS") framework that uses a collection of research-based strategies designed to meet the needs of the whole child. The Academy intentionally considers an education system that supports successful learner, school and community outcomes.

Virtual

The Academy recognizes that virtual learning is now an option for more than just the middle and high school student. The Academy does not believe that virtual education is best for many elementary aged children, both academically and for students' social emotional well-being, but recognizes that families and students have personal reasons in choosing this option. Through the experience with offering virtual education for middle and high school students, Academy staff has learned that communication and connection is still extremely important and works hard to make the virtual educational experience as 'in person' as possible. The Academy offers a virtual option for all students, kindergarten through twelfth grade.

Assessment

Academy administered assessments ensure students are taught at the appropriate instructional level and staff provide adjustments, accommodations and supplemental instruction as necessary. Instruction is determined by administering many different assessments, including the Northwest Evaluation Association[™] ("NWEA[™]") Measures of Academic Progress[®] ("MAP[®]") Growth[™], WIDA, PSAT[™] 8/9, and all required state assessments. The Academy administers the assessments as follows:

Grade Assessment Administration Timeline

K-2 NWEA MAP for Primary Grades Fall, Winter, Spring3-5 NWEA MAP Fall, Winter, SpringK-5 WIDA (as appropriate) Winter3-5 State assessment/MI-Access Spring

Summative assessments are used as a means to gauge student learning relative to content standards in each classroom level as an accountability measure. Formative assessment is used as part of the instructional process. It is incorporated to provide the information needed to adjust teaching and learning while it is happening. Formative assessment informs both teachers and students about student understanding at a point when timely adjustments can be made (Garrison & Ehringhaus, 2007).

Success in College, Work and Life

Each pupil, starting in seventh grade, is provided with the opportunity to develop an Educational Development Plan ("EDP") under the supervision of a highly qualified teacher. An EDP is a document that reflects a student's educational and career goals, methods to achieve these goals and student activities and achievements. The EDP is utilized as a secondary planning tool to direct the student's educational and training goals, including goals beyond graduation. The plan may also identify special resources and support for the student's success in a personal curriculum. The scope of a student's planning can include career awareness or exploration activities, work-based activities and course selections that prepare students for greater understanding of career options and achievement of career goals. Along with the EDP, students in the 8th grade spend a half day at daVinci High School shadowing high school students in several classes and lunch, along with a visit to the Jackson Area Career Center to assist students in planning future high school goals. The

EDP is part of the Xello program that continues implementation throughout the high school years and serves to prepare students academically for success in college, work and life.

Preschool Program

The Academy operates an early childhood education program (Pre-Kindergarten/GSRP). On an annual basis, the Academy shall advise the Center on the current status of its early childhood education program. If changes occur in the Academy's early childhood education program, the Academy shall file a revised Early Childhood Education Program Questionnaire with the Center.

Unless permitted under Applicable Law or administrative rule, the Academy shall not use the state school aid funds to establish or operate its early childhood education program. In accordance with Applicable Law and administrative rule, the Academy shall budget and account for funds and expenses associated with its early childhood education program.

The da Vinci Virtual Center

The da Vinci Virtual Center is a support center for students in grades six through twelve enrolled in the Academy's virtual program. The Academy's goal is to provide a better learning environment for online learners, meet individual student needs and provide access to mentors and content teachers instead of limiting students to only virtual support. The online curriculum used at the Academy is OdysseyWare. All virtual content, grades six through 12, is solely from the OdysseyWare curriculum.

Upon enrollment in the virtual program, students are encouraged to stop at the Virtual Center on a weekly basis to ensure the Academy builds a relationship with each student, holds students accountable for online learning time and offers one-on-one support for academics. Students are allowed to stop in as often as needed and are not limited to a specific day or time. There is always a certified teacher in the Virtual Center during open hours, covering all curriculum areas. Online teachers and mentors are also available online at other extended hour times.

In an effort to foster a sense of community with and among the online students, and to build and maintain relationships, the Academy hosts community building events such as special meals, treats, snacks, or special contests and activities, for example decorating the Christmas tree or frosting Christmas cookies.

Educational programs and graduation requirements meet the Michigan Merit Curriculum standards for core classes, as well as standards of expectation already present in the Academy's primary and high schools.

Middle School/High School

The Academy's middle grades of sixth, seventh and eighth grade, are served in a separate hall from the high school students, although they are located in the same building. The middle school team consists of two language arts teachers, two mathematics teachers, one social studies teacher and one science teacher, as well as a teacher for special education. Middle school students have specials that can include music, art, health, physical education, and/or Spanish.

The Academy's middle and high school has a student-to-teacher ratio of up to twenty-two to one (22:1). The small community and small atmosphere help students feel safe and secure and enhances the learning environment. The strong focus on relationships is key to helping students that may have experienced or are experiencing trauma. Data indicates that relationships and small

classes lead to significant improvements, specifically in reading and mathematics and benefits are greatest for students who can receive more one-on-one attention (www2.ed.gov/offices/OESE/ClassSize/local/success.html). While small classes benefit all kinds of students, much research has shown that the benefits may be greatest for minority students or students attending inner-city schools where the population is highly at-risk. For these alternative students, smaller classes can shrink the achievement gap and lead to reduced grade retention, fewer disciplinary actions, less dropping out, and more students graduating within their cohort.

Transitions Classroom

In the Jackson community, the Academy is one of only two charter schools to offer programming for high school students. Based on the needs of the current most at-risk students, the Academy staff developed a transitions class to help students identify and work on the barriers to academic success. The goal of the class is to help students transition back to, and be successful in, the regular program. This class is offered when the staff feels that we have a current group of students that would benefit. If a student that is transferring to the high school has not been successful in attendance, behavior or academics in previous school settings, the student may be offered a semester in the transitions classroom. Students in this room have an even smaller student to teacher ratio, approximately ten to one (10:1). Students complete daily motivational and goal setting activities that include group discussions, journaling and one-on-one advising with the instructor. The class is highly individualized with many students working independently on credit recovery, and many students learning about trauma and how it affects the brain. This can empower the atrisk learner to understand their actions and help them make the changes necessary to be successful. Through the interview process, staff determine if there may be coursework that students have previously taken or if the students have the skills to test out of the course. Other students get additional support and tutoring, as well as take courses online, in an effort to help them catch up on credits. This high support, high expectation class is demanding and structured, yet personal and individualized.

New Student Orientation

To develop rapport with students and to introduce Academy expectations, students attend an interview and orientation. During the interview, information is collected (i.e. birth certificate, immunization records, special education status, discipline records and transcripts) on potential students to better assess the needs of the student. At the interview, appointments are made to assess reading and math skill levels before the student schedule is created.

A required student orientation session is held at the beginning of each school year. Students who enroll after the beginning of a semester receive the orientation information from a staff person responsible for enrolling new students. This information fosters the first relationship building to help the student transition to the school.

Curriculum and Research-based Instructional Strategies

Curriculum at the Academy's high school is aligned to the MAS. The student-to-teacher ratio allows and encourages strong relationships with students. A seminar class is built into the daily schedule to enhance the student and teacher relationship (Faye & Funk, 1995) and to focus on requirements specific to grade level and/or orientation to the Academy. The yearly seminar course allows teachers to work with alternative students individually on time management, organization and completion of assignments, remedial work in reading and math, as well as offer support for student coursework. It is the relationships at the Academy that most affect the success of students.

The Academy uses a backward design process to address both rigor and relevance (McTighe & Wiggins, 1999). All teachers build rigor into content areas with lesson plans that incorporate Bloom's Taxonomy to develop higher order thinking skills (Decker & Davidson, 2006) and Depth of Knowledge (Norman Webb, 1997). Through instructional planning, the Academy works on aligning the primary, middle and high school curricula vertically and has a structured curriculum review timetable in place. The timeline includes an opportunity to ensure pacing guides are updated and the use of current student data is strongly considered. This is accomplished through use of a curriculum spreadsheet template.

Delivery of instruction varies by content area and teacher. In all classrooms, there is a common goal of mastery, the notion that failure is not an option (Blankstein, 2004) and that instructional time has to be used efficiently and effectively. This is delivered through strong relationships and a focus on engagement by active participation, differentiation of instruction and individualization of curriculum that is witnessed by a learning environment and grading system that focuses on mastery of skills and content. The Academy believes that every student achieves or "masters" the curriculum and only receives credit once demonstrating an acceptable level of performance. Teachers provide study skills, offer study aids in the classroom and create differentiated lessons that give students control in the learning environment (Drapeau, 2004). Bloom's Taxonomy is used as a guide to ensure skills are taught at all levels of thinking, with adequate time for checking for understanding and re-teaching. This is noted through flexibility in length and/or depth of assignments, availability of teacher notes and PowerPoint presentations, lessons developed around multiple intelligences and cooperative learning structures and the growing use of technology in the classroom (Kagan, 1997). These tools are especially helpful for at-risk and alternative students who require instruction to include relevance to daily life.

The Academy recognizes the opportunity for online instruction to provide further individualization, especially for at-risk and alternative students. Online instruction is offered as a virtual classroom environment that engages students in learning through interactive technology such as animations, simulations, video-based presentations and exploration activities. Online instruction is led by highly qualified teachers who present lessons supported by online activities and aligned to the state standards. In addition, the Academy also provides a highly qualified teacher to serve as a mentor teacher to assist, monitor and assess student progress. This allows the teacher to reteach, answer questions, explain content and monitor. The online programming offers flexibility in that lessons are self-paced and lends itself to credit recovery opportunities.

English language arts

As indicated, teachers align curriculum to the MAS and develop units based on the expectations. The Academy has adopted the Michigan Association of Intermediate School Administrators ("MAISA") curriculum as the basis for all reading and writing instruction at the middle and high school levels. The English department participates in data retreats and identifies areas of strengths and weaknesses to determine Academy wide reading goals to support comprehension across the curriculum (Tompkins, 2008). Academy data and courses (i.e. Strategic Reading) address student needs in developing critical reading and listening strategies and reinforcing fluency and comprehension skills. Further, the English department recognizes reading comprehension as key in increasing math scores because of the need to accurately understand story problems. For these reasons, the Academy has adopted the Adolescent Critical Reading Initiative ("ACRI"). ACRI establishes goals to bring students to grade level and to prevent students from experiencing content area literacy issues in high school. ACRI emphasizes small group instruction focusing on critical thinking with expository text. The Academy has recently adopted Lexia to provide a more

structured literacy intervention for students. Lexia is founded upon a structure and systematic approach to literacy instruction that builds upon prior learning in a sequential manner-from simple to complex- ultimately improving the ability to deliver critical literacy concepts, and transitioning the ownership of learning to the student.

Mathematics

The Academy believes that basic computation skills are the foundation for building higher-level skills. Problem-solving and critical thinking skills are encouraged in all curriculum areas to support mathematics learning (Whimbey & Lochhead, 1982). The textbooks and materials are chosen based on the alignment to MAS, the availability of teacher resources to support differentiation, and the availability of student and parent resources to support learning. Teachers also provide individualized instruction with the use of Math Facts Pro, Khan Academy and Delta Math interventions. When necessary, remedial skill courses are available to students.

Social studies

The Academy has aligned the social studies curriculum with the C3 Framework and the MAS. Staff select textbooks and materials based on alignment and the availability of teacher resources to support differentiation, as well as the availability of student and parent resources to support learning. Teachers use inquiry-based teaching to engage students (Higgs, 2005). The social studies curriculum incorporates hands-on, project-based learning experiences. These include, but are not limited to, cultural and historical field trips, artistic and food experiences related to the topics being studied, and guest speakers. When the focus is on life outside of the K12 arena, both from a personal and community perspective, a deeper understanding is blended with practical application of skills to better assist students as they move beyond the classroom.

Science

The Academy's science curriculum is fully aligned to the MAS and promotes 3D learning—the intentional integration of the SEPs, DCIs and CCCs. Using this approach, the MAS emphasize that science is not just a series of isolated facts and enables students to view science as an interrelated world of inquiry and phenomena rather than a static set of science disciplines. This fundamental shift in science education requires a different approach to teaching science than in the past, and teachers now use a range of strategies to engage students and create opportunities to demonstrate thinking and learning.

Curriculum Modifications and Accommodations

Supplemental services for students with a current IEP include a resource room, instructed by a helping teacher. "Helping teacher" is a term the Academy utilizes instead of the special education teacher to help students identified as having learning or other disabilities achieve high school content expectations. Classroom accommodations for students with IEPs are tracked by classroom teachers to ensure students receive assistance. Those accommodations include, but are not limited to extra time on tests, tests read to the student, testing in a smaller classroom environment, reduced quantity of class/homework, oral responses to tests, and use of word processors to complete work/tests.

The Academy's special education teachers provide resources and assistance to students with special needs, as well as utilizing a team-teaching approach in some instructional areas to lower the student to teacher ratio. The resource room teacher designs, or assists in the design of, instruction to meet the specific needs of the students to maximize learning potential. Additionally, the resource room teacher works closely with the child's regular general education teachers and

parents to ensure support helps the student to reach full potential. Special education services outside of the resource room are provided through the Jackson County ISD.

Differentiation within each classroom exists for students without IEPs as well. This is demonstrated through compliance with 504 plans, alternative options for presenting final projects, oral explanations of subject matter to the teacher, projects that show advanced critical thinking skills and other independent study opportunities. Differentiated instruction provides for multiple and flexible methods of presentation, expression/apprenticeship and engagement.

A high percentage of at-risk youth requires the Academy to research interventions that address varied causes for achievement gaps. Students who do not qualify under an IEP but have difficulty in a subject area receive other support services, such as a one-on-one intervention in reading (NeuroReading). The Academy implements a pyramid of interventions (Blankstein, 2004) to target early prevention and intervention strategies, from additional progress reports to mandatory daily study sessions. The TST meets monthly to determine which students are candidates for appropriate supplemental services and interventions. The committee considers interventions that challenge advanced students, as well as provide support services for students who are struggling academically and/or behaviorally. Further, the Academy's special education staff and the Jackson County ISD staff meet weekly, as well as when needed to review the needs of special needs students.

All students participate in diagnostic testing two to three times each school year. Course placement decisions are based, in part, on the test results. If students are two or more academic levels below level in reading and/or mathematics, then students are placed in remedial reading and/or mathematics courses (i.e. strategic reading, general math) until performance and test scores indicate students are ready for Michigan Merit Exam ("MME") credit courses.

Graduation Requirements

The Academy's high school graduation requirements follow the Michigan Merit Curriculum ("MMC"). The Academy believes a well-rounded education includes elective credits that assist in individualizing the curriculum for the student. Elective credits may be gained in any core academic or elective area, as well as vocational courses offered by the local ISD career center or dual enrollment courses. The Academy offers the opportunity of online courses to fulfill the requirement of the online learning experience.

The Academy's minimum requirements for graduation are twenty-four credits and completion of annual standardized testing including the MME/SAT[®] test.

Graduation Requirements

Math4.5 crAlgebra A, B, C (or I/II) 3.0Geometry 1.0Personal Finance .5Must include a math course in final yearEnglish4.5 crMust include English 12Science3.0 crBiology 1.0

Any (Physical Science preferred) 1.0 Chemistry or Physics 1.0 Social Studies 3.0 cr World History 1.0 US History 1.0 Civics/Gov .5 Economics .5

Physical Education/Health 1.0 crFine Arts1.0 crForeign Language2.0 crElectives5.0 cr

Total 24.0 cr

Students with special needs or age restrictions may request a Personal Curriculum. 9th Grade = 0 - 5.9 cr 10th Grade = 6.0 - 11.9 cr 11th Grade = 12.0 - 17.9 cr 12th Grade = >18.0

Community Service

Engaging in community service provides students with the opportunity to become active members of their community and has a lasting, positive impact on society at large. Community service or volunteerism enables students to acquire life skills and knowledge, as well as provide a service to those who need it most. Common benefits of participating in a community service program include psychological benefits. Volunteering increases overall life satisfaction and helps you feel good about yourself because you are helping others as well as helping to decreases stress and ease depression. Volunteering promotes social benefits as students engage with the community, create special bonds with the population being served and increase social awareness and responsibility. And community service has cognitive benefits: volunteering helps students enhance personal knowledge, grow from new experiences and develop better interpersonal communication skills.

Participating in community service not only makes a difference to the organization and people being served, but also makes a difference to every student's career prospects. Participating in community service activities helps to enhance student resumes by allowing students to obtain work-related skills prior to graduation; builds good references for employers in regard to community involvement; and provides a forum to network with future potential employers. Students also develop civic and social responsibility skills and become more aware of community needs. The Academy partners with local programs and not-for-profit organizations to provide service opportunities. Community service and service-learning opportunities allow students to become familiar with business and non-profit employers in the local community (Blankstein, 2004).

Senior Requirements

The Academy is committed to teaching students how to learn, to instill a desire for life-long learning and to support and encourage students in the pursuit of dreams and aspirations. This is accomplished through a senior project in English 12 and a senior ePortfolio. The purpose of the senior research project is to demonstrate mastery in all facets of a major research project such as conducting research, speaking publicly, utilizing technology effectively and communicating a

research-based thesis. The four-step process requires students to select a topic; research the topic extensively; create a presentation (organize the research into a presentation outline; create presentation aids; compile a bibliography; plan an interesting and engaging presentation); and finally, present the research to the audience. Students present to a group of peers, staff members and community members. The student must present for a minimum of ten minutes, include presentation aids and involve the audience in the presentation. The Academy requires students pass the presentation with a score of 70% or greater, as measured by the senior research project rubric.

The purpose of the ePortfolio is for students to identify and reflect upon skills acquired in kindergarten through twelfth grade education experience and to plan for life after high school. To that end, students compile an ePortfolio that includes a variety of items including, but not limited to, a reflective essay, transcripts, exhibits of employability skills, descriptions of careers and college paths, a resume and cover letter and a bibliography. The ePortfolio is public and viewable by teachers and students. After students complete the ePortfolio, the student may use the digital portfolio as a marketing tool to employers and college admissions teams.

Success in College, Work and Life

Partnerships and Community Resources

The Academy has worked with various community members to develop partnerships to assist students in developing skills that contribute to success after high school. Through partnerships, the local community assists students by providing social, recreational and educational services. Additionally, community partnerships support students in successfully achieving goals through financial education, job shadowing opportunities, community service and motivational speakers. The Academy's partnerships and resources include local colleges (i.e. Jackson College, Baker College and Spring Arbor University) as well as area businesses and organizations (i.e. True Community Credit Union, Jackson County Health Department, Michigan Theatre, Phoenix Childcare, ABC Childcare, The Dahlem Environmental Education Center, Jackson Area Career Center, Jackson County Math & Science Center, Somerset Beach Campground, Hidden Lake Gardens, Jackson YMCA, Jackson District Library, Target, Jackson County Medical Care Facility, John George Home, Aware Shelter, Jackson Interfaith Shelter, Cascades Park, Ella Sharp Park & Museum, Holocaust Memorial Center, Waterloo Recreational Area, MacCready Reserve, McCourtie Park, Henry Ford Allegiance, Walton Insurance Group, Shop Rat, Jackson Chamber of Commerce, Compassionate Ministries of Jackson County, Cascades Humane Society, Jackson County Animal Shelter, Echo Center, Junior Achievement). Within Jackson County we are serviced by a program through the Jackson County Career Access Center. An advisor is in our building twice a week to work with eleventh and twelfth grade students on their FAFSA, soft skills, on demand careers and training, and helping them to set career goals.

Dual enrollment and Early College

The high school is located on the campus of Baker College, which provides students with the opportunity to enroll in college courses. Having students physically on a college campus assists in eliminating barriers and helps students feel comfortable in a college setting (Conley, 2005). The Academy believes this experience assists students with the transition to college. The successful completion of a college class increases the likelihood of a student continuing to further his/her education after high school graduation. To give students a jump start on a college education while saving money for families, the Academy also participates in Jackson County Early College. Students can either request to enroll in Early College or be recommended by a teacher. Students are reviewed individually based on responsibility, maturity and academic progress.

Assessment

Assessment is another area where the Academy uses differentiation. Assessment is not simply a measure of achievement but is also something that is used to create achievement (Stiggins, 2004). The Academy has been trained in *Assessment for Learning*, which gives important feedback to teachers during the learning process, not just documenting mastery. Assessments for learning are provided by teachers allowing multiple opportunities for demonstration of mastery (i.e. projects, presentations, process skills, reasoning and persuasive writing and art pieces). Teachers allow multiple re-takes of paper-pencil assessments, allowing students the opportunity to learn from assessments and have further opportunities to demonstrate mastery. Differentiation allows the opportunity for a variety of assessment tools to be used (Wormeli, 2006).

The Academy administers all state required tests, PSAT 8/9 (8th and 9th grades), PSAT[™] 10 (10th grade) and MME for 11th grade (and 12th as appropriate), including SAT, and WorkKeys[®]. The Academy also utilizes other online testing and analyzes data as it relates to content and standards. The NWEA MAP test is administered to students in grades 6-11 two or three times a year. All new students are assessed at the beginning of each semester with a pre-QRI screening test to determine which students need to be placed in the high school's Strategic Reading class. Students who demonstrate low math abilities on the MAP math test are considered for placement in the high school's General Math class, which uses MAP RIT scores to identify areas in curriculum that will help the student remediate gaps in learning. Overall, students are placed in classes based on the level of skill, in addition to which classes are needed to meet MMC requirements. In addition, the data is used for the school improvement process, which helps the Academy make informed decisions about addressing achievement gaps. WIDA is given as appropriate in 6th - 12th grade.

Achievement Gaps

Achievement gaps have shown the need to analyze data and make informed decisions for school improvement. Due to the highly at-risk and transient student population, MME scores and graduation rates continue to be problem areas for the high school. The Academy accepts the responsibility that each staff member must maintain the attitude that mediocrity is not an option in the Academy (Kafele, 2009), and recognizes that building relationships with families is a crucial step in helping students be successful (Payne, 1998). The Academy recognizes the need for substantial improvement in achievement and addresses the challenge in the school improvement process (data retreat), weekly staff meetings and committee/work groups to address specific areas of need. Among the initiatives to address achievement gaps, the Academy has implemented the following intervention strategies:

- build relationships and mentor students and families
- Nurtured Heart
- Positive attendance recognition
- 3 R Stars (reasonable, responsible and respectful)
- Glasser Reality Therapy
- adopted "5D+ Rubric for Instructional Growth and Teacher Evaluation"
- small class sizes up to twenty-two to one (22:1)
- daily seminar course for relationship building, study and support
- differentiated lessons
- Kagan Cooperative Learning Structures
- Growth Mindset
- Community School Engagement Specialist

- social worker on site
- Google Classroom, especially to support absent students
- using technology as a tool
- study skills and test taking skills taught within the content area
- remedial classes in English and mathematics, teacher taught
- remedial classes in English and mathematics, offered through virtual classes
- opportunity for virtual courses
- personal phone calls for absences
- postcards mailed to recognize effort, growth and success
- marking period recognition for achievement
- town meetings
- project-based learning intensives with field trip opportunities
- PBIS, in school suspension, and reset room
- multiple seating options (ball chairs, video rocking chairs, hooki stools, Node chairs)
- sensory rooms and tools
- trauma therapy tools

These strategies also help to address the many reasons for students dropping out of school and ultimately failing to graduate.

Program Evaluation: Michigan Integrated Continuous Improvement Process ("MICIP") The new assumption for MICIP is that school improvement is a continuous process; not a oneyear plan, but a process that evolves throughout the year. This allows the Academy to look at student learning with a new lens through the year, and as the student population changes. Students come to school to learn and to find challenge and excitement in new understandings. To provide learning environments that are meaningful and engaging, the Academy continually reflects on the quality of the systems and makes focused efforts to make improvements. Closing the achievement gaps at the Academy is extremely important and analyzed throughout the year. The Academy uses the data retreat process where leadership teams and individual teachers collaboratively study the Academy's data. Leadership teams work together through a guided, structured process to discover the data patterns, pose hypotheses and develop the school improvement plan. For the cycle to lead to real improvement, team members use data to provide insight and focus for the goals. Data patterns reveal weaknesses in the system that give direction to goals. Collaborative, reflective study of data provides a rich forum for deepening the understanding of learning as the impact of strategies and practices is measured. Key educators go through NWEA training to build experts in working with data.

Administrators participate in peer councils through the Jackson County ISD (Jackson County Superintendents Association, Jackson County Principals Association). These organizations are avenues to professional development, mentoring, best practices, and peer to peer support. The Academy works closely with The Jackson County ISD to identify ongoing opportunities for collaboration and professional development.

MICIP is focused on the district level. While it is primarily the role of the school to implement continuous learning cycles at the instructional level, it is primarily the role of the district to support that instruction at the systems level, whether that be with systems that have more direct impact on student learning such as curriculum/instruction/assessment, data, student support, or technology, or those that support education more generally, including leadership, communication, human

resources, finance, transportation, or food service. It is also ultimately the responsibility of the district to ensure that the plan is funded. (MICIP Training, 2021).

This work is based on research that identifies essential components for successful school improvement. Successful components include data use and collaboration, monitoring, leadership meetings, accountability and then more data collection, a continuous process (Sargent, 2007).

The alternative program uses the Data Retreat process to guide the effectiveness and continuous improvement of the academic program. Other programmatic aspects of the alternative program are evaluated once per semester at an appointed staff meeting by means of a rubric developed by Academy leadership.

Professional Development

To support program implementation, the Academy provides staff targeted professional development that is identified in the school improvement process, as well as during data reviews. Professional development serves as a key factor to improving the quality of instruction and increasing student achievement. Professional development is based on the analysis of achievement data and is differentiated for teacher needs and the subject areas targeted for improvement. In addition to professional development provided from outside resources, Academy teachers identified as skillful in a particular instructional topic model lessons for colleagues, observe peers teaching and provide structured feedback. The structured feedback allows for quality dialogue among staff and leadership and assists in making informed decisions regarding effective instructional strategies and best practices. Key educators go through NWEA training to provide building experts for working with data.

The Academy has a strong relationship with our local Intermediate School District. Not only does the Academy have access to training and trainers, but we also have a voice in setting the stage for the future, to bring experts to our community. On top of regular professional development opportunities, the ISD provides two professional development days throughout the year where all employees can benefit. There are opportunities for bus drivers, para professionals, secretaries, subject and level specific, as well as trauma, whole child, and diversity, equity and inclusion. **SECTION D**

CURRICULUM

CURRICULUM

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.4, the Academy shall implement, deliver, and support the curriculum identified in this schedule.

The Academy has adopted Lucy Calkins reading and writing units for kindergarten through grade five; Michigan Association of Intermediate School Administrators ("MAISA") reading and writing units for grades six through eight and social studies grades kindergarten through eight; Big Ideas Math[®] for grades kindergarten through eight; Phenomenal Science for kindergarten through grade five; Mi-Star[™] Science for grades six through eight; Michigan Model for Health[™]; Academy written curriculum; and OdysseyWare[®] online curriculum for grades six through twelve enrolled in the Virtual Program. The curriculum for all core subjects has been received, reviewed and approved by the Center.

- MAISA Reading/Writing
- Big Ideas Math
- Phenomenal Science
- Mi-Star Science
- OdysseyWare
- Michigan Model for Health

https://oaklandk12-public.rubiconatlas.org/Atlas /Public/View/Default https://www.bigideaslearning.com/programs/ http://phenomscience.weebly.com/the-units.html https://mi-star.mtu.edu/pages/mi-star-units/ https://davincik12.owschools.com/owsoo/login/auth http://www.michigan.gov/mdhhs/0,5885,7-339-73971_4911_4912_74286---,00.html

Elementary

The following subjects/courses are offered at the Academy.

Course	K	1	2	3	4	5	6	7	8
English Language Arts	Х	Х	Х	Х	Х	Х	Х	Х	Х
Mathematics	Х	Х	Х	X	X	X	Х	Х	Х
Science	Х	Х	Х	Х	Х	Х	Х	Х	Х
Social Studies	Х	Х	Х	Х	Х	Х	Х	Х	Х
Health	Х	Х	Х	Х	Х	Х	Х	Х	Х
Puberty/Reproductive Health					Х	Х	Х	Х	X
Physical Education	Х	Х	Х	Х	Х	Х	Х	Х	X
Virtual/Online Program							X	X	Х

Secondary

The following subjects/courses are offered at the Academy*.

Course Name	Grade**	Course Name	
		Physical Education & Health	T
English (minimum 4)		(minimum .5 each)	
English 9 A/B	Any	Recreational Sports	
English 10 A/B	Any	Health	
English 11 A/B	Any		
English 12 A/B	Any	World Language (minimum 2)	
Creative Writing	Any	Spanish I A/B	
Edge English	Any	Spanish II A	
Strategic Reading	Any		
Mathematics (minimum 4)			
		Visual, Performing & Applied Arts	
Algebra A 1/2	Any	(minimum 1)	
Algebra B 1/2	Any	Mixed Media Art	
Algebra C 1/2	Any	Music Appreciation	
Geometry A/B		Music Instrumental	
General Math	Any		
Personal Finance	Any	Other	
		Resource Room (based on IEP)	
Science (minimum 3)		Seminar (Home Room)	
Physical Science	Any		
General Biology	Any	Virtual Courses***	
Human Biology	Any	OdysseyWare Course Catalog	
Intro to Chemistry/Earth Science	Any		
General Chemistry/Space Science	Any	Off Campus Courses	
Environmental Science	Any	Baker College	
		https://www.baker.edu/academics/re	sc
Social Studies (minimum 3)		<u>ll-course-list/</u>	1
US History A/B	Any	Jackson College	
World History A/B	Any	https://www.jccmi.edu/academics/	<u>'c</u> :
Civics	Any		
Economics	Any		

^{*} The Academy updates course offerings each school year based on the needs and interests of students as well as teacher certification. As a result some courses are rotated and are not offered each year. All core subjects are taught every year and high school students are required to meet the requirements of the Michigan Merit Curriculum.

^{**}If students are not required to take a course at a specific grade level, "any" is used for the grade indication.

^{***}Virtual Courses are defined as any course(s) that are delivered using the internet.

SECTION E

METHODS OF PUPIL ASSESSMENT

METHODS OF PUPIL ASSESSMENT

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.5, the Academy shall properly administer all state-mandated academic assessments identified in the Code, as applicable, and all academic assessments identified in the Public School Academy Chartering Policies adopted by the University Board, as applicable, in accordance with the requirements detailed in the Master Calendar annually issued by the Center.

The Academy shall authorize the Center to have access to the Academy's Student/School Data Applications through the Center for Educational Performance and Information and to the electronic reporting system administered by the Michigan Department of Education to access the Academy's state assessment results, as applicable. The Academy shall ensure that those involved with the administration of these assessments are properly trained and adhere to the ethical standards and testing procedures associated with these assessments.

Academic Assessments to Be Administered:

Assessments as identified in Schedule 7b of this Contract and all state-mandated assessments.

SECTION F

APPLICATION AND ENROLLMENT OF STUDENTS

APPLICATION AND ENROLLMENT OF STUDENTS

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Sections 6.6 and 6.16, the Academy shall comply with the application and enrollment requirements identified in this Schedule.

Enrollment Limits

The Academy will offer kindergarten through twelfth grade, and the maximum enrollment shall be 550 students. Additionally, the maximum number of students, per the sites identified in Schedule 6 of the Contract and in the virtual program identified in Schedule 7c of the Contract, shall be limited as follows:

Murphy Drive Site:	Shall not exceed 128 students.
Springport Road Site:	Shall not exceed 352 students.
Virtual Program:	Shall not exceed 130 students.

The Academy Board will annually adopt maximum enrollment figures prior to its application and enrollment period.

Requirements

Section 504 of the Code provides that public school academies shall not charge tuition and shall not discriminate in its pupil admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a student with a disability, or any other basis that would be illegal if used by a Michigan school district. However, a public school academy may limit admission to pupils who are within a particular range of age or grade level or on any other basis that would be legal if used by a Michigan school district and may give enrollment priority as provided below.

- Academy enrollment shall be open to all individuals who reside in Michigan. Except for a foreign exchange student who is not a United States citizen, a public school academy shall not enroll a pupil who is not a Michigan resident.
- Academy admissions may be limited to pupils within a particular age range/grade level or on any other basis that would be legal if used by a Michigan school district.
- The Academy shall allow any pupil who was enrolled in the Academy in the immediately preceding school year to enroll in the Academy unless the appropriate grade is not offered.
- No student may be denied participation in the application process due to lack of student records.
- If the Academy receives more applications for enrollment than there are spaces available, pupils shall be selected for enrollment through a random selection drawing.

The Academy may give enrollment priority to one (1) or more of the following:

- A sibling of a pupil enrolled in the Academy.
- A pupil who transfers to the Academy from another public school pursuant to a matriculation agreement between the Academy and other public school that provides for this enrollment priority, if all of the following requirements are met:
 - 1. Each public school that enters into the matriculation agreement remains a separate and independent public school.

- 2. The Academy shall select at least 5% of its pupils for enrollment using a random selection process.
- 3. The matriculation agreement allows any pupil who was enrolled at any time during elementary school in a public school that is party to the matriculation agreement and who was not expelled from the public school to enroll in the public school academy giving enrollment priority under the matriculation agreement.
- A child, including an adopted child or legal ward, of a person who is employed by or at the Academy or who is on the Academy Board.

Matriculation Agreement

- The Academy Board may enter into a matriculation agreement with another public school pursuant to section 504(4) of the Code.
- However, before the Academy Board approves a matriculation agreement, the Academy shall provide a draft copy of the agreement to the Center for review.
- Any matriculation agreement entered into by the Academy shall be added to this Schedule 7f through a contract amendment approved in accordance with Article IX in the Terms and Conditions of this Contract.

Application Process

- The Academy shall make reasonable effort to advertise its enrollment openings.
- The Academy's open enrollment period shall be a minimum of two weeks (14 calendar days) in duration and shall include evening and weekend times.
- The Academy shall accept applications all year. If openings occur during the academic year, students shall be enrolled. If openings do not exist, applicants shall be placed on the official waiting list. The waiting list shall cease to exist at the beginning of the Academy's next open enrollment period.
- In the event there are openings in the class for which students have applied, students shall be admitted according to the official waiting list. The position on the waiting list shall be determined by the random selection drawing. If there is no waiting list, students shall be admitted on a first-come, first-served basis.
- The Academy may neither close the application period nor hold a random selection drawing for unauthorized grades prior to receipt of written approval from the Center.

Legal Notice or Advertisement

- The Academy shall provide legal notice or advertisement of the application and enrollment process in a local newspaper of general circulation. A copy of the legal notice or advertisement shall be forwarded to the Center.
- At a minimum, the legal notice or advertisement must include:
 - 1. The process and/or location(s) for requesting and submitting applications.
 - 2. The beginning date and the ending date of the application period.

- 3. The date, time, and place the random selection drawing(s) will be held, if needed.
- The legal notice or advertisement of the application period shall be designed to inform individuals that are most likely to be interested in attending the Academy.
- The Academy, being an equal opportunity educational institution, shall be committed to good-faith affirmative action efforts to seek out, create and serve a diverse student body.

<u>Re-enrolling Students</u>

- The Academy shall notify parents or guardians of all enrolled students of the deadline for notifying the Academy that they wish to re-enroll their child.
- If the Academy Board has a sibling preference policy, the re-enrollment notice must also request that the parent or guardian indicate whether a sibling(s) seeks to enroll for the upcoming academic year.
- An enrolled student who does not re-enroll by the specified date can only apply to the Academy during the application period for new students.
- An applicant on the waiting list at the time a new application period begins must reapply as a new student.
- After collecting the parent or guardian responses, the Academy must determine the following:
 - 1. The number of students who have re-enrolled per grade or grouping level.
 - 2. The number of siblings seeking admission for the upcoming academic year per grade.
 - 3. If space is unavailable, the Academy must develop a waiting list for siblings of re-enrolled students.
 - 4. The number of spaces remaining, per grade, after enrollment of current students and siblings.

Random Selection Drawing

A random selection drawing is required if the number of applications exceeds the number of available spaces. Prior to the application period, the Academy shall:

- Establish written procedures for conducting a random selection drawing.
- Establish the maximum number of spaces available per grade or age grouping level.
- Establish the date, time, place and person to conduct the random selection drawing.
- Notify the Center of both the application period and the date of the random selection drawing, if needed. The Center may have a representative on-site to monitor the random selection drawing process.

The Academy shall use a credible, impartial individual who is not employed by, under contract with, a member of the Board of, or otherwise affiliated with the Academy to conduct the random selection drawing. Further, the Academy shall:

• Conduct the random selection drawing in a manner that is open to parents, community members and members of the public who want to observe the process.

• Use numbers, letters, or another system that guarantees fairness and does not give an advantage to any applicant.

The Academy shall notify applicants not chosen in the random selection drawing that they were not selected and that their name has been placed on the Academy's official waiting list for openings that may occur during the academic year. Students shall appear on the official waiting list in the order they were selected in the random selection drawing. **SECTION G**

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.7, the Academy shall comply with the school calendar and school day schedule requirements identified in this Schedule.

School Calendar

The Academy's school calendar shall comply with Sections 1175, 1284, and, if applicable, 1284a and 1284b, of the Code. The Academy's school calendar shall also comply with the minimum requirements set forth in Section 101 of the School Aid Act of 1979 (MCL 388.1701). The Academy Board must submit a copy of the Academy's school calendar to the Center in accordance with the Master Calendar.

School Day Schedule

The Academy Board must structure the Academy's school day schedule to meet the required number of instructional days and hours. The Academy Board must submit the school day schedule to the Center prior to the commencement of each academic year.

SECTION H

AGE OR GRADE RANGE OF PUPILS

AGE OR GRADE RANGE FOR PUPILS TO BE ENROLLED

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.8, the Academy shall comply with the age or grade ranges as stated in this Schedule.

The Academy will enroll students in kindergarten through twelfth grade.

Students of the Academy will be children who have reached the age of 5 by the dates outlined in the Code.

CONTRACT SCHEDULE 8

INFORMATION AVAILABLE TO THE PUBLIC AND THE CENTER

INFORMATION AVAILABLE TO THE PUBLIC AND THE CENTER

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article XI, Section 11.9, the Academy shall comply with this Schedule.

Information Available to the Public and the Center

The Code provides that the board of directors of a public school academy shall make information concerning its operation and management available to the public and to the Center in the same manner as is required by state law for school districts.

The Code provides that the board of directors of a public school academy shall collect, maintain, and make available to the public and the Center, in accordance with Applicable Law and the Contract, at least all of the following information concerning the operation and management of the Academy:

- 1. A copy of the Academy's Charter Contract.
- 2. A list of currently serving members of the Academy Board, including name, address, and term of office.
- 3. Copies of policies approved by the Academy Board.
- 4. The Academy Board meeting agendas and minutes.
- 5. The budget approved by the Academy Board and of any amendments to the budget.
- 6. Copies of bills paid for amounts of \$10,000.00 or more, as submitted to the Academy Board.
- 7. Quarterly financial reports submitted to the Center.
- 8. A current list of teachers and administrators working at the Academy that includes individual salaries as submitted to the Registry of Educational Personnel.
- 9. Copies of the teaching or administrator's certificates or permits of current teaching and administrative staff.
- 10. Evidence of compliance with the criminal background and records checks and unprofessional conduct check required under sections 1230, 1230a, and 1230b of the Code for all teachers and administrators working at the Academy.
- 11. Curriculum documents and materials given to the Center.
- 12. Proof of insurance as required by the Contract.
- 13. Copies of facility leases or deeds, or both.
- 14. Copies of any equipment leases.
- 15. Copies of any management contracts or services contracts approved by the Academy Board.
- 16. All health and safety reports and certificates, including those relating to fire safety, environmental matters, asbestos inspection, boiler inspection, and food service.
- 17. Annual financial audits and any management letters issued as part of the Academy's annual financial audit, required under Article VI, Section 6.11 of the Terms and Conditions of this Contract.
- 18. Any other information specifically required under the Code.

Information to be Provided by the Academy's Educational Service Provider (if any)

Pursuant to the Terms and Conditions of this Contract, including Article III, Section 3.6, the University Board authorizes the Academy Board to employ or contract for personnel according to the position information outlined in Schedule 5. Any Educational Service Provider Management Agreement entered into by the Academy must contain a provision requiring the Educational Service Provider to provide to the Academy Board information concerning the operation and management of the Academy (including without limitation, but not limited to, the items identified above and annually the information that a school district is required to disclose under Section 18(2) of the State School Aid Act of 1979, MCL 388.1618) available to the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 11.9(a) of the Terms and Conditions of Contract.

AMENDMENT NO. 1

to the July 1, 2023 Contract to Charter A Public School Academy and Related Documents

Issued To

DA VINCI SCHOOLS (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 1

DA VINCI SCHOOLS

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2023, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to DA VINCI SCHOOLS (the "Academy"), the parties agree to amend the Contract as follows:

- 1.) Amend the Terms and Conditions of Contract by replacing the language contained within Article X, Section 10.4. <u>Grounds and Procedures for Academy Termination of Contract</u> and Section 10.5. <u>Grounds and Procedures for University Termination of Contract</u>, with the corresponding language attached as Tab 1.
- 2.) Amend Schedule 2: <u>Amended Bylaws</u>, by replacing the language contained within Article XIII, Section 6. <u>Contracts Between Corporation and Related Persons</u>, with the language attached as Tab 2.
- 3.) Amend Schedule 7, Section b: <u>Educational Goal and Related Measures</u>, by replacing the materials contained therein with the materials attached as Tab 3.

This entire amendment is hereby approved by the University Board and the Academy Board through their authorized designees, and shall have an effective date of July 1, 2024.

Dated: 05/28/2024

By: Corey R. Northrop, Executive Director The Governor John Engler Center for Charter Schools Designee of the University Board

Dated: 5-23-24

By: <u>tlane hemm</u> da Vinci Schools Designee of the Academy Board

da Vinci Schools

Contract Amendment No. 1

Tab 1

Section 10.4. <u>Grounds and Procedures for Academy Termination of Contract</u>. The Academy Board, by majority vote of its Directors, may, at any time and for any reason, request termination of this Contract. The Academy Board's request for termination shall be made to the Center Director not less than six (6) calendar months in advance of the Academy's proposed effective date of termination. Upon receipt of an Academy request for termination, the Center Director shall present the Academy Board's request for termination, the Center Director shall present the Academy Board's request for termination, including a summary of the reasons for terminating the Contract, shall be included with the Academy Board's request for termination. After receipt of the Academy Board's request for termination, the University Board shall consider the Academy's request no later than its next regularly scheduled meeting. The University Board shall make a final determination and vote on the proposed termination request within 90 days of receipt of the request from the Academy. The University Board may, in its sole discretion, waive the six (6) month advance notice requirement for terminating this Contract.

Section 10.5. <u>Grounds and Procedures for University Termination of Contract</u>. The University Board, in its sole discretion, reserves the right to terminate the Contract (i) for any reason or for no reason provided that such termination shall not take place less than six (6) months from the date of the University Board's action; (ii) if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University; or (iii) if exigent circumstances exist that the University Board determines, in its sole discretion, that termination of this Contract is required to protect the health, safety, or welfare of the Academy students, property, or funds that cannot be cured in a reasonable period as determined solely by the University Board, then such termination shall take effect at the end of the current Academy fiscal year. Following University Board approval, the Center Director shall provide notice of the termination to the Academy. If during the period between the University Board action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the Contract may be revoked or suspended sooner pursuant to this Article X. If this Contract is terminated pursuant to this Section 10.5, the revocation procedures in Section 10.6 shall not apply.

da Vinci Schools

Contract Amendment No. 1

Tab 2

Section 6. <u>Contracts Between Corporation and Related Persons</u>. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirements set forth in Section 3 of the statute.

The University Board authorizes the Academy Board to employ or contract for personnel according to the position information outlined in Schedule 5. However, the Academy Board shall prohibit any individual from being employed by the Academy, an Educational Service Provider or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. An employee hired by the Academy Board shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. With respect to Academy Board employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages, benefits, and applicable taxes; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. The Academy Board shall be responsible for carrying workers' compensation insurance and unemployment insurance for its employees. The Academy Board may contract with an Educational Service Provider or an employee leasing company to provide services or to provide personnel to perform services or work at the Academy. Before entering into an agreement with an Educational Service Provider or an employee leasing company to perform services or to provide personnel to perform services or work at the Academy, the Academy Board must first comply with the Educational Service Provider Policies issued by the Center. A copy of the agreement between the Academy Board and the Educational Service Provider or employee leasing company shall be included as part of Schedule 5.

The Academy shall comply with the Incompatible Public Offices statute, Act No. 566 of the Public Acts of 1978, of the Michigan Compiled Laws, and the Contracts of Public Servants With Public Entities statute, Act No. 371 of the Public Acts of 1968, of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Language in this Section controls over section 1203 of the Code. The following shall be deemed prohibited conflicts of interest:

- (a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an Educational Service Provider or an employee leasing company, or a subcontractor to an Educational Service Provider or an employee leasing company that has an ESP Agreement with the Academy;
- (b) An individual simultaneously serving as an Academy Board member and an Academy Board employee;
- (c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;
- (d) An individual simultaneously serving as an Academy Board member and a member of the governing board of another public school;
- (e) An individual simultaneously serving as an Academy Board member and a University official, employee, or paid consultant, as a representative of the University; and
- (f) An individual simultaneously serving as an Academy Board member and having an ownership or financial interest in any real or personal property leased or subleased to the Academy.

No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother-in-law, spouse or domestic partner:

- (a) Is employed by the Academy Board;
- (b) Works at or is assigned to work at the Academy;
- (c) Has an ownership, officer, policymaking, managerial, administrative non-clerical or other significant role with the Academy's Educational Service Provider or employee leasing company; and
- (d) Has an ownership or financial interest in any school building lease or sublease agreement with the Academy.
- (e) Is a current Academy Board member.

The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. For purposes of this sub-section, familial relationship means a person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner.

da Vinci Schools

Contract Amendment No. 1

Tab 3

EDUCATIONAL GOAL AND RELATED MEASURES

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.2, the Academy shall achieve or demonstrate measurable progress for all groups of pupils toward the achievement of the educational goal identified in this schedule. Although an increase in academic achievement for all groups of pupils as measured by assessments and other objective criteria is the most important factor in determining the Academy's progress toward the achievement of the educational goal, the Center also considers other factors. Upon request, the Academy shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal. In addition, the University expects the Academy will meet the State of Michigan's accreditation standards pursuant to state and federal law.

Educational Goal to be Achieved

Prepare students academically for success in college, work and life.

Measures to Assist In Determining Measurable Progress Toward Goal Achievement

To assist in determining whether the Academy is achieving measurable progress toward the achievement of this goal, the Center will annually assess the Academy's performance using the following measures.

Measure 1: Student Achievement

The academic achievement of **all students who have been at the academy for one or more years**¹ in grades 3-8 will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current, spring, grade-level national norms ² on the NWEA Growth reading and math tests administered in the spring.	Distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 50.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	50%
	t performance against the standard falls below th this goal" will be defined using the following m	nese required expectations, "measurable progress towards t neasures and targets:	he
Over Time:	The percentage of students meeting or surpassing spring grade-level national norms over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\ge 6.0\%$ Meets $\ge 3.0\%$ Approaching $\ge 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The percentage of students categorized as proficient or advanced on the most recent state assessment will surpass the school's Composite Resident District (CRD) percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\ge 10.0\%$ Meets $\ge 5.0\%$ Approaching $\ge 0.0\%$ Does not meet $< 0.0\%$	5.0%

¹ One or more years students (also called 1+ students) are students who are enrolled in the academy on or before count day and are still enrolled at the end of a given academic year.

 $^{^2}$ Grade level national norms are updated periodically by NWEA following comprehensive norming studies. The Center will use the most updated national norms published by NWEA and will inform the Academy when the norms are updated and how the updated norms may impact analysis and performance reporting.

<u>Measure 2: Student Growth</u> The academic growth of all students in grades 3-8 at the Academy will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The median of student growth percentiles (MGP) reflecting fall-to-spring scaled score growth on the reading and math NWEA Growth tests.	MGP: Exceeds \geq 65th Meets \geq 50th Approaching \geq 45th Does not meet < 45th	Reading: 50 Math: 50
	performance against the standard falls below these requi this goal" will be defined using the following measures a		ards the
Over Time:	The percentage of students making at least one year's growth over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\ge 6.0\%$ Meets $\ge 3.0\%$ Approaching $\ge 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The mean student growth percentile reflecting growth on the two most recent state assessments will surpass the school's Composite Resident District.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\ge 10.0\%$ Meets $\ge 5.0\%$ Approaching $\ge 0.0\%$ Does not meet $< 0.0\%$	5.0%

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<u>Measure 3: Post-Secondary Readiness: Grades 9-11</u> The 'on-track' towards college readiness rates of all students in grades 9-11 will be assessed using the following measures and targets.

Indicator	Measure	Metric	Target
Career and College Readiness (CCR) Standard:	The percentage of full academic year students meeting or surpassing the current career and college readiness benchmarks on the SAT (grade 11) in Evidence- Based Reading and Writing (EBRW) and Math.	For Math & EBRW, distribution (which will be in the form of percentages): Exceeds: % CCR > state average by 20% or more Meets: School % CCR – State Average $\ge 0\% \le 20\%$ Approaching: School % CCR – State Average $< 0\% \ge -20\%$ Does Not Meet: School % CCR – State Average $< -20\%$	EBRW: Current State Average Math: Current State Average
		rd falls below these required expectations, "measurable] e following measures and targets:	progress towards the
Trend Over- Time:	The percentage of full academic year students meeting or surpassing the current career and college readiness benchmarks on the SAT (grade 11) in EBRW and Math over time (CY- AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\ge 6.0\%$ Meets $\ge 3.0\%$ Approaching $\ge 1.0\%$ Does not meet $< 1.0\%$	3.0%
High School Growth:	The percentage of students meeting or surpassing the expected growth between College Board (PSAT/SAT) assessments from spring to spring.	For Math & EBRW, distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 50.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	50%
Comparative Career & College Readiness:	The percentage of students meeting or surpassing the current career & college readiness benchmarks on the SAT (grade 11) will surpass the school's Composite Resident District percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\ge 10.0\%$ Meets $\ge 5.0\%$ Approaching $\ge 0.0\%$ Does not meet $< 0.0\%$	+5%
Comparative Graduation Rate:	The 4-year graduation rate for students at the academy will meet or surpass the school's Composite Resident District's 4-year graduation rate.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 0.0\%$ Does not meet $< 0.0\%$	0%

AMENDMENT NO. 2

to the July 1, 2023 Contract to Charter A Public School Academy and Related Documents

Issued To

DA VINCI SCHOOLS (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 2

DA VINCI SCHOOLS

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2023, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to DA VINCI SCHOOLS (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

- 1.) Amend Schedule 6: <u>Physical Plant Description</u>, by replacing the materials contained therein with the materials attached as Tab 1.
- 2.) Amend Schedule 7, Section c: <u>Educational Programs</u>, by replacing the materials contained therein with the materials attached as Tab 2.
- 3.) Amend Schedule 7, Section d: <u>Curriculum</u>, by replacing the materials contained therein with the materials attached as Tab 3.

This entire amendment is hereby approved by the University Board and the Academy Board through their authorized designees, and shall have an effective date of July 1, 2024.

Dated: 08/26/2024

By: Corey R. Northrop, Executive Director The Governor John Engler Center for Charter Schools Designee of the University Board

Dated: 8-22-24

By: <u>Elaine Themm</u> da Vinci Schools Designee of the Academy Board

da Vinci Schools

Contract Amendment No. 2

Tab 1

PHYSICAL PLANT DESCRIPTION

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article XI, Section 11.5, the Academy is authorized to operate at the physical facility or facilities outlined in this schedule. The Academy shall not occupy or use any facility until approved for occupancy by the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes.

Physical Plant Description	
Site Plan	
Floor Plans	
Installment Purchase Agreement	
Mortgage	
Assignment of Leases and Rents	
Certificates of Use and Occupancy	

1. Applicable Law requires that a public school academy application and contract must contain a description of and the address for the proposed physical plant in which the public school academy will be located. See MCL 380.502(3)(i) and 380.503(6)(f);

2. The address and a description of the site and physical plant (the "Site") of da Vinci Schools (the "Academy") is as follows:

Address: 2985 Springport Rd. Jackson, MI 49201

<u>Description</u>: The Academy's facilities at this Site, with a physical address of 2800 Springport Rd., Jackson, MI, 49202, sit on 35.96 acres in Blackman Township, Jackson, MI. There are two instructional facilities on this Site which provide a combined total of 85,000 square feet of space. Approximately 10-12 acres of the Site are wooded.

The first building is 65,000 square feet and includes 30 classrooms, a large space utilized by students taking online courses, seven bathrooms, a kitchen, cafeteria, and several offices, meeting rooms, and storage areas. The outdoor area near this building includes a courtyard.

The second building is 20,000 square feet and includes 12 classrooms, seven restrooms, a multipurpose room with a pantry area, multiple offices, a conference room, teacher break room, a work room, and storage areas. The outdoor space near this building includes two playground areas.

<u>Configuration of Grade Levels</u>: Kindergarten through Twelfth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local:Northwest Community SchoolsISD:Jackson ISD

3. It is acknowledged and agreed that the information identified below, about this Site, is provided on the following pages, or must be provided to the satisfaction of the University Board or its designee, before the Academy may operate as a public school in this state.

- A. Narrative description of physical facility
- B. Size of building
- C. Scaled floor plan
- D. Copy of executed lease or purchase agreement

4. In addition, the Academy and the University Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire,

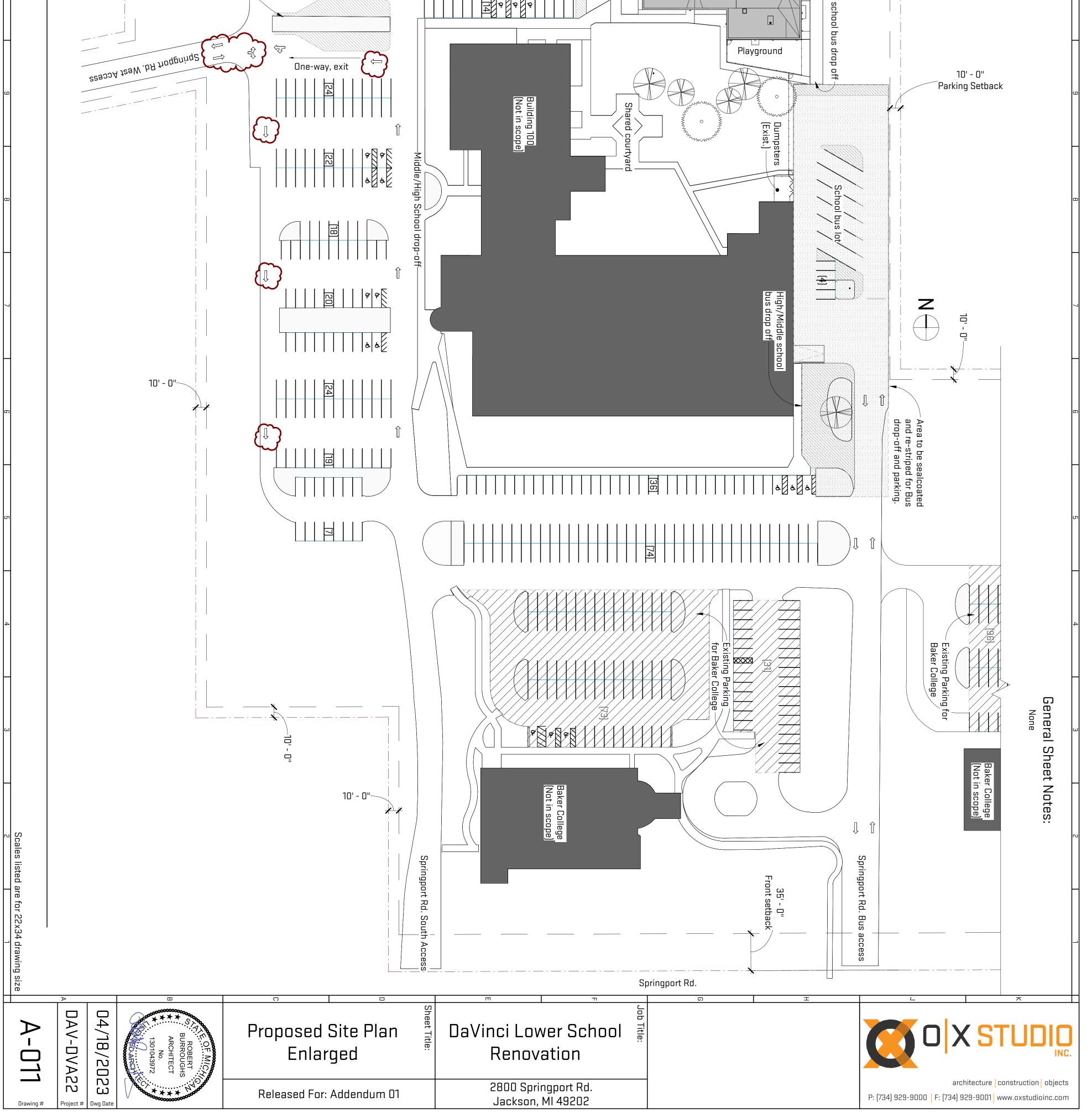
health and safety approvals for the above-described physical facility. These approvals must be provided and be acceptable to the University Board or its designee prior to the Academy operating as a public school. In cases of disagreement, the Academy may not begin operations without the consent of the University Board or its designee.

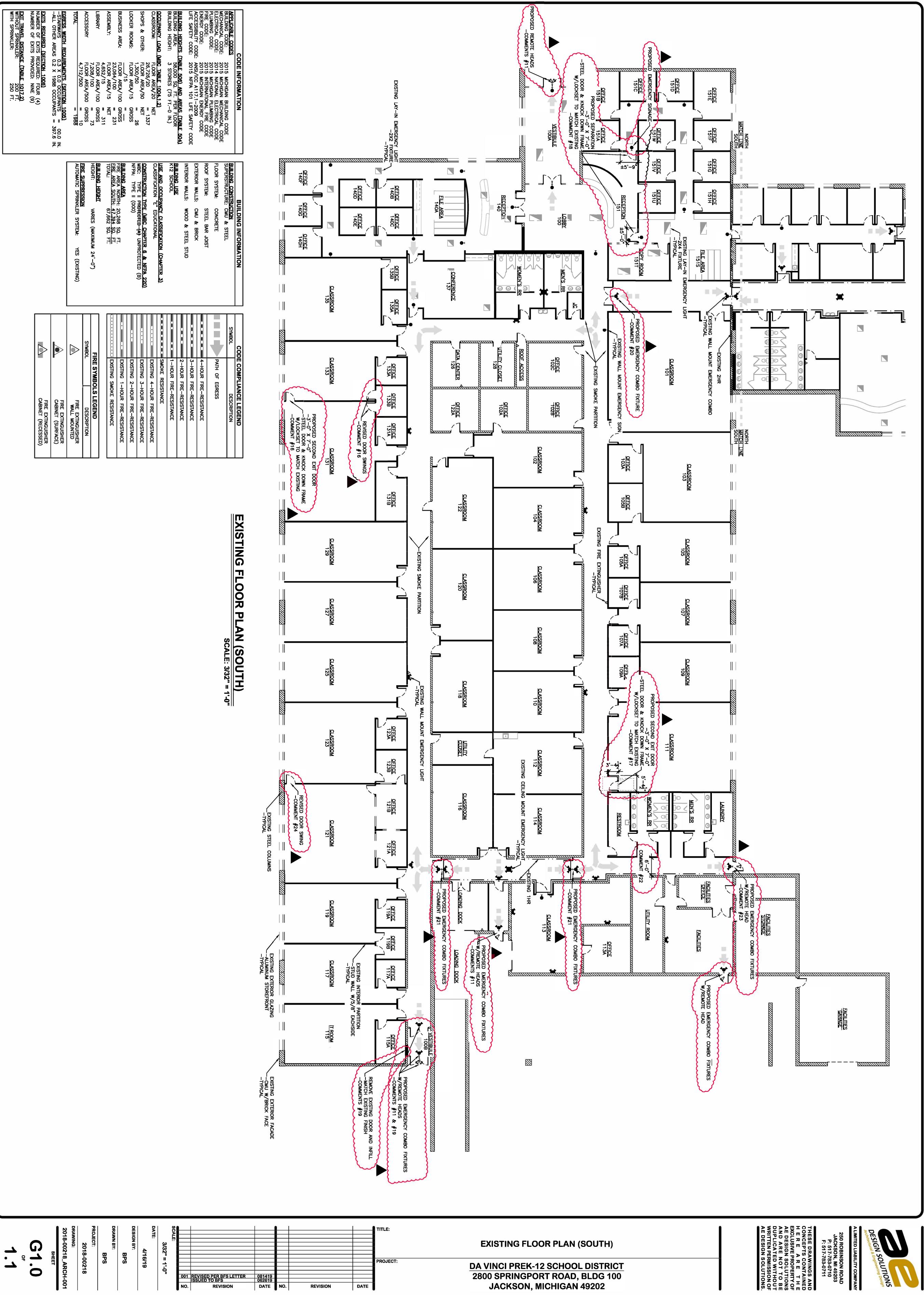
5. If the Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the University Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe, and agree upon the Academy's physical facilities. The Academy must submit to the University Board or its designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted all the information described above, to the satisfaction of the University Board or its designee, and the amendment regarding the new site has been executed.

6. Any change in the configuration of grade levels at the Site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions of Contract set forth above.

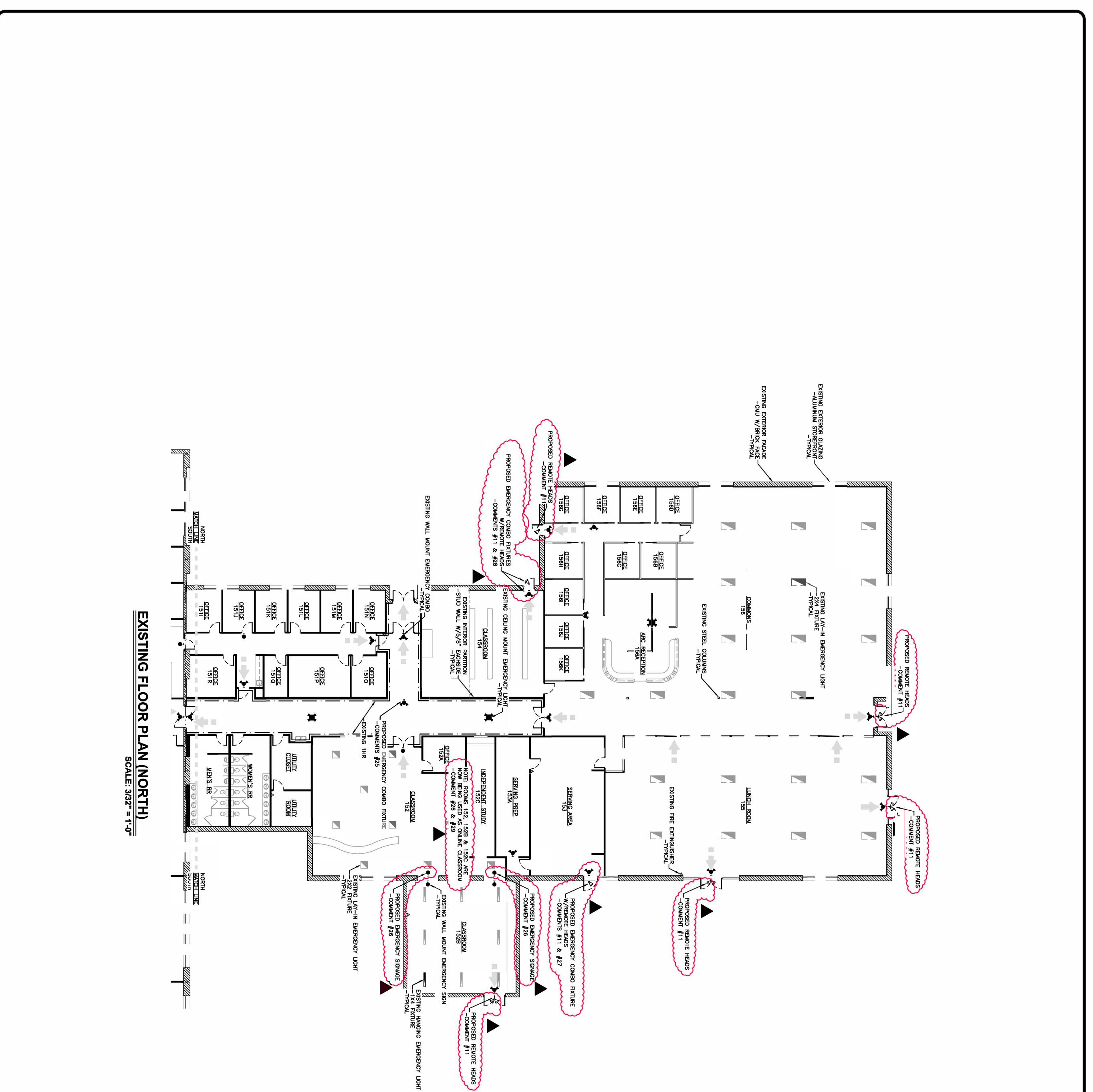
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Proposed Site Plan			(176) Stalls (578) Stalls (includes 14 ADA Stalls)	70 total staff between Bldg. 100 and Bldg. 2 = (70) Stalls	J HS Classroom JH Classrooms	(1) per each administrative and staff member, plus (2) per each classroom. (1) per each administrative and staff member, plus (2) per each classroom.	administrative and each classroom.	Calculations p of Blackman, MI - Zoning Ordinance street parking requirements
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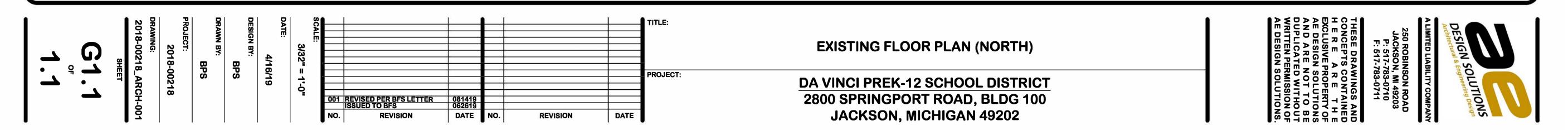




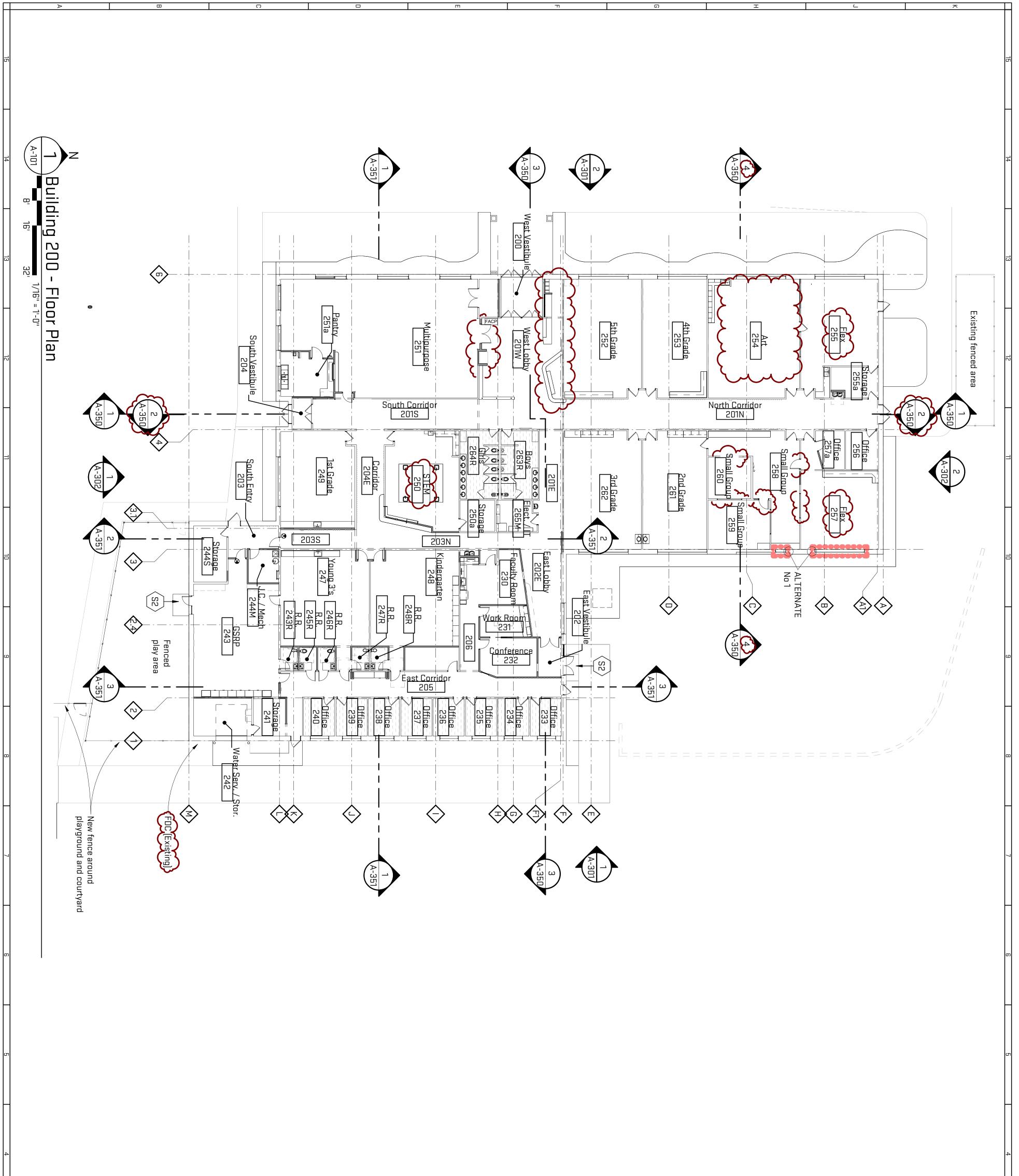
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FIRE EXTINGUISHER CABINET (SURFACE) FIRE EXTINGUISHER CABINET (RECESSED)	description Fire extinguisher Wall mounted	LEG	KE RESISTANCE	-HOUR FIRE-RESISTANCE	2-HOUR FIRE-RESISTANCE	3-HOUR FIRE-RESISTANCE	-HOUR FIRE-RESISTANCE	TANCE	RESISTANCE	-RESISTANCE	-RESISTANCE	-RESISTANCE	ESS	 NCE LEGEND	



LIGHT







Scales listed are for 22x34 drawing size			+ 5'-0" Target Elevation	Area to remain as is Cope of work boundary. Existing construction to remain New wall construction	Architectural Floor Plan Legend	 ** Sheet Keynotes S2 Frost block, refer to wall section drawings. 	 3 2 2 1 1 General Sheet Notes: All dimensions to be verified in field prior to construction. Natify architect of all discrepancies prior to starting work. All dimensions on plans are to face of finish or column centerlines, U.N.D. All interior partitions to be type S A D ac unless noted otherwise. Refer to sheet A-801 for partition details. All interior door frames shall be located a distance of six inches from the throat return to the closest adjacent perpendicular partition, U.N.D. Refer to sheet A-701 for Door Schedule. Patch and paint all walls, gypsum board ceilings, soffits and bulkheads through-out. Provide solid blocking/backing in-wall cavities at all wall mounted equipment as indicated by project equipment list and per manufacturers detailed instructions.
A-101	04/18/2023 AV-DVA22	B B B B B B B B B B B B B B B B B B B	Building 20	0 Floor Plan	DaVinci Lower School	T	
Drawing #	Project # Dwg Date	**************************************	Released Fo	r: Addendum 01	2800 Springport Rd. Jackson, MI 49202		architecture construction objects P: (734) 929-9000 F: (734) 929-9001 www.oxstudioinc.com

INSTALLMENT PURCHASE AGREEMENT

PART I

"OBLIGOR" means	The da Vinci Institute
"SELLER" means	Baker College
"Property" means	The real and personal property described in the Real Estate Purchase Agreement, attached hereto and incorporated herein as Attachment B
"Purchase Price" means	Three Million Three Hundred Fifty Thousand and 00/100 Dollars (\$3,350,000.00)
"Contract Amount" and	
"Principal" mean	Two Million Three Hundred Fifty Thousand and 00/100 Dollars (\$2,350,000.00)
"Maturity Date", "Principal described in Attachment A	I Installment", and "Interest Payment" shall have the meanings as

"Dated Date" means June 5, 2023

"Interest Rate" means the interest rate pursuant to Part II of this INSTALLMENT PURCHASE AGREEMENT, which shall be four and seventy-five hundredths percent (4.75%).

The provisions of Part II of this INSTALLMENT PURCHASE AGREEMENT are hereby approved and incorporated herein.

PART II

THIS INSTALLMENT PURCHASE AGREEMENT (the "INSTALLMENT PURCHASE AGREEMENT") is dated as of the Dated Date by and among the OBLIGOR, a Michigan public school academy, the SELLER, and County National Bank, a National Banking Association, Hillsdale, Michigan (the "BANK"), as assignee of SELLER or registered assigns. All capitalized terms not defined in Part II shall have the meaning set forth in Part I.

1. <u>Purchase Price, Title and Useful Life</u>. For value received, the OBLIGOR promises to pay the BANK or the BANK's order, at the BANK's address, or at such other location as the BANK may designate, the Principal sum of Two Million Three Hundred Fifty Thousand and 00/100 Dollars (\$2,350,000.00) (the Principal) plus interest from the Dated Date on the unpaid Principal balance until this INSTALLMENT PURCHASE AGREEMENT matures or this obligation is accelerated. The OBLIGOR agrees to purchase and SELLER agrees to sell and provide the Property to the OBLIGOR for the Purchase Price and the terms and conditions set forth in the Real Estate Purchase Agreement dated February 21, 2023 (the "Real Estate Purchase Agreement") entered into by and between the SELLER and the OBLIGOR, which Real Estate Purchase Agreement is attached hereto and incorporated herein as **Attachment B**. The BANK will pay the Contract Amount to the OBLIGOR in federal funds by wire transfer or other agreed upon method and the OBLIGOR will pay the full Purchase Price including the difference, if any,

between the Contract Amount and the Purchase Price to the SELLER immediately upon the receipt of the Contract Amount and the delivery of the Property to and acceptance of the Property by the OBLIGOR. Upon delivery to and acceptance by the OBLIGOR, title to the Property shall vest in the OBLIGOR. The OBLIGOR shall not sell, assign title to, lease, or obtain further financing with respect to the Property except with the permission of the BANK while Principal remains outstanding under this INSTALLMENT PURCHASE AGREEMENT. The OBLIGOR agrees that the useful life of the Property is equal to or longer than the date of the final payment hereunder. The BANK may pledge this INSTALLMENT PURCHASE AGREEMENT as security for any obligation of the BANK.

2. <u>Repayment Provisions</u>. The OBLIGOR agrees to pay to the BANK the Principal in the Principal Installments on the Maturity Dates and interest payments on the unpaid Principal balance from the Dated Date at the Interest Rate on the Interest Payment Dates. The Interest Rate shall be the rate set forth in Part I.

The INSTALLMENT PURCHASE AGREEMENT may be prepaid in whole or in part at any time without premium or penalty, with funds withdrawn from the OBLIGOR'S cash reserves as permitted by law. Any partial prepayment will not excuse any later scheduled payments until OBLIGOR pays this INSTALLMENT PURCHASE AGREEMENT in full.

It is expressly agreed between the SELLER and the OBLIGOR, and the BANK by acceptance of the assignment of this INSTALLMENT PURCHASE AGREEMENT, that the OBLIGOR shall make all payments of principal or interest due hereunder directly to the BANK or to a depository as shall be designated in writing by the BANK. The OBLIGOR further agrees that it will deposit with the BANK, or if so directed shall deposit with said depository, all payments of principal or interest due hereunder in immediately available funds at least one business day before the date on which said principal or interest due hereunder is due or in such other manner or such other time as the BANK shall approve.

OBLIGOR agrees to pay this INSTALLMENT PURCHASE AGREEMENT in sixty (60) monthly payments. The Principal/Contract Amount is amortized over 240 payments. OBLIGOR will make 59 payments of \$15,215.69 beginning on July 20, 2023, and on the 20th day of each month thereafter. A single "balloon payment" of the entire unpaid balance of Principal and interest will be due upon final maturity on June 20, 2028. Payments will be rounded to the nearest \$.01. With the final payment OBLIGOR also agrees to pay any additional fees or charges owing and the amount of any advances the BANK has made to others on OBLIGOR's behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month. Each payment OBLIGOR makes on this INSTALLMENT PURCHASE AGREEMENT will be applied first to interest that is due, then to principal that is due, then to escrow that is due (if any), then to late charges that are due (if any), and finally to any charges that OBLIGOR owes other than principal and interest (if any). If the BANK and OBLIGOR agree to a different application of payments, they will describe their mutual agreement in this INSTALLMENT PURCHASE AGREEMENT. The BANK may change how payments are applied in its sole discretion without notice to OBLIGOR. The actual amount of OBLIGOR's final payment will depend on OBLIGOR's payment record.

3. <u>Assignment by SELLER to BANK</u>. The SELLER hereby irrevocably assigns this INSTALLMENT PURCHASE AGREEMENT immediately to the BANK in consideration for

payment from the BANK of the Contract Amount. The OBLIGOR hereby consents to that assignment, except with respect to the warranties and other obligations of the SELLER set forth in Paragraphs 10, 13, and 16 of this INSTALLMENT PURCHASE AGREEMENT, all of which shall remain the sole responsibility of the SELLER and shall not be assignable and the SELLER hereby acknowledges that all of said warranties and other obligations shall not be assigned and remain the sole responsibility of the SELLER. The OBLIGOR'S obligation to the BANK is absolute and unconditional and shall remain in full force and effect until the amounts owed hereunder shall have been paid by the OBLIGOR to the BANK and such obligation shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following:

- a. Any failure of title with respect to the SELLER'S interest in the Property or the invalidity, enforceability or termination of this INSTALLMENT PURCHASE AGREEMENT;
- b. The modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in this INSTALLMENT PURCHASE AGREEMENT;
- c. The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment or other similar proceedings affecting the SELLER or any of its assets or any allocation or contest of the validity of this INSTALLMENT PURCHASE AGREEMENT, or the disaffirmance of this INSTALLMENT PURCHASE AGREEMENT in any such proceedings;
- d. To the extent permitted by law, any event or action which would, in the absence of this clause, result in release or discharge by operation of law of the SELLER from the performance or observation of any obligation, covenant or agreement contained in this INSTALLMENT PURCHASE AGREEMENT;
- e. The default or failure of the SELLER fully to perform any of its obligations set forth in this INSTALLMENT PURCHASE AGREEMENT or any other agreement; or
- f. Any casualty or destruction of the Property.

After payment of the Contract Amount, the BANK shall have no liability for payment of monies to the SELLER or for the performance of any obligations to the SELLER. The SELLER represents and warrants that the assignment of this INSTALLMENT PURCHASE AGREEMENT to the BANK does not violate any agreement, contract, or loan agreement to which it is a party and that the INSTALLMENT PURCHASE AGREEMENT has been duly executed and delivered by the SELLER. Upon transfer of the Property from SELLER to OBLIGOR, SELLER shall have no further obligation to OBLIGOR or BANK under this INSTALLMENT PURCHASE AGREEMMENT. OBLIGOR agrees to the extent permissible under state law, to defend, protect,

THRUN LAW FIRM, P.C. indemnify and hold forever harmless SELLER, from any and all claims, losses, liabilities, expenses, or damages of whatever nature which may be hereinafter brought against SELLER as a result of or arising from the INSTALLMENT PURCHASE AGREEMMENT.

4. <u>Full Faith and Credit Obligation</u>. The obligation of the OBLIGOR to pay Principal Installments and interest payments is a full faith and credit obligation, payable from the OBLIGOR'S State School Aid, revenues, receipts, and other available funds. The OBLIGOR shall include in its budget and pay each year, until this INSTALLMENT PURCHASE AGREEMENT is paid in full, such sum or sums as may be necessary each year to make payments of the Principal Installments and interest herein, when due.

The OBLIGOR has irrevocably pledged its State School Aid as security for the payment of this INSTALLMENT PURCHASE AGREEMENT. The OBLIGOR covenants to annually make an irrevocable appropriation of a sufficient amount of Pledged State Aid (as that term is defined in the OBLIGOR'S Resolution, defined below) for the payment of the Principal Installments and interest on this INSTALLMENT PURCHASE AGREEMENT.

NO MORE THAN TWENTY PERCENT (20%) OF THE STATE SCHOOL AID RECEIVED BY THE OBLIGOR IN EACH FISCAL YEAR MAY BE LEGALLY AVAILABLE TO PAY SCHEDULED PRINCIPAL INSTALLMENTS AND/OR INTEREST ON THIS INSTALLMENT PURCHASE AGREEMENT.

THIS INSTALLMENT PURCHASE AGREEMENT DOES NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL, SPECIAL OR MORAL, OF THE UNITED STATES STATE OF GOVERNMENT, THE MICHIGAN, CENTRAL **MICHIGAN** UNIVERSITY/CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (THE OBLIGOR'S AUTHORIZING BODY), OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF MICHIGAN, AND NEITHER THE FULL FAITH AND CREDIT NOR ANY TAXING POWERS OF THE STATE OF MICHIGAN. THE UNITED STATES GOVERNMENT, CENTRAL MICHIGAN UNIVERSITY/CENTRAL **MICHIGAN** UNIVERSITY BOARD OF TRUSTEES, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF MICHIGAN ARE PLEDGED TO THE PAYMENT OF PRINCIPAL INSTALLMENTS AND INTEREST WITH RESPECT TO THIS INSTALLMENT PURCHASE AGREEMENT. THE OBLIGOR HAS NO TAXING POWER.

5. <u>Mortgage</u>. This INSTALLMENT PURCHASE AGREEMENT shall be further secured by the BANK'S Mortgage on the Property and separate security instruments prepared and entered into in conjunction with this INSTALLMENT PURCHASE AGREEMENT:

Document/Instrument Name: Mortgage - 2800 Springport Rd., Jackson, MI 49202-1230

Parties to Document/Instrument: The da Vinci Institute (OBLIGOR)

Date of Security Document/Instrument: June 5, 2023

6. <u>Additional Charges</u>. As additional consideration, OBLIGOR agrees to pay, or have paid, the fees and charges listed in **Attachment C** ("FEES AND CHARGES"), which is attached to and made part of this INSTALLMENT PURCHASE AGREEMENT.

7. <u>Remedial Charges</u>. In addition to interest or other finance charges, OBLIGOR agrees that it will pay these additional fees based on OBLIGOR's method and pattern of payment. Additional remedial charges may be described elsewhere in this INSTALLMENT PURCHASE AGREEMENT.

- a. Late Charge. If a payment is more than 10 days late, OBLIGOR will be charged five percent (5%) of the Amount of Payment or \$50.00, whichever is greater. However, this charge will not be greater than \$195.00. OBLIGOR will pay this late charge promptly but only once for each late payment.
- b. **Returned Payment Charge.** OBLIGOR agrees to pay a fee not to exceed \$25.00 for each check, electronic payment, negotiable order of withdrawal or draft OBLIGOR issues in connection with the INSTALLMENT PAYMENT AGREEMENT that is returned because it has been dishonored.
- c. **Over the Limit Charge.** A(n) Over the Limit Charge equal to \$29.00.

8. <u>Events of Default</u>. The following shall be an "Event of Default" under this INSTALLMENT PURCHASE AGREEMENT:

- a. Failure by the OBLIGOR to make the Principal Installments and interest payments at the times specified in this INSTALLMENT PURCHASE AGREEMENT.
- b. Failure of the OBLIGOR to observe and perform any other covenant, condition or agreement on its part to be observed or performed and continuation of such failure for a period of 30 days after written notice specifying such failure and requesting that it be remedied, unless the BANK shall agree in writing to an extension of such time prior to its expiration and shall be such that it cannot with due diligence be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the OBLIGOR within such period and diligently pursued until corrected.
- c. The OBLIGOR shall: (1) admit in writing its inability to pay its debts generally as they become due; (2) commence a proceeding under any federal or state bankruptcy, insolvency, reorganization or other similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed or unstayed for 60 days; (3) make an assignment for the benefit of creditors or provide for the entry into any agreement for the composition of creditors; or (4) have applied for the appointment of a receiver, purchaser or liquidator for it or the whole or any substantial part of its property.

- d. Any procedures have been initiated to revoke, suspend, or terminate the OBLIGOR'S charter contract.
- e. The OBLIGOR shall materially breach any representation or warranty under this INSTALLMENT PURCHASE AGREEMENT.
- f. OBLIGOR fails to make a payment in full when due.
- g. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against OBLIGOR or any co-signer, endorser, surety or guarantor of this INSTALLMENT PURCHASE AGREEMENT or any other obligations OBLIGOR has with the BANK.
- h. OBLIGOR merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.
- i. Without the BANK's written consent, OBLIGOR organizes, merges into, or consolidates with an entity; acquires all or substantially all of the assets of another; materially changes the legal structure, management, ownership or financial condition; or effects or enters into a domestication, conversion or interest exchange.
- j. OBLIGOR fails to perform any condition or to keep any promise or covenant of this INSTALLMENT PURCHASE AGREEMENT.
- k. A default occurs under the terms of any other document or documents executed as a part of or in connection with this INSTALLMENT PURCHASE AGREEMENT (the "INSTALLMENT PURCHASE AGREEMENT Document" or "INSTALLMENT PURCHASE AGREEMENT Documents".
- 1. OBLIGOR is in default on any other debt or agreement it has with the BANK.
- m. OBLIGOR makes any verbal or written statement or provide any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.
- n. OBLIGOR fails to satisfy or appeal any judgment against it.
- o. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

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- p. OBLIGOR changes its name or assumes an additional name without notifying the BANK before making such a change.
- q. OBLIGOR transfers all or a substantial part of OBLIGOR's money or property.
- r. The BANK determines in good faith that the value of the Property has declined or is impaired.
- s. Without first notifying the BANK, there is a material change in OBLIGOR's business, including ownership, management, and financial conditions.
- t. OBLIGOR determines in good faith that a material adverse change has occurred in its financial condition from the conditions set forth in its most recent financial statement before the date of this INSTALLMENT PURCHASE AGREEMENT or that the prospect for payment or performance of the INSTALLMENT PURCHASE AGREEMENT is impaired for any reason

Default hereunder shall constitute default under any other instrument evidencing a debt or other obligation of the OBLIGOR to the BANK or securing such a debt or other obligation and default under any such other instrument shall constitute default hereunder. Upon any such default, the BANK at its option may declare all or any part of any such indebtedness immediately due and payable.

9. <u>Remedies Upon Default</u>. Whenever an Event of Default referred to in Paragraph 8 hereof shall occur and be continuing, the BANK may at its option do any one or more of the following:

- a. Acceleration. The BANK may make all or any part of the amount owing by the terms of this INSTALLMENT PURCHASE AGREEMENT immediately due. Upon the occurrence of an Event of Default described in Paragraph 8 hereof and the failure to cure such Event of Default within five (5) days after receipt of written request from the BANK, declare all of the unpaid amounts of principal and interest (the portion thereof accrued) to be immediately due and payable, whereupon such amounts shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived.
- b. **Sources.** The BANK may use any and all remedies it has under state or federal law or in any INSTALLMENT PURCHASE AGREEMENT Document.
- c. **Insurance Benefits.** The BANK may make a claim for any and all insurance benefits or refunds that may be available on OBLIGOR's default.
- d. **Payments Made On OBLIGOR's Behalf.** Amounts advanced on OBLIGOR's behalf will be immediately due and may be added to the balance owing under the terms of this INSTALLMENT PURCHASE AGREEMENT, and accrue interest at the highest post-maturity interest rate.

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- e. Set-Off. OBLIGOR may use the right of set-off. This means OBLIGOR may set-off any amount due and payable under the terms of this INSTALLMENT PURCHASE AGREEMENT against any right OBLIGOR has to receive money from the BANK. OBLIGOR's right to receive money from the BANK includes any deposit or share account balance OBLIGOR has with the BANK; any money owed to OBLIGOR on an item presented to the BANK or in the BANK's possession for collection or exchange; and any repurchase agreement or other non-deposit obligation. "Any amount due and payable under the terms of this INSTALLMENT PURCHASE AGREEMENT " means the total amount to which the BANK is entitled to demand payment under the terms of this INSTALLMENT PURCHASE AGREEMENT at the time of the BANK's setoff. Subject to any other written contract, if OBLIGOR's right to receive money from the BANK is also owned by someone who has not agreed to pay this INSTALLMENT PURCHASE AGREEMENT, the BANK's right of set-off will apply to OBLIGOR's interest in the obligation and to any other amounts OBLIGOR could withdraw on OBLIGOR's sole request or endorsement. The BANK's right of set-off does not apply to an account or other obligation where OBLIGOR's rights arise only in a representative capacity. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account. The BANK will not be liable for the dishonor of any check when the dishonor occurs because the BANK set-off against any of OBLIGOR's accounts. OBLIGOR agrees to hold the BANK harmless from any such claims arising as a result of the BANK's exercise of its right of set-off.
- f. **Waiver.** Except as otherwise required by law, by choosing any one or more of these remedies the BANK does not give up the BANK's right to use any other remedy. The BANK does not waive a default if the BANK chooses not to use a remedy. By electing not to use any remedy, the BANK does not waive its right to later consider the event a default and to use any remedies if the default continues or occurs again.
- g. Take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this INSTALLMENT PURCHASE AGREEMENT.

10. <u>Delivery Date</u>. It is agreed that the SELLER has delivered or will deliver the Property. If the Property is not delivered simultaneously with the execution of this INSTALLMENT PURCHASE AGREEMENT the SELLER agrees to deliver the Property as agreed to by the OBLIGOR and SELLER pursuant to the Real Estate Purchase Agreement (Attachment B).

11. <u>Limitations on Cross-Collateralization</u>. The cross-collateralization clause on any existing or future loan, but not including this INSTALLMENT PAYMENT AGREEMENT, is void and ineffective as to this INSTALLMENT PURCHASE AGREEMENT, including any extension or refinancing. The INSTALLMENT PAYMENT AGREEMENT is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined

by federal law governing unfair and deceptive credit practices. The INSTALLMENT PURCHASE AGREEMENT is not secured by a previously executed security instrument if the BANK fails to fulfill any necessary requirements or fail to conform to any limitations of the Real Estate Settlement Procedures Act (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007. The INSTALLMENT PURCHASE AGREEMENT is not secured by a previously executed security instrument if the BANK fails to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

12. <u>Tax Covenant</u>. The OBLIGOR covenants to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to delivery of this INSTALLMENT PURCHASE AGREEMENT in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes.

13. <u>Warranty</u>. Warranties expressly set forth in the Real Estate Purchase Agreement (Attachment B), if any, with respect to the Property shall not be assigned but shall remain enforceable by the OBLIGOR.

Further, OBLIGOR makes to the BANK the following warranties and representations which will continue as long as this INSTALLMENT PURCHASE AGREEMENT is in effect:

- a. **Power.** OBLIGOR is duly organized, and validly existing and in good standing in all jurisdictions in which OBLIGOR operates. OBLIGOR has the power and authority to enter into this transaction and to carry on OBLIGOR's business or activity as it is now being conducted and, as applicable, am qualified to do so in each jurisdiction in which OBLIGOR operates.
- b. Authority. The execution, delivery and performance of this INSTALLMENT PURCHASE AGREEMENT and the obligation evidenced by this INSTALLMENT PURCHASE AGREEMENT are within OBLIGOR's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which OBLIGOR is a party or to which OBLIGOR is or any of the Property is subject.
- c. Name and Place of Business. Other than previously disclosed in writing to the BANK that the OBLIGOR has not changed OBLIGOR's name or principal place of business within the last 10 years and have not used any other trade or fictitious name. Without the BANK's prior written consent, OBLIGOR does not and will not use any other name and will preserve OBLIGOR's existing name, trade names and franchises.

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- 14. Interest Rate.
 - a. **Interest After Default.** If the OBLIGOR declares a default under the terms of the INSTALLMENT PAYMENT AGREEMENT, including for failure to pay in full at maturity, the BANK may increase the Interest Rate otherwise payable as described in this paragraph. In such event, interest will accrue on the unpaid Principal balance of the INSTALLMENT PAYMENT AGREEMENT at fifteen percent (15%) until paid in full.
 - b. **Maximum Interest Amount.** Any amount assessed or collected as interest under the terms of this INSTALLMENT PURCHASE AGREEMENT will be limited to the maximum lawful amount of interest allowed by applicable law. Amounts collected in excess of the maximum lawful amount will be applied first to the unpaid Principal balance. Any remainder will be refunded to OBLIGOR.
 - c. Statutory Authority. To the extent applicable, the amount assessed or collected on this INSTALLMENT PURCHASE AGREEMENT is authorized by the Michigan Credit Reform Act (Mich. Comp. Laws §§ 445.1851-.1864).
 - d. Accrual. Interest accrues using an Actual/Actual days counting method.

15. <u>Insurance</u>. OBLIGOR agrees to obtain the insurance described in this INSTALLMENT PURCHASE AGREEMENT.

- a. **Property Insurance.** OBLIGOR will insure or retain insurance coverage on the Property and abide by the insurance requirements of any security instrument securing the INSTALLMENT PURCHASE AGREEMENT.
- b. Insurance Warranties. OBLIGOR agrees to purchase any insurance coverages that are required, in the amounts the BANK requires, as described in this or any other documents OBLIGOR signs for the INSTALLMENT PURCHASE AGREEMENT. OBLIGOR will provide the BANK with continuing proof of coverage. OBLIGOR will buy or provide insurance from a firm licensed to do business in the State where the Property is located. If OBLIGOR buys or provides the insurance from someone other than the BANK, the firm will be reasonably acceptable to the BANK. OBLIGOR will have the insurance company name the BANK as loss payee on any insurance policy. The BANK will apply the insurance proceeds toward what OBLIGOR owes the BANK on the outstanding balance. OBLIGOR agrees that if the insurance proceeds do not cover the amounts OBLIGOR still owes the BANK, OBLIGOR will pay the difference. OBLIGOR will keep the insurance until all debts secured by this agreement are paid. If OBLIGOR wants to buy the insurance from the BANK, OBLIGOR has signed a separate statement agreeing to this purchase.

16. <u>Incorporation by Reference</u>. The terms and conditions of the Real Estate Purchase Agreement (Attachment B) entered into by and between the SELLER and the OBLIGOR

THRUN LAW FIRM, P.C. regarding the OBLIGOR'S purchase of the Property from the SELLER are hereby incorporated herein by reference.

17. <u>Collection Expenses and Attorneys' Fees</u>. On or after the occurrence of an Event of Default, to the extent permitted by law, OBLIGOR agrees to pay all expenses of collection, enforcement or protection of the BANK's rights and remedies under this INSTALLMENT PURCHASE AGREEMENT or any other INSTALLMENT PURCHASE AGREEMENT Document. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this INSTALLMENT PURCHASE AGREEMENT. All fees and expenses will be secured by the Property OBLIGOR has granted to the BANK, if any. In addition, to the extent permitted by the United States Bankruptcy Code, OBLIGOR agrees to pay the reasonable attorneys' fees incurred by the BANK to protect its rights and interests in connection with any bankruptcy proceedings initiated by or against OBLIGOR.

18. <u>Commissions</u>. OBLIGOR understands and agrees that the BANK (or its affiliate(s)) will earn commissions or fees on any insurance products, and may earn such fees on other services that OBLIGOR buys through the BANK or its affiliate(s).

19. Joint and Several Liability and Successors. OBLIGOR's obligation to pay this INSTALLMENT PURCHASE AGREEMENT is independent of the obligation of any other person who has also agreed to pay it. The BANK may sue OBLIGOR alone, or anyone else who is obligated on the INSTALLMENT PURCHASE AGREEMENT, or any number of us together, to collect the INSTALLMENT PURCHASE AGREEMENT. Notwithstanding the foregoing, BANK and OBLIGOR agree that SELLER shall not be named as a party to any such lawsuit regarding OBLIGOR's obligations under this INSTALLMENT PURCHASE AGREEMENT. Extending the INSTALLMENT PURCHASE AGREEMENT, or new obligations under the INSTALLMENT PURCHASE AGREEMENT, will not affect OBLIGOR's duty under the INSTALLMENT PURCHASE AGREEMENT and OBLIGOR will still be obligated to pay the AGREEMENT. This INSTALLMENT INSTALLMENT PURCHASE PURCHASE AGREEMENT shall inure to the benefit of and be enforceable by the BANK and its successors and assigns and shall be binding upon and enforceable against OBLIGOR and OBLIGOR's successors and assigns.

20. <u>Entire Agreement</u>. Except for closing documents delivered in connection with the INSTALLMENT PURCHASE AGREEMENT to the BANK, this INSTALLMENT PURCHASE AGREEMENT constitutes the entire agreement of the parties regarding the OBLIGOR'S financing of the Property. All other prior or contemporaneous agreements, understandings, representations and statements, oral or written, regarding the OBLIGOR'S financing of the Property are hereby terminated.

21. <u>Waivers and Consent</u>. To the extent not prohibited by law, OBLIGOR waives protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

a. Additional Waivers By OBLIGOR. In addition, OBLIGOR, and any party to this INSTALLMENT PURCHASE AGREEMENT, to the extent

permitted by law, consents to certain actions the BANK may take, and generally waives defenses that may be available based on these actions or based on the status of a party to this INSTALLMENT PURCHASE AGREEMENT.

- i. The BANK may renew or extend payments on this INSTALLMENT PURCHASE AGREEMENT, regardless of the number of such renewals or extensions.
- ii. The BANK may release any OBLIGOR, endorser, guarantor, surety, accommodation maker or any other co-signer.
- iii. The BANK may release, substitute or impair any Property securing this INSTALLMENT PURCHASE AGREEMENT.
- iv. The BANK, or any institution participating in this INSTALLMENT PURCHASE AGREEMENT, may invoke the BANK's right of setoff.
- v. The BANK may enter into any sales, repurchases or participations of this INSTALLMENT PURCHASE AGREEMENT to any person in any amounts and OBLIGOR waives notice of such sales, repurchases or participations.
- vi. OBLIGOR agrees that any party signing this INSTALLMENT PURCHASE AGREEMENT as an obligor is authorized to modify the terms of this INSTALLMENT PURCHASE AGREEMENT or any instrument securing, guarantying or relating to this INSTALLMENT PURCHASE AGREEMENT.
- b. No Waiver By the BANK. The BANK's course of dealing, or its forbearance from, or delay in, the exercise of any of the BANK's rights, remedies, privileges or right to insist upon OBLIGOR's strict performance of any provisions contained in this INSTALLMENT PURCHASE AGREEMENT, or any other INSTALLMENT PURCHASE AGREEMENT Document, shall not be construed as a waiver by the BANK, unless any such waiver is in writing and is signed by the BANK.

22. <u>Legal Authority</u>. This INSTALLMENT PURCHASE AGREEMENT is issued pursuant to Act 451, Public Acts of Michigan, 1976, as amended, and pursuant to a resolution adopted by the OBLIGOR'S Board of Directors on May 3, 2023 (the "Resolution"). The OBLIGOR hereby certifies that the May 3, 2023 Board of Directors meeting was conducted in full compliance with the Open Meetings Act.

23. <u>Interpretation</u>. Whenever used, the singular includes the plural and the plural includes the singular. The paragraph headings are for convenience only and are not to be used to interpret or define the terms of this INSTALLMENT PURCHASE AGREEMENT.

THRUN Law Firm, P.C. 24. <u>Credit Information</u>. OBLIGOR agrees to supply the BANK with whatever information the BANK reasonably requests. OBLIGOR will make requests for this information without undue frequency, and will give OBLIGOR reasonable time in which to supply the information.

25. <u>Notice, Financial Reports and Additional Documents</u>. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's principal address, or to any other address designated in writing. Notice to one OBLIGOR will be deemed to be notice to all OBLIGORS. OBLIGOR will inform the BANK in writing of any change in OBLIGOR's name, address or other application information. OBLIGOR will provide the BANK any correct and complete financial statements or other information the BANK requests. OBLIGOR agrees to sign, deliver, and file any additional documents or certifications that the BANK may consider necessary to perfect, continue, and preserve OBLIGOR's obligations under this INSTALLMENT PURCHASE AGREEMENT and to confirm the BANK's lien status on any Property. Time is of the essence.

26. <u>Errors and Omissions</u>. OBLIGOR agrees, if requested by the BANK, to fully cooperate in the correction, if necessary, in the reasonable discretion of the BANK, of any and all closing documents so that all documents accurately describe the INSTALLMENT PURCHASE AGREEMENT between the BANK and OBLIGOR. OBLIGOR agrees to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with the BANK's requests within thirty (30) days.

27. Agreement to Arbitrate. The BANK or OBLIGOR may submit to binding arbitration any dispute, claim or other matter in question between or among the BANK and OBLIGOR that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this paragraph or as the BANK and OBLIGOR agree to in writing. For purposes of this paragraph, this Transaction includes this INSTALLMENT PURCHASE AGREEMENT and the other INSTALLMENT PURCHASE AGREEMENT Documents, and proposed loans or extensions of credit, if any, that relate to this INSTALLMENT PURCHASE AGREEMENT. The BANK and OBLIGOR will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws. The BANK and OBLIGOR must consent to arbitrate any Dispute concerning a debt secured by real estate at the time of the proposed arbitration. The BANK may foreclose or exercise any powers of sale against real property securing a debt underlying any Dispute before, during or after any arbitration. The BANK may also enforce a debt secured by this real property and underlying the Dispute before, during or after any arbitration. The BANK and OBLIGOR may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to the BANK or OBLIGOR; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration. The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter a

judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree. The BANK and OBLIGOR acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among the BANK and OBLIGOR involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this paragraph. The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this INSTALLMENT PURCHASE AGREEMENT, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this INSTALLMENT PURCHASE AGREEMENT or another writing.

28. <u>Waiver of Trial for Arbitration</u>. The BANK and OBLIGOR understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, the BANK and OBLIGOR voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

29. <u>Waiver of Jury Trial.</u> If the parties do not opt for arbitration, then all of the parties to this INSTALLMENT PURCHASE AGREEMENT knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this INSTALLMENT PURCHASE AGREEMENT or any other INSTALLMENT PURCHASE AGREEMENT Document or related obligation. The BANK and OBLIGOR acknowledge that this paragraph has either been brought to the attention of their respective legal counsel or that each party had the opportunity to do so.

- 30. <u>Additional Terms</u>.
 - a. OBLIGOR will provide the BANK with annual audited financial statements.
 - b. The Interest Rate as established herein shall be reviewed and adjusted as of June 5, 2028, and is subject to being adjusted every five (5) years for the remainder of the Principal amortization.
 - c. Upon transfer of the Property from SELLER to OBLIGOR, SELLER shall have no further obligations, if any, to either BANK or OBLIGOR under this INSTALLMENT PURCHASE AGREEMENT.

31. <u>Due on Sale or Encumbrance</u>. The BANK may, at its option, declare the entire balance of this INSTALLMENT PURCHASE AGREEMENT to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

32. <u>Amendment, Integration and Severability</u>. Any attempt to modify a term or terms of this INSTALLMENT PURCHASE AGREEMENT or of any supporting document shall be ineffectual unless approved in writing by the BANK. This INSTALLMENT PURCHASE AGREEMENT may not be amended or modified by oral agreement. No amendment or modification of this INSTALLMENT PURCHASE AGREEMENT is effective unless made in writing. This INSTALLMENT PURCHASE AGREEMENT and the other INSTALLMENT PURCHASE AGREEMENT are the complete and final expression of the agreement.

If any provision of this INSTALLMENT PURCHASE AGREEMENT is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable. No present or future agreement securing any other debt OBLIGOR owes the BANK will secure the payment of this INSTALLMENT PURCHASE AGREEMENT if, with respect to this transaction, the BANK fails to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property or if, as a result, this INSTALLMENT PURCHASE AGREEMENT would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

33. <u>Applicable Law</u>. This INSTALLMENT PURCHASE AGREEMENT is governed by the laws of the State of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

34. <u>Counterparts</u>. This INSTALLMENT PURCHASE AGREEMENT may be executed in any number of counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Signatures. By signing, the parties hereto agree to the terms contained in this 35. INSTALLMENT PURCHASE AGREEMENT. Each party also acknowledges receipt of a fullyexecuted copy of this INSTALLMENT PURCHASE AGREEMENT.

SELLER:

OBLIGOR:

Baker College

The da Vinci Institute

By: Michel Moto By Rules Bruch Uses Camacho Its: System ConstRoller Its: Board Sacretary

Approved:

BANK:

County National Bank, a National Banking Association Hillsdale, Michigan

By:

Its:_____

THRUN

Signatures. By signing, the parties hereto agree to the terms contained in this 35. INSTALLMENT PURCHASE AGREEMENT. Each party also acknowledges receipt of a fullyexecuted copy of this INSTALLMENT PURCHASE AGREEMENT.

OBLIGOR:

Baker College

The da Vinci Institute

By:_____

By:_____

Its:_____

lts:_____

Approved:

BANK:

THRUN

E

County National Bank, a National Banking Association Hillsdale, Michigan

By: Che Commercial Long

ATTACHMENT A

[Attach Maturity/Payment Schedule]



County National Bank

Customer Name: THE DA VINCI INSTITUTE Loan/Customer Number: 79914

Funding Date:	06/05/2023	Compounding:	U.S. Rule	Principal:	2,350,000.00
First Payment Date:	07/20/2023	Period:	Actual/Actual	Initial Interest Rate:	0.000%
		Pmt Schedule:	Monthly	Interest Rate:	4.750%
				Pmt Amount:	15,215.69

		* Escrowed Interest					
Payment	Payment		Payment	Interest	Principal	Outstanding	Equity
Number	Date	Days	Amount	Amount	Reduction	Balance	Built
	06/20/2023	15		4,587.33	-4,587.33*	2,350,000.00	
1	07/20/2023	30	\$15,215.69	9,174.66	1,453.70	2,348,546.30	\$1,453.70
2	08/20/2023	31	\$15,215.69	9,474.61	5,741.08	2,342,805.22	\$7,194.78
3	09/20/2023	31	\$15,215.69	9,451.45	5,764.24	2,337,040.98	\$12,959.02
4	10/20/2023	30	\$15,215.69	9,124.06	6,091.63	2,330,949.35	\$19,050.65
5	11/20/2023	31	\$15,215.69	9,403.62	5,812.07	2,325,137.28	\$24,862.72
6	12/20/2023	30	\$15,215.69	9,077.59	6,138.10	2,318,999.18	\$31,000.82
U	12/20/2025	50	\$15,215.09	,011.55	0,150.10	2,510,777.10	\$51,000.02
2023	Totals:		91,294.14	60,293.32	31,000.82		
7	01/20/2024	31	\$15,215.69	9,339.75	5,875.94	2,313,123.24	\$36,876.76
8	02/20/2024	31	\$15,215.69	9,306.21	5,909.48	2,307,213.76	\$42,786.24
9	03/20/2024	29	\$15,215.69	8,683.57	6,532.12	2,300,681.64	\$49,318.36
10	04/20/2024	31	\$15,215.69	9,256.16	5,959.53	2,294,722.11	\$55,277.89
11	05/20/2024	30	\$15,215.69	8,934.37	6,281.32	2,288,440.79	\$61,559.21
12	06/20/2024	31	\$15,215.69	9,206.91	6,008.78	2,282,432.01	\$67,567.99
13	07/20/2024	30	\$15,215.69	8,886.52	6,329.17	2,276,102.84	\$73,897.16
14	08/20/2024	31	\$15,215.69	9,157.27	6,058.42	2,270,044.42	\$79,955.58
15	09/20/2024	31	\$15,215.69	9,132.90	6,082.79	2,263,961.63	\$86,038.37
16	10/20/2024	30	\$15,215.69	8,814.60	6,401.09	2,257,560.54	\$92,439.46
17	11/20/2024	31	\$15,215.69	9,082.67	6,133.02	2,251,427.52	\$98,572.48
18	12/20/2024	30	\$15,215.69	8,765.80	6,449.89	2,244,977.63	\$105,022.37
2024	Totals:		182,588.28	108,566.73	74,021.55		
19	01/20/2025	31	\$15,215.69	9,047.21	6,168.48	2,238,809.15	\$111,190.85
20	02/20/2025	31	\$15,215.69	9,031.91	6,183.78	2,232,625.37	\$117,374.63
21	03/20/2025	28	\$15,215.69	8,135.32	7,080.37	2,225,545.00	\$124,455.00
22	04/20/2025	31	\$15,215.69	8,978.40	6,237.29	2,219,307.71	\$130,692.29
23	05/20/2025	30	\$15,215.69	8,664.42	6,551.27	2,212,756.44	\$137,243.56
	06/20/2025	31	\$15,215.69	8,926.81	6,288.88	2,206,467.56	\$143,532.44
	07/20/2025	30	\$15,215.69	8,614.29	6,601.40	2,199,866.16	\$150,133.84
26	08/20/2025	31	\$15,215.69	8,874.80	6,340.89	2,193,525.27	\$156,474.73
	09/20/2025	31	\$15,215.69	8,849.22	6,366.47	2,187,158.80	\$162,841.20
28	10/20/2025	30	\$15,215.69	8,538.91	6,676.78	2,180,482.02	\$169,517.98
29	11/20/2025	31	\$15,215.69	8,796.60	6,419.09	2,174,062.93	\$175,937.07
30	12/20/2025	30	\$15,215.69	8,487.78	6,727.91	2,167,335.02	\$182,664.98
2025	Totals:		182,588.28	104,945.67	77,642.61		
31	01/20/2026	31	\$15,215.69	8,743.56	6,472.13	2,160,862.89	\$189,137.11
	02/20/2026	31	\$15,215.69	8,717.45	6,498.24	2,154,364.65	\$195,635.35
	03/20/2026	28	\$15,215.69	7,850.15	7,365.54	2,146,999.11	\$203,000.89
	03/20/2020	31	\$15,215.69	8,661.52	6,554.17	2,140,444.94	\$209,555.06
	04/20/2020	30	\$15,215.69	8,356.53	6,859.16	2,133,585.78	\$216,414.22
	06/20/2026	31	\$15,215.69	8,607.41	6,608.28	2,126,977.50	\$223,022.50
50	00/20/2020	51	\$13,213.09	0,007.41	0,000.20	2,120,777.30	<i>4223</i> ,022.30





County National Bank

Customer Name: THE DA VINCI INSTITUTE Loan/Customer Number: 79914

Funding First Pay	Date: ment Date:	06/05/2023 : 07/20/2023	Compounding: Period: Pmt Schedule:	U.S. Rule Actual/A Monthly	ctual Initia Inter	cipal: al Interest Rate: rest Rate: Amount:	2,350,000.00 0.000% 4.750% 15,215.69
	Payment		Payment	Interest		Outstanding	Equity
Number	Date	Days	Amount	Amount	Reduction	Balance	Built
37	07/20/2026	30	\$15,215.69	8,303.95	6,911.74	2,120,065.76	\$229,934.24
38	08/20/2026	31	\$15,215.69	8,552.87	6,662.82	2,113,402.94	\$236,597.06
39	09/20/2026	31	\$15,215.69	8,525.99	6,689.70	2,106,713.24	\$243,286.76
40	10/20/2026	30	\$15,215.69	8,224.84	6,990.85	2,099,722.39	\$250,277.61
41	11/20/2026	31	\$15,215.69	8,470.80	6,744.89	2,092,977.50	\$257,022.50
42	12/20/2026	30	\$15,215.69	8,171.21	7,044.48	2,085,933.02	\$264,066.98
2026	Totals:		182,588.28	101,186.28	81,402.00		
43	01/20/2027	31	\$15,215.69	8,415.17	6,800.52	2,079,132.50	\$270,867.50
44	02/20/2027	31	\$15,215.69	8,387.73	6,827.96	2,072,304.54	\$277,695.46
45	03/20/2027	28	\$15,215.69	7,551.14	7,664.55	2,064,639.99	\$285,360.01
46	04/20/2027	31	\$15,215.69	8,329.27	6,886.42	2,057,753.57	\$292,246.43
47	05/20/2027	30	\$15,215.69	8,033.70	7,181.99	2,050,571.58	\$299,428.42
48	06/20/2027	31	\$15,215.69	8,272.51	6,943.18	2,043,628.40	\$306,371.60
49	07/20/2027	30	\$15,215.69	7,978.55	7,237.14	2,036,391.26	\$313,608.74
50	08/20/2027	31	\$15,215.69	8,215.30	7,000.39	2,029,390.87	\$320,609.13
51	09/20/2027	31	\$15,215.69	8,187.06	7,028.63	2,022,362.24	\$327,637.76
52	10/20/2027	30	\$15,215.69	7,895.52	7,320.17	2,015,042.07	\$334,957.93
53	11/20/2027	31	\$15,215.69	8,129.18	7,086.51	2,007,955.56	\$342,044.44
54	12/20/2027	30	\$15,215.69	7,839.28	7,376.41	2,000,579.15	\$349,420.85
2027	Totals:		182,588.28	97,234.41	85,353.87		
55	01/20/2028	31	\$15,215.69	8,057.31	7,158.38	1,993,420.77	\$356,579.23
56	02/20/2028	31	\$15,215.69	8,019.98	7,195.71	1,986,225.06	\$363,774.94
57	03/20/2028	29	\$15,215.69	7,475.48	7,740.21	1,978,484.85	\$371,515.15
58	04/20/2028	31	\$15,215.69	7,959.89	7,255.80	1,971,229.05	\$378,770.95
59	05/20/2028	30	\$15,215.69	7,674.87	7,540.82	1,963,688.23	\$386,311.77
60	06/20/2028	31	\$1,971,588.59	7,900.36	1,963,688.23		\$2,350,000.00
2028	Totals:		2,047,667.04	47,087.89	2,000,579.15		
Gra	nd Totals:		2,869,314.30 51	9,314.30	2,350,000.00		

This amortization schedule is provided to you for your convenience. The amortization may include estimates based upon information provided by you. Actual terms of credit offered by us may vary from this amortization schedule. The outstanding balance shown above will vary from your actual outstanding balance owed to the Bank because of the timing of payments.





ATTACHMENT B

[Attach Real Estate Purchase Agreement]



REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "<u>Agreement</u>") is made and entered into as of the <u>21</u> day of February, 2023 (the "<u>Effective Date</u>"), by and among BAKER COLLEGE (the "<u>Seller</u>"), and THE DA VINCI INSTITUTE (the "<u>Buyer</u>"). Buyer and Seller are sometimes referred to individually as a "<u>Party</u>" and together as the "<u>Parties</u>."

<u>RECITALS</u>

A. Seller owns certain real property located in the Township of Blackman, County of Jackson, State of Michigan, consisting of approximately 45 acres of land (the "<u>Real Property</u>"), as more particularly described on <u>Exhibit A</u> attached hereto.

B. Buyer is desirous to buy from Seller and Seller is desirous to sell a portion of the Real Property consisting of approximately 35.96 acres, inclusive of the driveway along the western property line connecting with Springport Road (the "Purchased Property"), commonly referred to as 2985 Springport Road and as more particularly described on **Exhibit B** attached hereto.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, and for other good and valuable consideration, Buyer and Seller agree as follows:

AGREEMENT

1. <u>PURCHASE AND SALE</u>. Subject to the terms and conditions herein contained, Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller's interest in the following, subject to easements, zoning, restrictions and other matters of record:

(a) The Purchased Property described on **Exhibit B** attached hereto, including, without limitation, all Seller's right, title and interest in all the rights and appurtenances and easements, air rights, mineral and riparian rights, development rights, approvals, rights, benefits, privileges, tacking and adverse possession rights, sidewalks, alleys, gores or strips of land adjoining or appurtenant to or benefiting said real property and all other rights and appurtenances belonging, relating to, or in any way pertaining to such property, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way in, on, across, in front of, contiguous to, abutting, adjoining or otherwise benefitting such property;

(b) All buildings, structures and improvements now or hereafter located or erected on the Purchased Property (collectively the "<u>Buildings</u>"); and,

(c) All tangible personal property owned by Seller located on and used in connection with the Purchased Property and the Buildings, including all fixtures, furniture and equipment.

1



2. <u>PURCHASE PRICE; DEPOSIT</u>.

2.1 Purchase Price. The purchase price for the Property (the "Purchase Price") is Three Million Three Hundred Fifty Thousand (\$3,350,000) as adjusted by the application of the Earnest Money, plus accrued interest thereon, and the prorations and credits specified herein. For purposes of allocation, Purchaser has assigned a purchase price for the property containing Building designated as 100 at Two Million Three Hundred Thousand (\$2,300,000) and One Million Fifty Thousand (\$1,050,000) for the property containing Building designated as 200. The designation of Building 100 and Building 200 are depicted on **Exhibit C**.

2.2 Payment of Purchase Price. The Purchase Price will be paid to Seller as follows:

(a) <u>Deposit</u>. No later than ten (10) days after the Effective Date, Buyer shall deliver, by wire transfer or bank or cashier's check, at Buyer's election, an amount equal to Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) (the "Earnest Money") to the Title Insurer (hereafter defined), as escrow agent (the "Escrow Agent"). If required by the Escrow Agent, the parties will execute a standard escrow agreement.

The proceeds of the Earnest Money shall be deposited and held by the Escrow Agent and all Earnest Money, together with interest earned thereon, if any, will be applied at Closing as a credit to the Purchase Price or otherwise disbursed as set forth in this Agreement. The Escrow Agent shall invest the Earnest Money in a government insured interest-bearing account satisfactory to Buyer. Such account shall have no penalty for early withdrawal. If Buyer voluntarily terminates this Agreement in accordance with any of Buyer's rights to terminate or otherwise has a right to return of the Earnest Money hereunder, then the Escrow Agent shall deliver the Earnest Money to Buyer.

(b) <u>Balance of Purchase Price</u>. Buyer shall pay the balance of the Purchase Price in full at Closing, subject to the closing adjustments and prorations set forth in this Agreement, in cash by federal wire transfer of immediately available funds to the escrow account of American Title Company (the "Title Insurer") for the benefit of Seller.

3. <u>TIME OF CLOSING/PLACE OF CLOSING</u>. If title to the Property can be conveyed in the condition required under this Agreement, subject to the other terms and conditions hereof, Buyer and Seller agree to consummate the transactions contemplated hereunder (the "<u>Closing</u>") on the date ten (10) days after expiration of the Inspection Period (the "<u>Closing Date</u>"). The Closing shall take place at the office of the Title Company on a specific date and time mutually acceptable to the Parties.

4. <u>COMMITMENT FOR TITLE POLICY AND SURVEY</u>.

(a) Within ten (10) days following the Effective Date, Seller shall order at Seller's cost and expense a title insurance commitment (the "Title Commitment") to be issued by the Title Insurer, pursuant to which the Title Insurer shall agree to issue to Buyer



an ALTA extended coverage owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price, insuring marketable fee simple title to the Property, subject only to the Permitted Exceptions. In the event that Buyer desires to have a title insurance policy without standard exceptions, the cost of the survey required for the Title Company to provide a title insurance policy without standard exceptions shall be borne by Buyer, as set forth below in 4(b). Seller will cooperate in providing the Title Company with an owner's affidavit to Seller's knowledge, without investigation, and any other reasonable documentation in its possession or control needed to remove the standard exceptions on the title commitment, to the extent such affidavit and documentation do not add to, expand or extend Seller's representations in this Agreement. The cost of the title search, the issuance of the Title Commitment and the issuance of the Title Policy shall be Seller's expense, however, the cost of any endorsements to the Title Policy that "insure over" defects in Seller's title or otherwise cure Buyer's objections to title, or the cost of any other endorsements to the Title Policy which Buyer desires that are available at an additional expense shall be at Buyer's cost.

(b) Buyer may also, at its sole cost and expense, procure an ALTA/ACSM survey of the Property (the "<u>Survey</u>"). The Survey shall be certified to each of Buyer and the Title Company. The legal description of the Property as set forth in the Title Commitment shall be used in all conveyance documents.

5. TITLE OBJECTIONS. Buyer shall have ten (10) days after Buyer's receipt of the Title Commitment with complete, legible copies of the underlying documents within which to deliver written notice to Seller of any objections to the status of Seller's title to the Property. If any such objection(s) to the Title Commitment are timely made, Seller shall have ten (10) days from the date such written objections have been delivered to Seller to: (i) remedy the objections to Buyer's satisfaction (or agree in writing to have same remedied at or before Closing); (ii) obtain title insurance over the objections satisfactory to Buyer, or (ii) terminate this Agreement, and the Deposit shall be returned to Buyer, in which event neither Party shall have any further liability to the other except for those liabilities that survive termination as provided herein. Notwithstanding the foregoing, Buyer shall have the right, within ten (10) days after Seller's termination of this Agreement as provided above in this Section, to waive in writing such objections and continue this Agreement in force. If Seller does not terminate this Agreement or agree in writing to have such objections remedied at or before Closing, then if Seller is unable to remedy the objections or obtain title insurance over the objections within Seller's ten (10) day period specified above, then, (unless Buyer chooses to waive such objections during its ten (10)day period to so waive above), Buyer may, at its option, upon written notice to Seller given within ten (10) days of the expiration of Seller's period above, terminate this Agreement, and the Deposit shall be returned to Buyer, in which event neither Party shall have any further liability to the other under this Agreement, except as set forth in herein. If Buyer does not terminate this Agreement, it will be deemed to have accepted such title matters objected to and the same shall be Permitted Exceptions as defined herein. If, within the time period specified above, Seller remedies the objections or obtains title insurance over the objections reasonably acceptable to Buyer, Buyer agrees to proceed under the terms of this Agreement, subject to the satisfaction of the remaining contingencies and the



remaining conditions to Closing set forth herein. All easements, restrictions and other matters of record; public and utility easements; zoning and other municipal ordinances; drainage and utility district charges and assessments; general real estate taxes not yet due and payable; special and other assessments for improvements not yet completed, any matter disclosed on the Title Commitment or the Survey which Buyer has not objected to, has been remedied by Seller as provided above or with respect to which objection has been waived or deemed accepted by Buyer, shall be deemed "<u>Permitted Exceptions.</u>" No interest of any tenant or other occupant shall be considered a Permitted Exception (except for such leases that will be terminated at or before Closing) and Buyer shall be deemed to have objected thereto (whether or not written notice of such objection is provided). If the Title Commitment is substantively amended or supplemented with new exceptions (not as a result of Buyer's acts) after Buyer has submitted its objections (except for taxes and/or installments of assessments becoming due or liened), the same time periods, procedures and notices for objections and clearance of title shall apply to new matters disclosed thereby.

6. <u>POSSESSION</u>. Seller shall deliver, and Buyer shall accept, possession of the Property at Closing free of any and all tenants or other occupants; and in connection with such delivery, Seller shall give Buyer all keys, access codes and cards, security codes and the like to the Property and the Buildings.

7. TAXES, ASSESSMENTS, PRORATED ITEMS, RECORDING FEES.

(a) Any real property taxes shall be prorated and adjusted, Buyer to have the last day, to and including the Closing Date. Real property taxes shall be prorated according to the custom in the locality where the Property is located. Taxes, penalties and interest for all prior years shall be paid by Seller. All general or special assessments on the Property which are billed or become due and payable on or before the date of Closing shall be paid in full by Seller. Any late fees, penalties or interest relating to taxes or assessments due before the date of Closing shall be solely Seller's responsibility and not subject to proration hereunder.

(b) Water bills and sewer bills and other utility charges, rates, rents, and other costs shall be paid by Seller up to, but not including, the Closing Date, and an escrow shall be created for same at Closing, or in lieu thereof, final reading(s) and billing(s) to Seller shall occur on the Closing Date, with Buyer responsible for the Closing Date.

(c) Any transfer taxes relating to the sale of the Property shall be paid by Seller on the Closing Date and both Parties agree to execute any tax forms required in connection therewith.

(d) Buyer shall pay all recording fees for the Warranty Deed (as defined herein), and Seller shall pay all recording fees with respect to any documents required to be recorded in order to permit Seller to convey to Buyer title to the Property in the condition as required hereunder.



8. INSPECTION PERIOD, Buyer shall have ninety (90) days following the Effective Date (the "Inspection Period") to inspect and investigate the physical condition of the Buildings and all other aspects of the Purchase Property, at Buyer's sole cost and expense. Buyer's right to inspect and investigate the Purchase Property shall include the right to conduct (or cause the conduct of) an environmental investigation of the Property (which may include Phase I and Phase II environmental site analyses). Buyer shall not unreasonably interfere with the business operations on the Purchase Property while conducting such inspections. Buyer shall provide reasonable advance notice to Seller by telephone of Buyer's on-site inspections and investigations, and Buyer shall schedule such inspections during non-business hours if requested by Seller. The rights granted to Buyer hereunder may be exercised by Buyer and/or its consultants and contractors and their respective agents and employees (collectively the "Buyer Representatives"). Buyer agrees to indemnify and hold Seller harmless from all costs, expenses, damages, injuries, claims, and liabilities ("Damages") arising out of Buyer's acts or omissions or those of the Buyer Representatives that may arise out of their entry or activities on the Property. Any and all test results obtained shall be kept confidential by Buyer, except as necessary for Buyer to distribute to its lenders and professional representatives, who Buyer agrees will hold same confidentially and not disclose same to any other person or entity. Within five (5) days following the Effective Date, Seller shall deliver to Buyer any third party reports regarding the Purchase Property which Seller may have in its possession or under its control (to the extent Seller has not previously delivered the same to Buyer), concerning environmental matters, soil tests results, asbestos and mold reports, which shall all remain confidential as provided in this Agreement and not to be disclosed to any person or entity, except as necessary to distribute to its lenders or professional representatives as set forth above. Additionally, Seller agrees to cooperate fully with Buyer's reasonable requests for information, data, documents, and access to the Purchase Property as necessary or desirable for Buyer's due diligence. Buyer's obligations under this Section shall survive any termination of this Agreement.

Buyer may, during the Inspection Period and prior to Closing install an alarm system at its sole cost and expense. If this Agreement is terminated, Buyer shall remove the alarm system or any such installed portion of the alarm system within seven (7) days of termination and return the premises in the same condition as prior to the installation.

Buyer will restore any portion of the Purchase Property disturbed or damaged by Buyer's inspections or investigations. To the extent permitted by law, Buyer shall indemnify, defend, and hold Seller harmless from and against all costs, expenses, damages, liabilities, liens or claims, including, without limitation, reasonable attorney fees and court costs, directly related to any entry on the Real Property by Buyer, its agents, employees or contractors in the course of performing inspections, tests and/or inquiries under this Agreement, or resulting from any conditions on the Purchase Property created by Buyer's entry and testing (but not including any claims resulting from the discovery or disclosure of pre-existing physical or environmental conditions on, in, under or about the Property). The foregoing indemnity shall survive the Closing or earlier termination of this Agreement for a period of twelve (12) months.



Buyer may, in its sole and absolute discretion, for any reason, or for no reason, elect at any time on or prior to the expiration of the Inspection Period, to terminate this Agreement by providing written notice thereof to Seller (a "Termination Notice") delivered to Seller during the Inspection Period at which time this Agreement shall be deemed terminated, neither Party shall have any further liability to the other under hereunder, except as set forth herein. At any time on or prior to the expiration of the Inspection Period, Buyer may provide written notice to Seller that Buyer is satisfied with its due diligence inspection of the Property (the "Satisfaction Notice") in which event the Parties shall proceed to Closing, subject to the conditions set forth herein. In the event that Buyer fails to provide Seller with either a Termination Notice or Satisfaction Notice on or prior to the expiration of the Inspection Period, then it shall be deemed that Buyer has provided Seller with a Satisfaction Notice. AT CLOSING, BUYER AGREES THAT, EXCEPT AS SET FORTH IN THIS AGREEMENT, IT IS TAKING THE PROPERTY IN "AS-IS" CONDITION AS OF THE CLOSING DATE, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER DOES NOT MAKE, AND BUYER ACKNOWLEDGES THAT SELLER HAS NOT MADE, ANY REPRESENTATION, WARRANTY, OR GUARANTEE, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, OR THE PRESENT OR FUTURE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, FITNESS, OR SUITABILITY OF THE PROPERTY, OR ANY PART THEREOF, IN ANY RESPECT OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF BUYER, OR WITH RESPECT TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY, THE PHYSICAL CONDITION OF THE PROPERTY, THE HVAC, PLUMBING, GAS, OR OTHER SYSTEMS OF THE PROPERTY, THE SOILS OR THE GROUNDWATER AT, UNDER, OR IN THE PROPERTY, OR WITH RESPECT TO THE PRESENCE OF ASBESTOS, MOLD, OR OTHER MICROSCOPIC ORGANISMS, OR ANY OTHER REPRESENTATION, GUARANTEE, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO. SELLER HAS NOT MADE ANY PROMISE TO BUYER TO CONSTRUCT, ALTER, OR IMPROVE THE PROPERTY, BUYER WAIVES THE RIGHT TO PURSUE DAMAGES OR EOUITABLE RELIEF IN CONNECTION WITH THE CONDITION OF THE PROPERTY OR ANY OF THE FOREGOING.

9. <u>CONDITIONS PRECEDENT</u>.

(a) Buyer's obligation to purchase the Property and to make the closing deliveries required under this Agreement is expressly subject to the satisfaction of the following conditions precedent:

(i) Buyer shall have delivered the Satisfaction Notice to Seller prior to the expiration of the Inspection Period; and,

(ii) On the Closing Date, all of Seller's representations and warranties shall be true and correct and Seller shall have performed each covenant to have been performed by Seller under this Agreement within the time specified.

Buyer may, at its election, waive any of the foregoing conditions precedent set forth above, and proceed with the Closing of the transaction contemplated by this Agreement. In the



event that Closing has been consummated, then all remaining unsatisfied conditions precedent shall be deemed to have been waived.

(b) Seller's obligation to sell the Property and to make the closing deliveries required under this Agreement is subject, without limitation, to the satisfaction of the following conditions precedent:

(i) Payment of the Purchase Price by Buyer to Seller on the Closing Date, plus or minus any prorations or adjustments applicable herein.

(ii) On the Closing Date, all of Buyer's representations and warranties shall be true and correct and Buyer shall have performed in all material respects each covenant to have been performed by Buyer under this Agreement within the time specified.

(iii) Seller shall have received all such instruments and documents as Seller's counsel shall reasonably require and timely request, to the extent same are customary in transactions of this kind, to establish the power and authority of Buyer to execute and deliver this Agreement and to carry out Buyer's obligations hereunder.

(iv) Seller shall have completed the termination of the Master Deed Baker College of Jackson Conversion Condominium Agreement.

Property.

(v) Seller has acquired a new street address for the Purchase

(vi) The utilities servicing the Real Property (including, but not exclusive of water, sewer, gas, electric, cable, and telecommunications) (collectively, the "Utilities") have been separated so that the utilities to the Purchase Property are separately metered, or the parties have entered into an agreement to prorate the cost of shared Utilities and to divide the cost equally to split any shared Utilities, and;

(vii) All necessary easements have been recorded to permit Buyer and Seller to continue to have adequate ingress and egress.

(viii) Buyer grants Seller a perpetual easement to erect and maintain a sign for Baker College. The sign will be the size, style and appearance as depicted in the drawing on Exhibit D. The sign will be erected at the entrance of Springport Road and the western property line of the Purchase Property.

Seller may, at its election, waive any of the foregoing conditions precedent set forth above, and proceed with the Closing of the transaction contemplated by this Agreement.

10. <u>CLOSING DOCUMENTS</u>.

(a) On the Closing Date, Seller shall deliver the following (which shall be executed by Seller, and such other party, or parties, as may be designated therein, and



where required acknowledged):

i. A Warranty Deed (the "Deed") conveying good, marketable title to the Purchase Property containing the following language, "The Grantor grants to Grantee the right to make remaining divisions(s) under Section 108 of the Michigan Land Division Act No. 288 of the Public Acts of 1967, as amended."

ii. A Bill of Sale conveying the Personal Property in the form of **Schedule 2**;

iii. A certificate of Seller confirming the truth and correctness of all representations and warranties of Seller set forth in <u>Section 15(a)</u> hereof from the Effective Date to, and as of, the Closing Date;

iv. A closing statement and such other documents as may be reasonably required by the Title Company;

v. An agreement mutually agreeable to the parties for the prorated cost of shared landscaping and snow removal based on acreage of the Real Property;

vi. An agreement mutually agreeable in form for the prorated cost of any shared utility, stating Seller shall pay any shared utility invoice on or before its due date. Buyer shall reimburse Seller for 80% of the amount paid by Seller. Notwithstanding the aforementioned, Buyer shall be solely responsible for the cost of any metered utility within Purchase Property. The agreement shall also contain a provision that the parties will work diligently to separate any shared utilities and such cost shall be prorated equally between Buyer and Seller;

vii. An executed Shared Driveway Access Easement Agreement for the two driveways connecting Springport Road to the southern property line of the Real Property; and,

viii. All keys to the Buildings.

b. On the Closing Date, Buyer shall:

i. Pay to Seller the full amount of the Purchase Price in the manner and subject to the adjustments and credits described herein;

ii. Deliver to Seller such evidence as the Title Insurer may reasonable require;

iii. Execute and deliver to the Title Insurer a closing statement for the purchase and sale of the Property;



iv. Execute a certificate of Buyer confirming the truth and correctness of all representations and warranties of Buyer set forth in <u>Section 15(b)</u> hereof from Effective Date to, and as of, the Closing Date;

v. Execute an agreement mutually agreeable to the parties for the prorated cost of shared landscaping and snow removal for any and all common areas;

vi. Execute an agreement mutually agreeable to the parties for the prorated cost of shared Utilities based on the individual meter readings for each meter and the cost of separating any shared Utilities be divided equally between Buyer and Seller; and,

vii. Such other documents as may be reasonably required by the Title Company.

11. <u>DEFAULT: TERMINATION</u>. In the event of a default by Buyer under this Agreement, following the expiration of ten (10) days' advance notice and opportunity to cure, Seller shall be entitled to terminate this Agreement, whereupon the Deposit shall be paid to Seller as agreed upon liquidated damages as Seller's sole and exclusive remedy and neither Party shall have any further liability to the other under this Agreement, except for those liabilities that survive termination. In the event of a default by Seller hereunder following the expiration of ten (10) days' advance notice and opportunity to cure, Buyer shall be entitled to elect one of the following remedies as it sole and exclusive remedy: (a) termination of this Agreement and the return of the Deposit to Buyer or (b) the right to seek specific performance.

12. <u>NOTICES</u>. Any notice, demand, or other communication required to be given or to be served upon any Party hereunder shall be in writing and delivered to the person to whom the notice is directed, either: (a) in person or (b) delivered by overnight delivery service (including any express mail or overnight delivery service). Any notice, demand, or other communication given by overnight delivery service for next business day delivery shall be deemed given on the date of deposit with the overnight carrier for next business day delivery. Any notice, demand, or other communication given other than by overnight carrier shall be deemed to have been given and received when delivered to the address of the Party to whom it is addressed as stated below.

If to Buyer:

2985 Springport Road Jackson, MI 49201 Attn: Sandy Maxson

If to Seller:

1020 S. Washington Street Owosso, MI 48867 Attn: Michael Moore, Treasurer



with a copy (which shall not constitute notice) to:

Plunkett Cooney, P.C. 150 West Jefferson, Suite 800 Detroit, MI 48226 Attention: Roderick Fracassi, Esq.

13. <u>GENERAL PROVISIONS</u>. The pronouns and relative words herein used are written in the masculine and singular only. If more than one person or entity joins in the execution hereof as Seller or Buyer, or either Party is of the feminine sex or an entity, such words shall be read as if written in plural, feminine or neuter, respectively. The covenants herein shall bind the heirs, personal representatives, administrators, executors, assigns and successors of the respective Parties.

14. <u>ADDITIONAL DOCUMENTS</u>. Each Party agrees to execute any additional documents reasonably requested by the other Party to carry out the intent of this Agreement.

15. <u>SELLER'S AND BUYER'S REPRESENTATIONS, WARRANTIES AND</u> DISCLOSURES.

a. Seller represents, warrants and discloses to Buyer that:

i. Seller owns the Property and has all rights to sell the Property to Buyer in accordance with the terms of this Agreement and the obligations of Seller herein contained and contemplated hereby are and will be binding and enforceable on Seller.

ii. Seller has not received any written outstanding court order, writ, injunction or decree of any court, arbitration panel or governmental agency affecting Seller which restricts the ability of Seller to sell the Property to Buyer in accordance with the terms of this Agreement.

iii. • Seller has received no written notice of any pending or threatened condemnation of the Property.

iv. From the Effective Date to the Closing Date, Seller shall not transfer any of the Property, grant any options to purchase in connection therewith or related thereto, or affirmatively create any easement or mortgage the Property.

v. There are no leases, service contracts, management agreements or other similar contracts, to which Seller is a party to with respect to the Property that will be binding on Buyer that will not be terminated at Closing.

vi. Seller has not been served with any written notices of intention to claim a construction lien against the whole or any part of the Property.



vii. There are no attachments, executions, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or pursuant to any debtor relief laws filed by Seller with respect to the Property.

viii. Neither this Agreement, nor any document or instrument to be signed by Seller in connection with this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make each statement contained herein or therein not materially misleading.

ix. Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code 1986, as amended, or any regulations promulgated thereunder.

x. Seller has good and marketable title in fee simple to the Property. The Property has not been assigned or conveyed to any party. Seller shall, at Closing, have the right to convey the Property pursuant to the terms of this Agreement. No Person (other than Buyer pursuant to this Agreement) has a right to acquire any interest in the Property.

xi. There are no known judgments presently outstanding and unsatisfied against Seller or the Property. Neither Seller nor the Property is involved in any litigation at law or in equity, or any other proceeding before any court, or by or before any governmental or administrative agency, whether relating to the transaction contemplated hereby or otherwise, and no such litigation or proceeding is threatened or pending but not yet served against Seller or the Property.

Seller's representations and warranties shall survive the Closing for a period of six (6) months.

(b) Buyer represents, warrants and discloses to Seller:

(i) (A) Buyer is an entity in good standing under the laws of the State of Michigan, and Buyer has all requisite power and authority to enter into this Agreement and to perform the obligations of Buyer hereunder; and (B) the obligations of Buyer herein contained and contemplated hereby are and will be binding and enforceable on Buyer.

(ii) There is no outstanding order, writ, injunction or decree of any court, arbitration panel or governmental agency affecting Buyer which would in any manner impede or impair the ability of Buyer to purchase the Property from Seller in accordance with the terms of this Agreement.

(iii) To Buyer's actual knowledge, without investigation, neither this Agreement, nor any document or instrument to be signed by Buyer in connection with



this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make each statement contained herein or therein not materially misleading.

Buyer's representations and warranties shall survive the Closing.

16. <u>OPERATION OF THE PROPERTY</u>. From the Effective Date through the Closing Date, Seller shall:

(a) Operate the Property as it has historically operated it and in accordance with applicable laws.

(b) Keep and maintain in full force and effect similar insurance coverage with regard to Seller and/or the Property as Seller maintains as of the Effective Date.

(c) Subject to the provisions herein upon a casualty prior to Closing, keep and preserve the Property in substantially the same condition than existing as of the Effective Date.

(d) Not, without obtaining the prior written consent of Buyer which consent may be withheld by Buyer in Buyer's sole and absolute discretion, enter into any lease or other agreement with respect to the Property which will extend in force beyond the Closing Date and which binds Buyer or the Property thereafter.

(e) Not, without obtaining the prior written consent of Buyer which consent may be withheld by Buyer in Buyer's sole and absolute discretion, initiate a change in the zoning applicable to the Property.

(f) Pay all utility charges and other service charges accrued through the date of closing.

17. INDEMNIFICATION.

(a) Seller covenants and agrees to indemnify, defend, protect and hold harmless, Buyer and its respective members, managers, officers, directors, employees, (individually a "<u>Buyer Indemnified Party</u>" and collectively the "<u>Buyer Indemnified Parties</u>") from, against and in respect of all liabilities, losses, claims, damages, causes of action, lawsuits, administrative investigations, audits, demands, assessments, adjustments, judgments, settlement payments, deficiencies, penalties, fines, interest (including interest from the date of such damages), costs and expenses (including without limitation reasonable attorneys' fees and disbursements of every kind, nature and description) but net of any insurance and tax benefits and excluding any consequential or incidental damages (collectively, "<u>Damages</u>") suffered, sustained or incurred or paid by the Buyer Indemnified Parties in connection with, resulting from or arising out of: (i) any material breach of any representation or warranty of Seller as set forth in this Agreement or in any instrument executed by Seller and delivered to Buyer at Closing; (ii) the assertion against any Buyer Indemnified Party of any Damages relating to injury on the Property accruing



and/or occurring prior to the Closing Date, except for any such Damages in connection with Buyer's inspection of the Property under this Agreement; or (iii) any unpaid taxes of Seller with respect to the Property to any local, State or Federal governmental authority that would be Seller's responsibility under the terms of this Agreement.

(b) Buyer hereby covenants and agrees to indemnify, defend, protect and hold harmless, Seller and its respective officers, directors, employees, shareholders, partners, members, managers, assigns, successors and affiliates (individually a "<u>Seller</u> <u>Indemnified Party</u>" and collectively the "<u>Seller Indemnified Parties</u>") from, against and in respect of all Damages (as defined in <u>Section 17(a)</u> above) suffered, sustained or incurred or paid by the Seller Indemnified Parties in connection with, resulting from or arising out of: (i) any breach of any representation or warranty of Buyer as set forth in this Agreement or any document, instrument, schedule or certificate, delivered by or on behalf of Buyer in connection therewith; or (ii) the assertion against any Seller Indemnified Party of any Damages relating to the Property occurring and accruing after the Closing Date, or the actions or omissions of the shareholders, partners, members, managers, directors, officers, employees or agents of Buyer after the Closing Date.

18. <u>SECTIONS AND OTHER HEADINGS</u>. Section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

19. <u>TIME</u>. In computing any period of time prescribed by the terms of this Agreement, the day from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday (i.e., not a "<u>Business Day</u>"}, in which event the period shall run until the end of the next day which is a Business Day. In the event any day on which any act is to be performed by Seller or Buyer under the terms of this Agreement is not a Business Day, the time for the performance by Seller or Buyer of any such act shall be extended to the next day which is a Business Day.

20. <u>WAIVER</u>. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

21. <u>EMINENT DOMAIN</u>. If before Closing all or any part of the Property is taken by eminent domain, Buyer may terminate this Agreement, whereupon the Deposit shall be returned to Buyer. If Buyer does not terminate, this Agreement will remain in effect and Seller will assign to Buyer all of Seller's rights to receive any awards that may be made for such taking.

22. <u>RISK OF LOSS</u>. Risk of loss to the Property from casualty shall be borne by Seller until the Closing and Seller shall be entitled to all insurance proceeds from any such loss (subject to the following). If the Property or any such part thereof is substantially damaged or destroyed as a result of such casualty, Seller shall immediately notify Buyer



and Buyer may elect in a writing delivered to Seller within ten (10) Business Days thereafter to: (a) proceed with the transactions contemplated hereunder and be entitled to an assignment of all net insurance proceeds paid to Seller as a result of such casualty, less any costs of restoration incurred and paid for by Seller; or (b) terminate this Agreement, whereupon the Deposit shall be returned to Buyer and the Parties shall have no further liability to each other, except as set forth herein. If Buyer fails to make an election within ten (10) Business Days after receipt of Seller's notice of such casualty, Buyer shall be deemed to have elected to proceed with the transactions contemplated hereunder pursuant to clause (a) of this <u>Section 22</u>.

23. <u>COOPERATION/FURTHER ASSURANCES</u>. The Parties hereto agree to cooperate with each other in every reasonable way in carrying out the transactions contemplated hereunder and in obtaining and delivering all required closing documents. Time shall be of the essence. After the Closing Date, at the request of Buyer, Seller will execute and deliver to Buyer such other instruments of conveyance and transfer and take such other actions as Buyer may reasonably require to more effectively convey, transfer to, and vest in Buyer marketable, insurable, fee simple title to the Property, in the manner required hereunder, subject only to the Permitted Exceptions. In addition, after the Closing Date, Seller and Buyer agree to cooperate with each other in every reasonable way to make any necessary adjustments or corrections to the closing documents and the prorations contained on the closing statement. The provisions of this Section applicable to period(s) after the Closing Date shall survive the Closing Date.

24. <u>ASSIGNMENT OF PURCHASE AGREEMENT</u>. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their successors, heirs and permitted assigns. This Agreement may be assigned by Buyer prior to closing to an entity under common control with Buyer upon prior written notice to the Seller. The Seller may not assign this Agreement, any of its rights hereunder or its interest in the Property to any third party without the prior written consent of the Buyer, which consent may be withheld by Buyer in its sole and absolute discretion.

25. <u>ENTIRE AGREEMENT AND AMENDMENTS</u>. This Agreement (and the Recitals, and the Exhibits attached hereto, which are by this reference incorporated herein and made a part hereof) constitutes the entire agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any and all other agreements, either oral or written, between the Parties with respect to the subject matter hereof. This Agreement only by an instrument in writing executed by both Parties hereto.

26. <u>SEVERABILITY</u>. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if the invalid or unenforceable provisions were omitted.

27. <u>NO THIRD PARTY BENEFICIARIES</u>. Except as otherwise specifically provided herein, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person, firm or corporation other than Seller and Buyer, any



rights or remedies under or by reason of this Agreement. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their successors, heirs and permitted assigns.

28. <u>CHOICE OF LAW: JURISDICTION</u>. It is the intention of the Parties that the laws of the State of Michigan should govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Parties.

29. <u>EXPENSES: ATTORNEYS' FEES</u>. Except as may be otherwise set forth in this Agreement, each of Seller and Buyer will pay all of its own expenses, including attorneys' and accountants' fees in connection with the negotiation of this Agreement, the performance of its obligations hereunder or thereunder, and the consummation of the transaction contemplated by this Agreement. Notwithstanding the foregoing Buyer and Seller shall share equally any closing escrow fees. Additionally, in the event it becomes necessary for either Party to enforce the terms of this Agreement, the prevailing party shall be entitled, in addition to such damages or other relief as may be granted, to recover reasonable attorneys' fees and costs, such attorneys' fees to include those incurred on any appeal.

30. <u>ARM'S LENGTH NEGOTIATIONS</u>. Buyer and Seller each represent and warrant to the other that: (a) before executing this Agreement, said Party has fully informed itself of the terms, contents, conditions, and effects of this Agreement; (b) said Party has relied solely and completely upon its own judgment in executing this Agreement; (c) said Party has had the opportunity to seek and has obtained the advice of counsel before executing this Agreement; (d) said Party has acted voluntarily and of its own free will in executing this Agreement; (e) said Party is not acting under duress, whether economic or physical, in executing this Agreement; and (f) this Agreement is the result of arm's length negotiations conducted by and between the Parties and their respective counsel. The representations and warranties set forth in this <u>Section 30</u> shall survive the Closing or the termination of this Agreement.

31. <u>CONFIDENTIALITY</u>. Seller and Buyer will, prior to the Closing, keep all nonpublic information regarding this transaction or the other Party strictly confidential, except as may be required by law or in connection with any enforcement proceedings, including, without limitation, any lawsuit between the Parties. No press release or other public announcement related to this Agreement or the transaction contemplated hereby will be issued by any Party hereto without the prior approval of the other Party. Nothing in this <u>Section 31</u>, shall prohibit either Party from disclosing any such information to its attorneys, accountants, consultants, or lenders who shall be advised to keep same confidential. In addition thereto, it shall not be a violation of this provision for Buyer to make application at any time from and after the Effective Date for any State or local licenses required by Buyer to operate the Property or the Business after the Closing Date.

32. <u>COUNTERPART: FACSIMILE: ELECTRONIC SIGNATURE</u>. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one agreement. This Agreement may be



executed by facsimile or electronic mail scan signature which shall be deemed binding upon the Parties with an original to follow via mail or overnight delivery service. The Parties have executed this Agreement the day and year first above written.

33. <u>BROKERAGE COMMITMENTS</u>. Seller and Buyer represent and warrant that they have not engaged any real estate broker regarding this transaction. Seller and Buyer agree that should any claim be made for brokerage commissions or finder's fees by any broker or finder, through or on account of any acts of said party or its representatives, said party will be responsible for and reimburse the other party for any and all loss, liability, cost, damage and expense in connection therewith (including reasonable attorney fees). The provisions of this Section 33 shall survive Closing.

34. <u>DISPOSITION OF DEPOSIT</u>. The Deposit shall be (a) applied to the Down Payment at Closing; (b) delivered to the Seller for all reasons other than (i) the default of Seller hereunder (ii) failure of the Seller to deliver marketable title to the Property and (c) to the Buyer in the event of any of the circumstance described in (i) – (ii) of subparagraph (b) of this Section 34. The Parties further agree to enter into an escrow agreement in the form requested by Escrow Agent regarding disposition of the Deposit.

IN WITNESS WHEREOF, the Seller and the Buyer have executed this Real Estate Purchase Agreement as of the 21^{12} day of February, 2023.

SELLER: Baker College

Michael Moore Its: Treasurer

BUYER: The Da Vinci Institute



EXHIBIT A REAL PROPERTY LEGAL DESCRIPTION

LAND DESCRIPTION AS ELEVETED BEING PART OF THE WEST HALF OF THE WEST HALF OF THE SOUTHEAST DUARTER AND THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 20, TOWN I SOUTH, RANGE I WEST, BLACKMAN, TOWWISHIP, JACKSON GOUNTY, MICHIGAN, NORE PARTICULARLY DESCRIBED AS

DEGINNERG AT A POINT DISTANT. ON THE SOUTH LINE OF THE SOUTHEAST OUARTER, NEBYAB277E, ALONG SAID SOUTH LINE, 185.53 FEET FROM THE SOUTH ADARTER, CORNER, OF SAID SECTION: THENGE NOD'OO'D'E AND PARALLEL, WITH THE WEST LUNE OF THE SOUTHEAST DUARTER (EASED ON PROPERTY CONTROLLING MONUMENTATION), 280.00 FEET, THENCE SEPARATIVE AND PARALLEL WITH THE SOUTH LINE OF THE SOUTHEAST DUARTER (EASED ON PROPERTY CONTROLLING MONUMENTATION), 181,50 FEET TO THE MEST LINE OF THE SOUTHEAST QUARTER (EASED OF PROPERTY CONTROLLING MONUMENTATION). THENCE NOD'OO'D'E ALONG SAID WEST UNE OF THE SOUTHEAST QUARTER (EASED ON PROPERTY CONTROLLING MONUMENTATION), 574,82 FEET, THENCE STRUADOW, 425,27 FEET TO THE CENTROLLING MONUMENTATION), 574,82 FEET, THENCE STRUADOW, 425,27 FEET TO THE CENTROLLING MONUMENTATION), 574,82 FEET, THENCE STRUADOW, 425,27 FEET TO THE CENTROLLING MONUMENTATION), 574,82 FEET, THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE N78'24'DO'E, 397,29 FEET THENCE WODO'OO'E AND DENTERLINE, ESILG FEET THENCE NOTABLE OF THE SOUTHWEST OURTER (BASED OF PROPERTY CONTROLLING MONUMENTATION), STA.31 FEET TO THE CENTER OF SAID SECTION 30. THENCE ALONG THE WEST LINE OF THE SOUTHWEST OURTER (BASED OF PROPERTY CONTROLLING MONUMENTATION), STA.31 FEET TO THE CENTER OF SAID SECTION 30. THENCE ALONG AND AND MESTANDE OF SAID SECTION 30. CONTROLLING MONUMENTATION), STA.31 FEET TO THE CENTER OF SAID SECTION 30. 2074/06 FEET. THENCE EAST HALF OF THE WEST LINE OF REGENCY PANKWAY, 3003F FEET, THENCE SOUTHWEST OUTHEAST QUARTER OF SAID SECTION 30. 2074/06 FEET. THENCE SOUTHEAST OF THE VEST LINE OF T

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EXHIBIT B Purchased Property

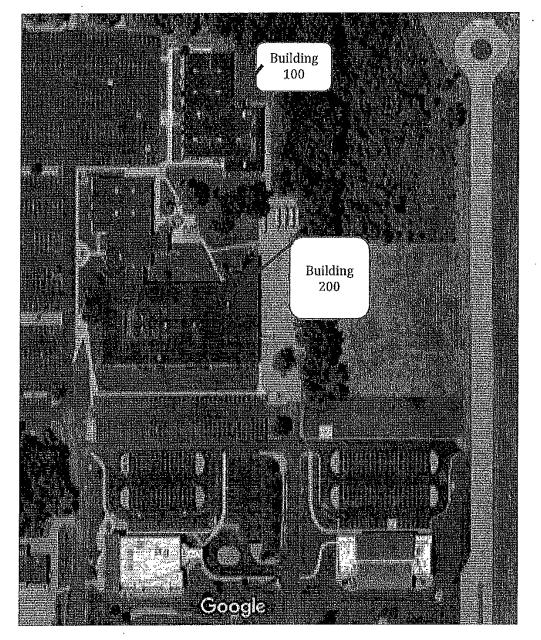
LEGAL DESCRIPTION - 35.96 Acre Parcel (Remainder)

Commencing at the South $\frac{1}{2}$ carner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence 5 80'08'27" E 4.87 feet to a Property Controlling Corner; thence N 00'00'18" E 289.88 feet along the North-South $\frac{1}{2}$ line of said Section 20 as monumented to the POINT OF BEGINNING; thence continue N 00'00'18" E 576.32 feet; thence 5 75'27'57" W 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the are of a curve to the left, having a radius of 3819.98 feet and a central angle of 1'01'12", subtended by a chord bearing N 25'29'21" W 68.01 feet; thence N 78'24'54" E 393.67 feet; thence N 00'00'05" E 763.51 feet; thence S 89'51'03" E 67.15 feet to the North-South $\frac{1}{2}$ line as monumented; thence N 00'00'18" E 972.37 feet along the North-South $\frac{1}{2}$ line to the Center of said Section 20; thence N 89'48'49" E 664.21 feet along the East-West $\frac{1}{2}$ in of said Section 20 to the East line of the West $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southeast $\frac{1}{2}$ of said Section 20; thence S 00'01'10" E 2187.32 feet along the East line of the West $\frac{1}{2}$ of the Southeast $\frac{1}{2}$ of said Section 20; thence S 89'45'18" W 181.51 feet back to the POINT OF BEGINNING, Containing 35.96 acres of land, more or less, and subject to egsements and restrictions of record, if any.

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EXHIBIT C Buildings 100 and 200

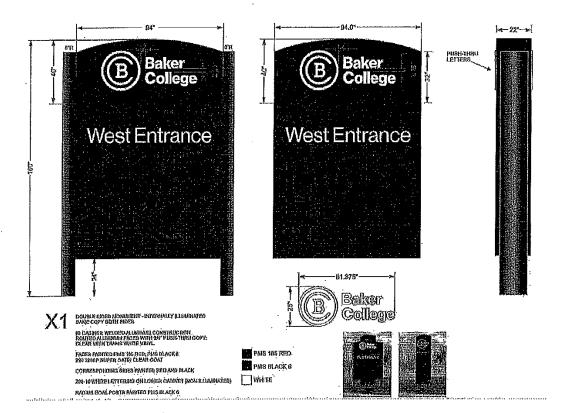


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EXHIBIT D

(Approved Signage)



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SCHEDULE 2

BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, <u>BAKCR</u> <u>CD)E(E</u> ("Seller"), conveys to The Da Vinci Institute ("Buyer"), all right, title and interest in and to all tangible personal property upon the land described on Exhibit B (the "Purchase Property") attached hereto or within the improvements located on such land, including all appliances, furniture, carpeting, draperies and curtains, tools and supplies, and any other items of personal property owned by Seller and used in connection with the operation of the land and the improvements located thereon (the "Personal Property"), except as listed on Schedule 1, or otherwise agreed upon by the parties in writing.

Seller is the sole and lawful owner of the Personal Property, Seller has the full power and authority to transfer all rights, interests, title and benefits of Seller in and to the same to Buyer. Seller does not make any other express or implied warranty or representation with respect to the Personal Property, including, but not limited to, fitness for any particular purpose; the design or condition of the Personal Property; the quality or capacity of the Personal Property; workmanship or compliance of the Personal Property with the requirements of any law, rule, specification or contract relating thereto; patent infringement; or latent defect. Except as expressly stated herein or in the Agreement of Purchase and Sale referenced above, Buyer accepts the Personal Property on an "AS IS, WHERE IS" basis.

IN WITNESS WHEREOF, Seller has caused this instrument to be executed and delivered as of this $\underline{28}$ day of <u>FEBRUARY</u>, 2023.

SELLER;

BAKOR WHELE

Bv Print Name: MICHAEL

Its: TREASULER

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DECLARATION OF SHARED DRIVEWAY ACCESS EASEMENT AGREEMENT

This Declaration of Shared Driveway Access Easement Agreement ("Agreement"), is entered into and stated on February 21, 2023 by and between Baker College ("Baker") and The Da Vinci Institute ("Da Vinci"). Baker and Da Vinci are sometimes referred to individually as a "Party" and together as the "Parties."

<u>RECITALS</u>

WHEREAS, Baker owns real property commonly known as 2778 Springport Road, Jackson, Michigan, which is more particularly described on **Exhibit A**, attached hereto and incorporated herein ("Parcel A");

WHEREAS, Da Vinci has entered into a purchase agreement to purchase approximately 35.96 acres immediately to the North, which contains two buildings and a driveway along the western property line connecting to Springport Road, commonly referred to as 3985 Springport Road, Jackson, Michigan, which is more particularly described on **Exhibit B**, attached hereto and incorporated herein ("Parcel B");

WHEREAS, Parcel A and Parcel B are benefitted and burdened by and share two common ingress and egress points along the southern property line of Parcel A with access to Springport Road (the "Shared Driveways") (Exhibit C);

WHEREAS, to erase any doubt and allow both Parties to utilize the Shared Driveways, the purpose of this Agreement is to grant an access easement to the Shared Driveways, as shown on the Survey;

NOW THEREFORE, based on the premises set forth above and inconsideration of the terms and conditions set forth herein, the parties agree as follows:

1. <u>Grant of Easement to Benefit Parcel B</u>. Baker, as owner and on behalf of Parcel A, hereby grants, creates, declares and confirms to Parcel B and for the benefit of Parcel B, a perpetual, non-exclusive easement for vehicular and pedestrian ingress and egress over the Shared Driveways, as identified on Exhibit C. The easement granted under this section shall be for the benefit of owners of the Parcel B together with their respective



employees, agents, customers, business visitors, guests, licensees and invitees. Baker reserves to itself and its successors and assigns all incidents of ownership of Parcel A that are not inconsistent with the Shared Driveway easement granted herein.

2. <u>Legal Effect</u>. The easement and rights created and confirmed by this Agreement benefit and burden, as stated herein, Parcel A and Parcel B, and may not be transferred, assigned or encumbered except as an appurtenance to the parcels. Each covenant contained in this Agreement constitutes a covenant running with the land, shall be perpetual, and may only be terminated in accordance with Paragraph 5 hereof.

3. <u>Maintenance and Repair: Taxes</u>. Baker shall, for the benefit of themselves and Da Vinci, continually repair and maintain in a reasonable manner the Shared Driveways throughout the term of this Agreement, including lighting, striping and landscaping from time to time, and shall pay all property taxes and special assessments applicable thereto. Da Vinci shall for the benefit of themselves and Baker be responsible for snow removal and ice treatment of the Shared Driveways. Baker shall be responsible for employing the necessary persons or companies for the maintenance and repairs and Da Vinci shall undertake to employ the necessary persons or companies to perform snow removal and ice treatment.

4. <u>Indemnity</u>. Da Vinci shall indemnify, defend, and hold Baker harmless from and against any and all claims, damages, losses, or expenses (including reasonable attorney's fees), arising as a result of the use of the Shared Driveways by Da Vinci, or its successors, assigns, tenants, agents, employees, contractors or invitees. This provision shall survive the termination of this Agreement.

5. <u>Amendment/Termination</u>. This Agreement may be modified, amended or terminated only by all of the Owners of the Parcels, but no other persons, such as tenants or occupants of said Parcels shall have any rights whatsoever to join in, prevent or otherwise effect of limit any such modification, amendment or termination.

6. <u>Additional Conditions</u>. The parties agree as follows:

- A. Each party acknowledges that the other party has access from Springport Road to the Shared Driveway;
- B. Each party agrees that it will not construct, interfere or place any obstructions on its Parcel that would adversely affect vehicular traffic in and on the Shared Driveway (except for temporary interference due to maintenance or repair actions after notice by the party taking such actions);
- C. No default under this Agreement shall entitle either party to terminate, cancel or otherwise rescind the easements granted in this Agreement for the Shared Driveway, but either party may take action to enforce the rights and responsibilities of the parties hereunder.



7. <u>Binding Effect</u>. This Agreement and the easement granted herein shall be binding upon and inure to the benefit of the Owners, their successors, assigns and mortgagees.

8. <u>Severability</u>. If any provision of this Agreement is, to any extent, declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement (or the application of such provision to persons or circumstances other than those in respect of which the determination of invalidity or unenforceability was made) will not be affected thereby and each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law.

9. <u>Governing Law</u>. This Agreement will be construed in accordance with the laws of the State of Michigan. Enforcement may be by legal proceedings against any person or persons violating or attempting to violate any declaration, restriction, covenant, condition or agreement herein contained either to restrain or enjoin such violation and/or recover damages; provided, however, that no such easements or covenants or any similar rights or privileges may be enforced by legal action or otherwise by any persons whatsoever (such as lessees or occupants of the buildings and structures which may now or hereafter by constructed upon the Parcels), except the owners, their successors, assigns, and mortgagees of the Parcels, who shall be the only persons entitled to bring action under and to enforce the rights and remedies of this Agreement.

10. <u>No Dedication</u>. Nothing contained herein shall be construed to be a gift or dedication of all or any portion of either Parcel, to the general public, for the general public for any public use whatsoever.

11. <u>No Partnership of Joint Venture</u>. Nothing contained in this Agreement nor shall any acts of the parties performed, pursuant to this Agreement, be deemed to create the relationship of principal and agent, or of partnership, or of joint venture or any association among the parties to this Agreement. Further, nothing contained in this Agreement shall be construed to require either Owner to acquire the consent or permission from the other Owner for any sale or transfer of an Owner's Parcel.

12. <u>Further Execution</u>. Each party agrees to execute and/or correct any documents reasonably necessary to effectuate this Agreement.

13. <u>Entire Agreement</u>. This Agreement and the Exhibits to this Agreement constitute the entire agreement between the parties hereto with respect to the subject matter of their agreement and replaces and supersedes any and all agreements on the subject matter of the Agreement. The Agreement shall be recorded by Baker at its sole cost and expense.

This conveyance is exempt from county and state transfer taxes pursuant to MCL 207.505(a) and MCL 207.526(a).

ATTACHMENT B

IN WITNESS WHEREOF, Buyer and Seller have duly executed and delivered this Agreement as of the date first written above.

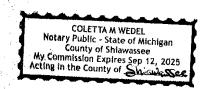
WITNESSED BY:

Males Dung DRCough BAKER COLLEGE

muchuf Moore By: Its: TREASURER

STATE OF MICHIGAN) SCOUNTY OF Shades Scc)

The foregoing instrument was acknowledged before me this 28 day of February, 2023 by Muchael Model, on behalf of BAKER COLLEGE.



Notary Public edel

Shianasce County, Michigan My Commission Expires: 911212025 Acting in Shianasc County, Michigan

SSED BY:

THE DAVINCI INSTITUTE ww

Its: Lucas Camacho

STATE OF MICHIGAN) SCOUNTY OF <u>Jackson</u>)

The foregoing instrument was acknowledged before me this \underline{al} day of February, 2023 by Lucas Canacho, on behalf of THE DA VINCI INSTITUTE.

4

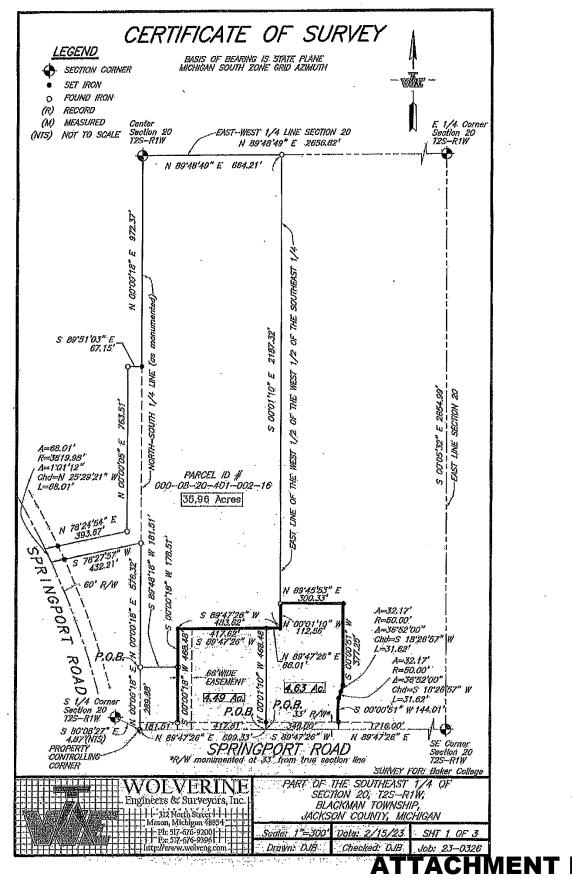
Notary Public MSOUEZ_ _ County, Michigan Jackson

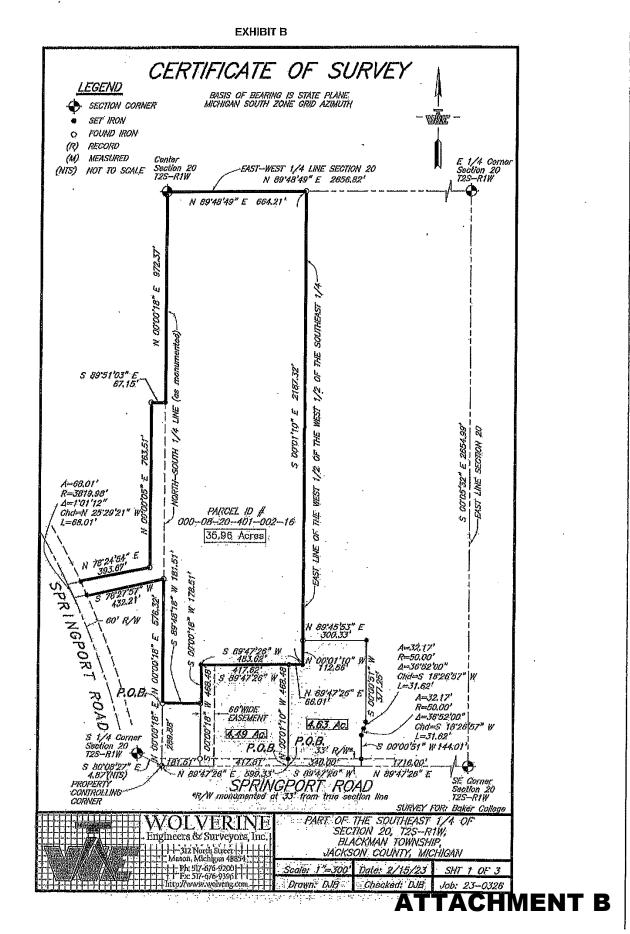
My Commission Expires: <u>II - 2026</u> Acting in <u>ACCKSON</u> County, Michigan

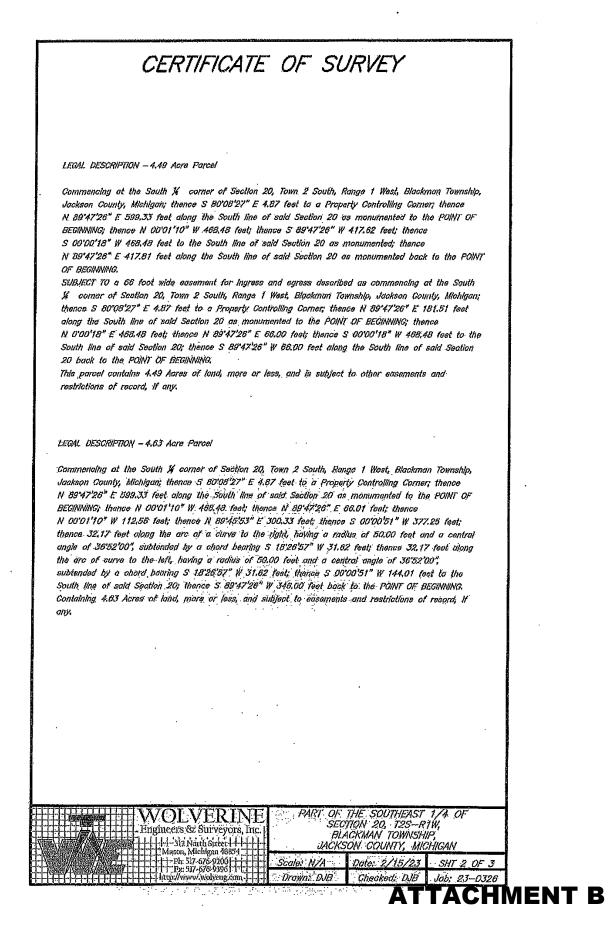


da Vinci Schools

EXHIBIT A







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CERTIFICATE OF SURVEY

LEGAL DESCRIPTION - 35.96 Acre Parcel (Remainder)

Commencing at the South ¥ corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence S 80'08'27" E 4.87 feet to a Property Controlling Corner; thence N 00'00'18" E 289.88 feet along the North-South ¥ line of said Section 20 as monumented to the POINT OF BEGINNING; thence continue N 00'00'18" E 576.32 feet; thence S 78'27'57" W 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the arc of a curve to the Jeft, having a radius of 3819.98 feet and a central angle of 1'01'12", subtended by a chord bearing N 25'29'21" W 68.01 feet; thence N 78'24'54" E 393.67 feet; thence N 00'00'05" E 763.51 feet; thence S 89'51'03" E 67.15 feet to the North-South ¥ line as monumented; thence N 00'00'16" E 972.37 feet along the North-South ¥ line to the Center of said Section 20; thence N 89'48'49" E 664.21 feet along the East-West ¥ line of eaid Section 20 to the East line of the West ½ of the West ½ of the Southeast ¥ of said Section 20;

thence 5 00'01'10" E 2187.32 feet along the East line of the West ½ of the West ½ of the Southeast ¼ of sold Section 20; thence 5 89'47'26" W 483,62 feet; thence 5 00'00'18" W 178.51 feet; thence 5 89'48'18" W 181.51 feet back to the POINT OF BECININIG.

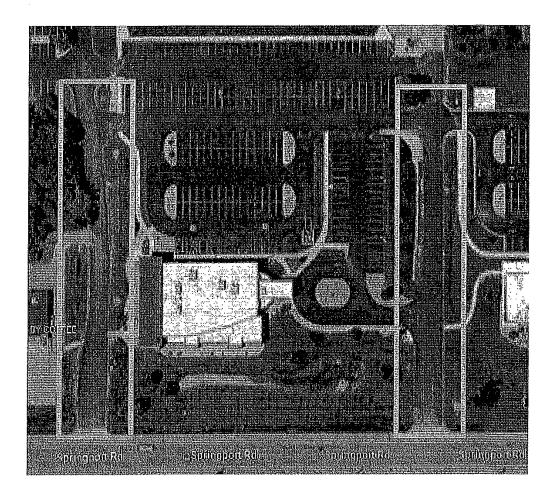
TOGETHER WITH a 66 foot wide easement for ingress and egress described as commencing at the South 14 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence S 80'08'27" E 4.87 feet to a Property Controlling Corner; thenae N 89'47'28" E 181.51 feet along the South line of sold Section 20 as monomented to the POINT OF BEGINNING; thence N 0'01'10" E 468.48 feet; thence N 89'47'26" E 66.00 feet; thence S 00'00'18" W 468.48 feet to the South line of sold Section 20; thence S 89'47'26" W 66.00 feet along the South line of sold Section 20 back to the POINT OF BEGINNING.

This parcel contains 35,96 acres of land, more or less, and is subject to easements and restrictions of record, if any,

SECTION CORNER WITNESSES

	Center Section	1 20, T25, R1W	Ý		Southeast	Comer S	Section 20,	. T2\$, R1W
	Cana Mon W/Reimon Cap			Hatrison in Mon Box				
	N 80'E 15.6 S 75'E 24.8 S 26'E 19.3 S 16'W 27.0	0' Find Nail 54' Find Nail 5' Find Nail 50' Find Nail	& tog In \$ tace 19" & tog in N face 9" & tog in NF face 16 & tog in E face 12"	Elm stump Ock Walnut Hickory	N 10'E N 45'E N 30'W S 60'W	71.05° 63.32' 76,72' 64,04"	SW face SE comé	r metal bidg stéel corner post r metal box 2310 erline hyd
	South 1/4 Co.	mer Section 2	0, 125, RIW	· ·	East 1/4	Corner: Se	ection 20,	725, R1W
	Harrison in Mo	Tarrison in Mon Box			Conc Mon w/Remon Cap			
	5 72'E 116. 5 59'E 86.9 5 57'W 77.0 5 06'W 47.6 5 80'E 4.87	18' Top Cent 16' Frid N&1 18' Frid N&1	" ALS S alda Powr Poh erlina Hyarunt "ALS S alda Powr Poh "SSI W alda 10" Maple "Property" Controlling (;	N 1044 power poj S 135E elde 12" N. 80W Grabapple S 82'E 15" Walnu	e 20,79* Cherry" 27.68* 42.54*	Find N&T Set N&T	of S'ly metal 35998 in E: in S: side 9" SSI in S. side
	<u>CERTIFICATION STATEMENT</u> I Donald J. Bondzinski, Professional Surveyor #35988, certify that this survey was made under my direction, that all corners have been marked as shown, that the relative positional precision of the corners identified for this curvey and shown on the map are within the limits accepted by the practica of professional surveying, and that the requirements for MCL Section 54.213 of PA 132 of 1970, as amended, have been met. <u>Automatication</u> <u>2/17/22</u> <u>DITE</u>							
		Engir	OLVERIN ieers & Surveyors, In	اسا	SEC	TION 20	UTHEAST , T2SR TOWNSH	1/4 OF TW,
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EXHIBIT C



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da Vinci Schools

ATTACHMENT C

[Attach BANK's "Fees and Charges" Page]



ATTACHMENT C

FEES AND CHARGES

As described in the ADDITIONAL CHARGES section of the attached INSTALLMENT PURCHASE AGREEMENT, OBLIGOR agrees to pay, or have paid these additional fees and charges. Nonrefundable Fees and Charges. The following fees are earned when collected and will not be refunded if I prepay this INSTALLMENT PURCHASE AGREEMENT before the scheduled maturity date.

Loan Processing. A(n) Loan Processing fee of \$30,000.00 payable from the loan proceeds.

Property Tax Monitoring. A(n) Property Tax Monitoring fee of \$84.00 payable from the loan proceeds.

Flood Determination. A(n) Flood Determination fee of \$11.50 payable from the loan proceeds.

Appraisal Review. A(n) Appraisal Review fee of \$100.00 payable from the loan proceeds.

Environmental Inspection. A(n) Environmental Inspection fee of \$95.00 payable from the loan proceeds.

Appraisal. A(n) Appraisal fee of \$5,000.00 payable from the loan proceeds.



LI. 3 2231



STATE OF MICHIGAN - JACKSON COUNTY Received 06/14/2023 11:07:00 AM 293997 Received 06/14/2023 11:07:00 AM 2939977 Processed 06/14/2023 01:04:24 PM M Cierra L. Sowle Clock/Porticity 10 erra L. Sowle, Clerk/Register of Deeds

Received and Returned For Errors: 06/13/2023 11:23:00 AM Trans # 3328161 Jackson County, MI

79914

MORTGAGE

This instrument was prepared by Erica M. Curl, County National Bank, 100 S. Jackson St., Ste 206, Jackson, MI 49201

MAXIMUM PRINCIPAL AMOUNT: \$2,350,000.00.

🔆 Return To: Erica M Curl, County National Bank, 100 S.Jackson St., Ste 206, Jackson, MI 49201

DATE AND PARTIES. The date of this Mortgage (Security Instrument) is June 5, 2023. The parties and their addresses are:

MORTGAGOR:

9

THE DA VINCI INSTITUTE A Michigan Corporation 2985 SPRINGPORT RD JACKSON, MI 49201-9060

LENDER:

COUNTY NATIONAL BANK Organized and existing under the laws of Michigan One South Howell St Hillsdale, MI 49242

1. **DEFINITIONS.** For the purposes of this document, the following term has the following meaning.

A. Loan. "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

2. MAXIMUM OBLIGATION LIMIT. The maximum principal amount, excluding protective advances, secured by this Security Instrument at any one time and from time to time will not exceed \$2,350,000.00. Any limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Protective advances are defined by law and include an expenditure or expenditures such as advances made under the terms of this Security Instrument to protect Lender's priority and advances made to fulfill or perform an obligation of the Mortgagor under this Security Instrument, with respect to the mortgaged property, that the Mortgagor has failed to fulfill or perform.

3. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Mortgagor's performance under this Security Instrument, Mortgagor does hereby grant, bargain, convey, sell, mortgage and warrant to Lender, with the power of sale, the following described property:

SEE ATTACHED SCHEDULE "C"

The property is located in Jackson County at 2800 SPRINGPORT RD., JACKSON, Michigan 49202-1230.

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, wells, ditches and water stock, crops, timber including timber to be cut now or at any time in the future, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

Wolters Kluwer Financial Services, Inc.[©]1996, 2023 Bankers Systems™

Page 1

4. SECURED DEBTS. The term "Secured Debts" includes and this Security Instrument will secure each of the following:

A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, dated June 5, 2023, from Mortgagor to Lender, with a loan amount of \$2,350,000.00 and maturing on June 20, 2028.

B. All Debts. All present and future debts from Mortgagor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Security Instrument will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.

C. Sums Advanced. All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

5. LIMITATIONS ON CROSS-COLLATERALIZATION. The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

6. PAYMENTS. Mortgagor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

7. WARRANTY OF TITLE. Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, mortgage, and warrant, with the power of sale, the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

8. PRIOR SECURITY INTERESTS. With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

A. To make all payments when due and to perform or comply with all covenants.

B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.

C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

9. CLAIMS AGAINST TITLE. Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

10. DUE ON SALE OR ENCUMBRANCE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

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11. TRANSFER OF AN INTEREST IN THE MORTGAGOR. If Mortgagor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

A. A beneficial interest in Mortgagor is sold or transferred.

B. There is a change in either the identity or number of members of a partnership or similar entity.

C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

12. WARRANTIES AND REPRESENTATIONS. Mortgagor makes to Lender the following warranties and representations which will continue as long as this Security Instrument is in effect:

A. Power. Mortgagor is duly organized, and validly existing and in good standing in all jurisdictions in which Mortgagor operates. Mortgagor has the power and authority to enter into this transaction and to carry on Mortgagor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Mortgagor operates.

B. Authority. The execution, delivery and performance of this Security Instrument and the obligation evidenced by this Security Instrument are within Mortgagor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Mortgagor is a party or to which Mortgagor is or any of Mortgagor's property is subject.

C. Name and Place of Business. Other than previously disclosed in writing to Lender, Mortgagor has not changed Mortgagor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve Mortgagor's existing name, trade names and franchises.

13. PROPERTY CONDITION, ALTERATIONS, INSPECTION, VALUATION AND APPRAISAL. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time and frequency for the purpose of inspecting, valuating, or appraising the Property. Lender will give Mortgagor notice at the time of or before an on-site inspection, valuation, or appraisal for on-going due diligence or otherwise specifying a reasonable purpose. Any inspection, valuation or appraisal of the Property will be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection, valuation or appraisal for its own purpose, except as otherwise provided by law.

14. AUTHORITY TO PERFORM. If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

15. DEFAULT. Mortgagor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. Mortgagor fails to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy,

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reorganization, composition or debtor relief law by or against Mortgagor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender.

C. Business Termination. Mortgagor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

D. Failure to Perform. Mortgagor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

E. Other Documents. A default occurs under the terms of any other document relating to the Secured Debts.

F. Other Agreements. Mortgagor is in default on any other debt or agreement Mortgagor has with Lender.

G. Misrepresentation. Mortgagor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

H. Judgment. Mortgagor fails to satisfy or appeal any judgment against Mortgagor.

I. Forfeiture. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

J. Name Change. Mortgagor changes Mortgagor's name or assumes an additional name without notifying Lender before making such a change.

K. Property Transfer. Mortgagor transfers all or a substantial part of Mortgagor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

L. Property Value. Lender determines in good faith that the value of the Property has declined or is impaired.

M. Material Change. Without first notifying Lender, there is a material change in Mortgagor's business, including ownership, management, and financial conditions.

N. Insecurity. Lender determines in good faith that a material adverse change has occurred in Mortgagor's financial condition from the conditions set forth in Mortgagor's most recent financial statement before the date of this Security Instrument or that the prospect for payment or performance of the Secured Debts is impaired for any reason.

16. REMEDIES. On or after the occurrence of an Event of Default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts, including, without limitation, the power to sell the Property. Any amounts advanced on Mortgagor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Mortgagor's default.

Subject to any right to cure, required time schedules or any other notice rights Mortgagor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of an Event of Default or anytime thereafter.

If there is an occurrence of an Event of Default, Lender may, in addition to any other permitted remedy, invoke the power of sale and sell the Property as a whole or in such parcels (and in such order) as Lender may direct at public sale to the highest bidder. If Lender invokes the power of sale, Lender will give notice of the sale as prescribed by applicable law in effect at the time of the proposed sale. Lender or its designee may purchase the Property at any sale. The proceeds of the sale will be applied in the manner prescribed by applicable law.

Upon any sale of the Property, Lender will make and deliver a deed without warranty or appropriate deed required by applicable law that conveys all right, title and interest to the Property that was sold to the purchaser(s). The recitals in any deed of conveyance will be prima facie evidence of the facts set forth therein.

All remedies are distinct, cumulative and not exclusive, and Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

17. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, Mortgagor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Mortgagor agrees to pay expenses

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for Lender to inspect, valuate, appraise and preserve the Property. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Mortgagor.

18. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide

Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

19. CONDEMNATION. Mortgagor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

20. INSURANCE. Mortgagor agrees to keep the Property insured against the risks reasonably associated with the Property. Mortgagor will maintain this insurance in the amounts Lender requires. This insurance will last until the Property is released from this Security Instrument. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debts. Mortgagor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

All insurance policies and renewals shall include a standard "mortgage clause" (or "lender loss payable clause") endorsement that names Lender as "mortgagee" and "loss payee". If required by Lender, all insurance policies and renewals will also include an "additional insured" endorsement that names Lender as an "additional insured". If required by Lender, Mortgagor agrees to maintain comprehensive general liability insurance and rental loss or business interruption insurance in amounts and under policies acceptable to Lender. The comprehensive general liability insurance must name Lender as an additional insured. The rental loss or business interruption insurance must be in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing).

Mortgagor will give Lender and the insurance company immediate notice of any loss. All insurance proceeds will be applied to restoration or repair of the Property or to the Secured Debts, at Lender's option. If Lender acquires the Property in damaged condition, Mortgagor's rights to any insurance policies and proceeds will pass to Lender to the extent of the Secured Debts.

Mortgagor will immediately notify Lender of cancellation or termination of insurance. If Mortgagor fails to keep the Property insured, Lender may obtain insurance to protect Lender's interest in the Property and Mortgagor will pay for the insurance on Lender's demand. Lender may demand that Mortgagor pay for the insurance all at once, or Lender may add the insurance premiums to the balance of the Secured Debts and charge interest on it at the rate that applies to the Secured Debts. This insurance may include lesser or greater coverages than originally required of Mortgagor, may be written by a company other than one Mortgagor purchased the insurance. Mortgagor acknowledges and agrees that Lender or one of Lender's affiliates may receive commissions on the purchase of this insurance.

21. ESCROW FOR TAXES AND INSURANCE. Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

22. WAIVERS. Except to the extent prohibited by law, Mortgagor waives all appraisement and homestead exemption rights relating to the Property.

23. USE OF PROPERTY. Mortgagor shall not use or occupy the Property in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Mortgagor becomes aware of such a violation, Mortgagor shall take all actions allowed by law to terminate the violating activity.

In addition to all other indemnifications, obligations, rights and remedies contained herein, if the Lender and/or its respective directors, officers, employees, agents and attorneys (each an "Indemnitee") is made a party defendant to any litigation or any claim is threatened or brought against such Indemnitee concerning this Security Instrument or the related property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use of such property, then the Mortgagor shall (to the extent permitted by applicable law) indemnify, defend and hold each Indemnitee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnitee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. To the

extent permitted by applicable law, the within indemnification shall survive payment of the Secured Debt, and/or any termination, release or discharge executed by the Lender in favor of the Mortgagor.

Violation of this provision is a material breach of this Security Instrument and thereby constitutes a default under the terms and provisions of this Security Instrument.

24. APPLICABLE LAW. This Security Instrument is governed by the laws of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

25. JOINT AND SEVERAL LIABILITY AND SUCCESSORS. Each Mortgagor's obligations under this Security Instrument are independent of the obligations of any other Mortgagor. Lender may sue each Mortgagor severally or together with any other Mortgagor. Lender may release any part of the Property and Mortgagor will still be obligated under this Security Instrument for the remaining Property. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Mortgagor.

26. AMENDMENT, INTEGRATION AND SEVERABILITY. This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

27. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

28. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Mortgagor will be deemed to be notice to all Mortgagors. Mortgagor will inform Lender in writing of any change in Mortgagor's name, address or other application information. Mortgagor will provide Lender any other, correct and complete information Lender requests to effectively mortgage or convey the Property. Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

29. AGREEMENT TO ARBITRATE. Lender or Mortgagor may submit to binding arbitration any dispute, claim or other matter in question between or among Lender and Mortgagor that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this section or as Lender and Mortgagor agree to in writing. For purposes of this section, this Transaction includes this Security Instrument and any other document relating to the Secured Debts, and proposed loans or extensions of credit that relate to this Security Instrument. Lender or Mortgagor will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws.

Lender and Mortgagor must consent to arbitrate any Dispute concerning the Secured Debt secured by real estate at the time of the proposed arbitration. Lender may foreclose or exercise any powers of sale against real property securing the Secured Debt underlying any Dispute before, during or after any arbitration. Lender may also enforce the Secured Debt secured by this real property and underlying the Dispute before, during or after any arbitration.

Lender or Mortgagor may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to Lender or Mortgagor; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter

a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

Lender and Mortgagor acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among Lender and Mortgagor involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this section.

The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this Security Instrument, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Security Instrument or another writing.

30. WAIVER OF TRIAL FOR ARBITRATION. Lender and Mortgagor understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, Lender and Mortgagor voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

31. WAIVER OF JURY TRIAL. If the parties do not opt for arbitration, then all of the parties to this Security Instrument knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Security Instrument or any other documents relating to the Secured Debts or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

SIGNATURES. By signing, Mortgagor agrees to the terms and covenants contained in this Security Instrument. Mortgagor also acknowledges receipt of a copy of this Security Instrument.

MORTGAGOR:

THE DA VINCI INSTITUTE

LUCAS CAMACHO, Secretary

ACKNOWLEDGMENT.

STATE OF MICHIGAN, OF ss. Jackson County

This instrument was acknowledged before me this 5th day of June 2023 by LUCAS CAMACHO - Secretary of THE DA VINCI INSTITUTE a Michigan corporation, on behalf of the corporation.

TAMMIE COOK NOTARY PUBLIC, Jackson County, MI My Commission Expires Sept. 19, 2028 Acting in Jackson County Notary Public, State of Michigan, County of Jackson My commission expires ______ Acting in the of _____

Date (15/2023

THE DA VINCI INSTITUTE Michigan Mortgage MI/4XXXCURLE00000000002973023N

RIDER A

PROPERTY DESCRIPTION

The land referred to is described as follows:

Land in Township of Blackman, Jackson County, Michigan described as:

Commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 00 degrees 00' 18" East 289.88 feet along the North-South 1/4 line of said Section 20 to the Northwest corner of a parcel of land described in Liber 2058, page 878, Jackson County Records, as monumented to the point of beginning; thence continuing North 00 degrees 00' 18" East 576.32 feet; thence South 78 degrees 27' 57" West 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the arc of a curve to the left, having a radius of 3819.98 feet and a central angle of 1 degree 01' 12", subtended by a chord bearing North 25 degrees 29' 21" West 68.01 feet; thence North 78 degrees 24' 54" East 393.67 feet; thence North 00 degrees 00' 05" East 763.51 feet; thence South 89 degrees 51' 03" East 67.15 feet to the North-South 1/4 line as monumented; thence North 00 degrees 00' 18" East 972.37 feet along the North-South 1/4 line to the center of said Section 20; thence North 89 degrees 48' 49" East 664.21 feet along the East-West 1/4 line of said Section 20 to the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20: thence South 00 degrees 01' 10"East 2187.32 feet along the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 89 degrees 47' 26" West 483.62 feet; thence South 00 degrees 00' 18" West 178.51 feet to the Northeast corner of a parcel of land described in Liber 2058, Page 878, Jackson County Records; thence South 89 degrees 48' 18" West along the North line of a parcel of land described in Liber 2058, page 878, Jackson County Records, 181.51 feet back to the point of beginning.

Together with a 66 foot wide easement for ingress and egress described as commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 89 degrees 47' 26" East 181.51 feet along the South line of said Section 20 as monumented to the point of beginning; thence North 0 degrees 01' 10" East 468.48 feet; thence North 89 degrees 47' 26" East 66.00 feet; thence South 00 degrees 00' 18" West 468.48 feet to the South line of said Section 20'; thence South 89 degrees 47'26" West 66.00 feet along the South line of said Section 20 back to the point of beginning.



LK . 2231



STATE OF MICHIGAN - JACKSON COUNTY Received 06/14/2023 11:07:00 AM 2939978 Processed 06/14/2023 01:04:25 PM LASRNT Cierra L. Sowle, Clerk/Register of Deeds

Received and Returned For Errors: 06/13/2023 11:23:00 AM Trans # 3328161 Jackson County, MI

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1 of 10

ASSIGNMENT OF LEASES AND RENTS

This instrument was prepared by Erica M. Curl, County National Bank, 100 S. Jackson St., Ste 206, Jackson, MI 49201

MAXIMUM PRINCIPAL AMOUNT: \$2,350,000.00.

💥 Return To: Erica M Curl, County National Bank, 100 S.Jackson St., Ste 206, Jackson, MI 49201

DATE AND PARTIES. The date of this Assignment of Leases and Rents (Assignment) is June 5, 2023. The parties and their addresses are:

ASSIGNOR:

×* ,

THE DA VINCI INSTITUTE A Michigan Corporation 2985 SPRINGPORT RD JACKSON, MI 49201-9060

LENDER:

COUNTY NATIONAL BANK Organized and existing under the laws of Michigan One South Howell St Hillsdale, MI 49242

1. **DEFINITIONS.** For the purposes of this document, the following term has the following meaning.

A. Loan. "Loan" refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

2. MAXIMUM OBLIGATION LIMIT. The maximum principal amount, excluding protective advances, secured by this Assignment at any one time and from time to time will not exceed \$2,350,000.00. Any limitation of amount does not include interest and other fees and charges validly made pursuant to this Assignment. Protective advances are defined by law and include an expenditure or expenditures such as advances made under the terms of this Assignment to protect Lender's priority and advances made to fulfill or perform an obligation of the Assignor under this Assignment, with respect to the assigned property, that the Assignor has failed to fulfill or perform.

3. SECURED DEBTS. The term "Secured Debts" includes and this Assignment will secure each of the following:

A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, dated June 5, 2023, from Assignor to Lender, with a loan amount of \$2,350,000.00 and maturing on June 20, 2028.

B. All Debts. All present and future debts from Assignor to Lender, even if this Assignment is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Assignment, each agrees that it will secure debts incurred either individually or with others who may not sign this Assignment. Nothing in this Assignment constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. This Assignment will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Assignment will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities. This Assignment will not secure any other debt if Lender, with respect to that other debt, fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property.

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C. Sums Advanced. All sums advanced and expenses incurred by Lender under the terms of this Assignment.

4. LIMITATIONS ON CROSS-COLLATERALIZATION. The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if Lender fails to fulfill any necessary requirements or fails to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

5. ASSIGNMENT OF LEASES AND RENTS. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Assignor's performance under this Assignment, Assignor does hereby assign, grant, bargain and mortgage to Lender as additional security all the right, title and interest in the following (Property).

A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (Leases).

B. Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Assignor may have regarding the Property (Rents). Excluded from Rents are rents, issues and profits from the use and occupancy of the portion of the Property which is a family residence or an apartment building with less than six apartments.

C. The term Property as used in this Assignment shall include the following described real property:

SEE ATTACHED SCHEDULE "C"

The property is located in Jackson County at 2800 SPRINGPORT RD., JACKSON, Michigan 49202-1230.

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

6. PAYMENTS. Assignor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Assignment.

7. COLLECTION OF RENTS. Assignor may collect, receive, enjoy and use the Rents so long as Assignor is not in default. Assignor will not collect in advance any Rents due in future lease periods, unless Assignor first obtains Lender's written consent.

Upon default, Assignor will receive any Rents in trust for Lender and Assignor will not commingle the Rents with any other funds. When Lender so directs, Assignor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting, valuating, appraising and preserving the Property, and other necessary expenses.

Assignor agrees that this Assignment is immediately effective between Assignor and Lender and effective as to third parties on the recording of this Assignment.

This Assignment applies when it secures commercial or industrial property other than an apartment building with less than six apartments or any family residence.

8. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, Assignor agrees to pay all expenses of collection, enforcement, valuation, appraisal or protection of Lender's rights and remedies under this Assignment or any other document relating to the Secured Debts. Assignor agrees to pay expenses for Lender to inspect, valuate, appraise and preserve the Property. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and

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payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Assignor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Assignor.

9. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Assignor represents, warrants and agrees that:

A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Except as previously disclosed and acknowledged in writing to Lender, Assignor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Assignor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Assignor will take all necessary remedial action in accordance with Environmental Law.

D. Except as previously disclosed and acknowledged in writing to Lender, Assignor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Assignor or any tenant of any Environmental Law. Assignor will immediately notify Lender in writing as soon as Assignor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Except as previously disclosed and acknowledged in writing to Lender, Assignor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Assignor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Assignor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Assignor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Assignor agrees, at Assignor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Assignor's obligations under this section at Assignor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Assignor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Assignment and in return Assignor will provide Lender with collateral of at least equal value to the Property without prejudice to any of Lender's rights under this Assignment.

L. Notwithstanding any of the language contained in this Assignment to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Assignment regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

10. CONDEMNATION. Assignor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Assignor authorizes Lender to intervene in Assignor's name in any of the above described actions or claims. Assignor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Assignment. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

11. DUE ON SALE OR ENCUMBRANCE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable.

12. TRANSFER OF AN INTEREST IN THE ASSIGNOR. If Assignor is an entity other than a natural person (such as a corporation, partnership, limited liability company or other organization), Lender may demand immediate payment if:

A. A beneficial interest in Assignor is sold or transferred.

B. There is a change in either the identity or number of members of a partnership or similar entity.

C. There is a change in ownership of more than 25 percent of the voting stock of a corporation, partnership, limited liability company or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Assignment.

13. WARRANTIES AND REPRESENTATIONS. Assignor makes to Lender the following warranties and representations which will continue as long as this Assignment is in effect:

A. Power. Assignor is duly organized, and validly existing and in good standing in all jurisdictions in which Assignor operates. Assignor has the power and authority to enter into this transaction and to carry on Assignor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Assignor operates.

B. Authority. The execution, delivery and performance of this Assignment and the obligation evidenced by this Assignment are within Assignor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Assignor is a party or to which Assignor is or any of Assignor's property is subject.

C. Name and Place of Business. Other than previously disclosed in writing to Lender, Assignor has not changed Assignor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name. Without Lender's prior written consent, Assignor does not and will not use any other name and will preserve Assignor's existing name, trade names and franchises.

D. Title. Assignor has good title to the Leases, Rents and Property and the right to assign, grant, bargain, convey, mortgage and warrant to Lender as additional security the Leases and Rents, and no other person has any right in the Leases and Rents.

E. Recordation. Assignor has recorded the Leases as required by law or as otherwise prudent for the type and use of the Property.

F. Default. No default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Assignor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Assignor or any party to the Lease defaults or fails to observe any applicable law, Assignor will promptly notify Lender.

G. Lease Modification. Assignor has not sublet, modified, extended, canceled, or otherwise altered the Leases, or accepted the surrender of the Property covered by the Leases (unless the Leases so require).

H. Encumbrance. Assignor has not assigned, compromised, subordinated or encumbered the Leases and Rents.

14. COVENANTS. Assignor agrees to the following covenants:

A. Rent Abatement and Insurance. When any Lease provides for an abatement of Rents due to fire, flood or other casualty, Assignor will insure against this risk of loss with a policy satisfactory

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to Lender. Assignor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

B. Copies of Leases. Assignor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed.

C. Right To Rents. Immediately after the execution of this Assignment, Assignor will notify all current and future tenants and others obligated under the Leases of Lender's rights to the Leases and Rents, and will request that they immediately pay all future Rents directly to Lender when Assignor or Lender asks them to do so.

D. Accounting. When Lender requests, Assignor will provide to Lender an accounting of Rents, prepared in a form acceptable to Lender, subject to generally accepted accounting principles and certified by Assignor or Assignor's accountant to be current, accurate and complete as of the date requested by Lender.

E. Lease Modification. Assignor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's written consent.

F. Encumbrance. Assignor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent.

G. Future Leases. Assignor will not enter into any future Leases without prior written consent from Lender. Assignor will execute and deliver such further assurances and assignments as to these future Leases as Lender requires from time to time.

H. Personal Property. Assignor will not sell or remove any personal property on the Property, unless Assignor replaces this personal property with like kind for the same or better value.

I. Prosecution and Defense of Claims. Assignor will appear in and prosecute its claims or defend its title to the Leases and Rents against any claims that would impair Assignor's interest under this Assignment and, on Lender's request, Assignor will also appear in any action or proceeding on behalf of Lender. Assignor agrees to assign to Lender, as requested by Lender, any right, claims or defenses which Assignor may have against parties who supply labor or materials to improve or maintain the leaseholds subject to the Leases and/or the Property.

J. Liability and Indemnification. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses or damages due to Lender's gross negligence or intentional torts. Otherwise, Assignor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

K. Leasehold Estate. Assignor will not cause or permit the leasehold estate under the Leases to merge with Assignor's reversionary interest, and agrees that the Leases shall remain in full force and effect regardless of any merger of the Assignor's interests and of any merger of the interests of Assignor and any party obligated under the Leases.

L. Insolvency. Lender will be the creditor of each tenant and of anyone else obligated under the Leases who is subject to an assignment for the benefit of creditors, an insolvency, a dissolution or a receivership proceeding, or a bankruptcy.

M. Use of Property and Related Indemnification. Assignor shall not use or occupy the Property in any manner that would constitute a violation of any state and/or federal laws involving controlled substances, even in a jurisdiction that allows such use by state or local law or ordinance. In the event that Assignor becomes aware of such a violation, Assignor shall take all actions allowed by law to terminate the violating activity.

In addition to all other indemnifications, obligations, rights and remedies contained herein, if Lender and/or its respective directors, officers, employees, agents and attorneys (each an "Indemnitee") is made a party defendant to any litigation or any claim is threatened or brought against such Indemnitee concerning this Assignment or the related Property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use of such Property, then Assignor shall (to the extent permitted by applicable law) indemnify, defend and hold each Indemnitee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnitee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. To the extent permitted by applicable law, the within indemnification shall survive payment of the Secured Debt, and/or any termination, release or discharge executed by Lender in favor of Assignor.

Violation of this provision is a material breach of this Assignment and thereby constitutes a default under the terms and provisions of this Assignment.

15. DEFAULT. Assignor will be in default if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. Assignor fails to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Assignor, Borrower, or any co-signer, endorser, surety or guarantor of this Assignment or any other obligations Borrower has with Lender.

C. Business Termination. Assignor merges, dissolves, reorganizes, ends its business or existence, or a partner or majority owner dies or is declared legally incompetent.

D. Failure to Perform. Assignor fails to perform any condition or to keep any promise or covenant of this Assignment.

E. Other Documents. A default occurs under the terms of any other document relating to the Secured Debts.

F. Other Agreements. Assignor is in default on any other debt or agreement Assignor has with Lender.

G. Misrepresentation. Assignor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

H. Judgment. Assignor fails to satisfy or appeal any judgment against Assignor.

I. Forfeiture. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

J. Name Change. Assignor changes Assignor's name or assumes an additional name without notifying Lender before making such a change.

K. Property Transfer. Assignor transfers all or a substantial part of Assignor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

L. Property Value. Lender determines in good faith that the value of the Property has declined or is impaired.

M. Material Change. Without first notifying Lender, there is a material change in Assignor's business, including ownership, management, and financial conditions.

N. Insecurity. Lender determines in good faith that a material adverse change has occurred in Assignor's financial condition from the conditions set forth in Assignor's most recent financial statement before the date of this Assignment or that the prospect for payment or performance of the Secured Debts is impaired for any reason.

16. REMEDIES. After Assignor defaults, Lender may at Lender's option do any one or more of the following.

A. Acceleration. Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due.

B. Additional Security. Lender may demand additional security or additional parties to be obligated to pay the Secured Debts.

C. Sources. Lender may use any and all remedies Lender has under Michigan or federal law or in any document relating to the Secured Debts.

D. Insurance Benefits. Lender may make a claim for any and all insurance benefits or refunds that may be available on Assignor's default.

E. Payments Made On Assignor's Behalf. Amounts advanced on Assignor's behalf will be immediately due and may be added to the Secured Debts.

F. Rents. Lender may terminate Assignor's right to collect Rents and directly collect and retain Rents in Lender's name without taking possession of the Property and to demand, collect, receive, and sue for the Rents, giving proper receipts and releases. In addition, after deducting all reasonable expenses of collection from any collected and retained Rents, Lender may apply the balance as provided for by the Secured Debts.

G. Entry. Lender may enter, take possession, manage and operate all or any part of the Property; make, modify, enforce or cancel or accept the surrender of any Leases; obtain or evict any tenants or licensees; increase or reduce Rents; decorate, clean and make repairs or do any other act or incur any other cost Lender deems proper to protect the Property as fully as Assignor could do. Any funds collected from the operation of the Property may be applied in such order as Lender may deem proper, including, but not limited to, payment of the following: operating

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expenses, management, brokerage, attorneys' and accountants' fees, the Secured Debts, and toward the maintenance of reserves for repair or replacement. Lender may take such action without regard to the adequacy of the security, with or without any action or proceeding, through any person or agent, or receiver to be appointed by a court, and irrespective of Assignor's possession.

The collection and application of the Rents or the entry upon and taking possession of the Property as set out in this section shall not cure or waive any notice of default under the Secured Debts, this Assignment, or invalidate any act pursuant to such notice. The enforcement of such remedy by Lender, once exercised, shall continue for so long as Lender shall elect, notwithstanding that such collection and application of Rents may have cured the original default.

H. Waiver. Except as otherwise required by law, by choosing any one or more of these remedies Lender does not give up any other remedy. Lender does not waive a default if Lender chooses not to use a remedy. By electing not to use any remedy, Lender does not waive Lender's right to later consider the event a default and to use any remedies if the default continues or occurs again.

17. TERM. This Assignment will remain in full force and effect until the Secured Debts are paid or otherwise discharged and Lender is no longer obligated to advance funds under any loan or credit agreement which is a part of the Secured Debts. If any or all payments of the Secured Debts are subsequently invalidated, declared void or voidable, or set aside and are required to be repaid to a trustee, custodian, receiver or any other party under any bankruptcy act or other state or federal law, then the Secured Debts will be revived and will continue in full force and effect as if this payment had not been made.

18. WAIVERS. Except to the extent prohibited by law, Assignor waives all appraisement and homestead exemption rights relating to the Property.

19. APPLICABLE LAW. This Assignment is governed by the laws of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

20. JOINT AND SEVERAL LIABILITY AND SUCCESSORS. Each Assignor's obligations under this Assignment are independent of the obligations of any other Assignor. Lender may sue each Assignor severally or together with any other Assignor. Lender may release any part of the Property and Assignor will still be obligated under this Assignment for the remaining Property. Assignor agrees that Lender and any party to this Assignment may extend, modify or make any change in the terms of this Assignment or any evidence of debt without Assignor's consent. Such a change will not release Assignor from the terms of this Assignment. Lender may assign all or part of Lender's rights under this Assignment without Assignor's consent. If Lender assigns this Assignment, all of Assignor's covenants, agreements, representations and warranties contained in this Assignment will benefit Lender's successors and assigns. The duties of this Assignment will bind the successors and assigns of Assignor.

21. AMENDMENT, INTEGRATION AND SEVERABILITY. This Assignment may not be amended or modified by oral agreement. No amendment or modification of this Assignment is effective unless made in writing. This Assignment and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Assignment is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

22. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Assignment.

23. NOTICE, ADDITIONAL DOCUMENTS AND RECORDING FEES. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Assignor will be deemed to be notice to all Assignors. Assignor will inform Lender in writing of any change in Assignor's name, address or other application information. Assignor will provide Lender any other, correct and complete information Lender requests to effectively mortgage or convey the Property. Assignor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Assignment. Assignor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Assignor's obligations under this Assignment and to confirm Lender's lien status on any Property, and Assignor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

24. AGREEMENT TO ARBITRATE. Lender or Assignor may submit to binding arbitration any dispute, claim or other matter in question between or among Lender and Assignor that arises out of or relates to this Transaction (Dispute), except as otherwise indicated in this section or as Lender and Assignor

agree to in writing. For purposes of this section, this Transaction includes this Assignment and any other document relating to the Secured Debts, and proposed loans or extensions of credit that relate to this Assignment. Lender or Assignor will not arbitrate any Dispute within any "core proceedings" under the United States bankruptcy laws.

Lender and Assignor must consent to arbitrate any Dispute concerning the Secured Debt secured by real estate at the time of the proposed arbitration. Lender may foreclose or exercise any powers of sale against real property securing the Secured Debt underlying any Dispute before, during or after any arbitration. Lender may also enforce the Secured Debt secured by this real property and underlying the Dispute before, during or after any arbitration.

Lender or Assignor may, whether or not any arbitration has begun, pursue any self-help or similar remedies, including taking property or exercising other rights under the law; seek attachment, garnishment, receivership or other provisional remedies from a court having jurisdiction to preserve the rights of or to prevent irreparable injury to Lender or Assignor; or foreclose against any property by any method or take legal action to recover any property. Foreclosing or exercising a power of sale, beginning and continuing a judicial action or pursuing self-help remedies will not constitute a waiver of the right to compel arbitration.

The arbitrator will determine whether a Dispute is arbitrable. A single arbitrator will resolve any Dispute, whether individual or joint in nature, or whether based on contract, tort, or any other matter at law or in equity. The arbitrator may consolidate any Dispute with any related disputes, claims or other matters in question not arising out of this Transaction. Any court having jurisdiction may enter a judgment or decree on the arbitrator's award. The judgment or decree will be enforced as any other judgment or decree.

Lender and Assignor acknowledge that the agreements, transactions or the relationships which result from the agreements or transactions between and among Lender and Assignor involve interstate commerce. The United States Arbitration Act will govern the interpretation and enforcement of this section.

The American Arbitration Association's Commercial Arbitration Rules, in effect on the date of this Assignment, will govern the selection of the arbitrator and the arbitration process, unless otherwise agreed to in this Assignment or another writing.

25. WAIVER OF TRIAL FOR ARBITRATION. Lender and Assignor understand that the parties have the right or opportunity to litigate any Dispute through a trial by judge or jury, but that the parties prefer to resolve Disputes through arbitration instead of litigation. If any Dispute is arbitrated, Lender and Assignor voluntarily and knowingly waive the right to have a trial by jury or judge during the arbitration.

26. WAIVER OF JURY TRIAL. If the parties do not opt for arbitration, then all of the parties to this Assignment knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Assignment or any other documents relating to the Secured Debts or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

SIGNATURES. By signing, Assignor agrees to the terms and covenants contained in this Assignment. Assignor also acknowledges receipt of a copy of this Assignment.

ASSIGNOR:

THE DA VINCI INSTITUTE

Bv

LUCAS CAMACHO, Secretary

THE DA VINCI INSTITUTE Michigan Assignment of Leases and Rents MI/4XXXCURLE00000000002973023N

Wolters Kluwer Financial Services, Inc.[©]1996, 2023 Bankers Systems[™] Page 8

ACKNOWLEDGMENT.

STATE OF MICHIGAN, OF ss. Jackson County

This instrument was acknowledged before me this 5th day of June 2023 by LUCAS CAMACHO - Secretary of THE DA VINCI INSTITUTE a Michigan corporation, on behalf of the corporation.

torald !! 10

RONALD L. ELLISON NOTARY PUBLIC, Jackson County, MI My Commission Expires April 14, 2024 Acting in Jackson County Notary Public, State of Michigan, County of Jackson My commission expires _____ Acting in the of

RIDER A

PROPERTY DESCRIPTION

The land referred to is described as follows:

Land in Township of Blackman, Jackson County, Michigan described as:

Commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 00 degrees 00' 18" East 289.88 feet along the North-South 1/4 line of said Section 20 to the Northwest corner of a parcel of land described in Liber 2058, page 878, Jackson County Records, as monumented to the point of beginning; thence continuing North 00 degrees 00' 18" East 576.32 feet; thence South 78 degrees 27' 57" West 432.21 feet to the centerline of Springport Road; thence 68.01 feet along the arc of a curve to the left, having a radius of 3819.98 feet and a central angle of 1 degree 01' 12", subtended by a chord bearing North 25 degrees 29' 21" West 68.01 feet; thence North 78 degrees 24' 54" East 393.67 feet; thence North 00 degrees 00' 05" East 763.51 feet; thence South 89 degrees 51' 03" East 67.15 feet to the North-South 1/4 line as monumented; thence North 00 degrees 00' 18" East 972.37 feet along the North-South 1/4 line to the center of said Section 20; thence North 89 degrees 48' 49" East 664.21 feet along the East-West 1/4 line of said Section 20 to the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 00 degrees 01' 10"East 2187.32 feet along the East line of the West 1/2 of the West 1/2 of the Southeast 1/4 of said Section 20; thence South 89 degrees 47' 26" West 483.62 feet; thence South 00 degrees 00' 18" West 178.51 feet to the Northeast corner of a parcel of land described in Liber 2058, Page 878, Jackson County Records; thence South 89 degrees 48' 18" West along the North line of a parcel of land described in Liber 2058, page 878, Jackson County Records, 181.51 feet back to the point of beginning.

Together with a 66 foot wide easement for ingress and egress described as commencing at the South 1/4 corner of Section 20, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan; thence South 80 degrees 08' 27" East 4.87 feet to a property controlling corner; thence North 89 degrees 47' 26" East 181.51 feet along the South line of said Section 20 as monumented to the point of beginning; thence North 0 degrees 01' 10" East 468.48 feet; thence North 89 degrees 47' 26" East 66.00 feet; thence South 00 degrees 00' 18" West 468.48 feet to the South line of said Section 20'; thence South 89 degrees 47'26" West 66.00 feet along the South line of said Section 20 back to the point of beginning.

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG19-01020

2800 SPRINGPORT RD JACKSON, MI 49202 COUNTY: JACKSON

The above named building of Use Group E, Education and Construction Type 2A is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 02/18/2020

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG23-01388

2800 SPRINGPORT RD JACKSON, MI 49202 COUNTY: JACKSON

The above named building of Use Group E, Education and Construction Type 2B is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 05/22/2024

da Vinci Schools

Contract Amendment No. 2

Tab 2

EDUCATIONAL PROGRAMS

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.3, the Academy shall implement, deliver and support the educational programs identified in this schedule.

"Just as eating against one's will is injurious to health, so study without a liking for it spoils the memory and it retains nothing it takes in." Leonardo daVinci

History

daVinci Schools ("Academy") is a tuition free preschool through twelfth grade public school chartered by Central Michigan University. The Academy was founded in August of 1995. The high school was located on the campus of Jackson College to service students in sixth through twelfth grades. Shortly after the establishment of the high school, the Academy expanded to include kindergarten through eighth grades at a separate location on the north side of Jackson. In 2011, the Academy's high school designated itself as an alternative education program to better serve the population and needs of Academy high school students. In 2013, the Academy opened a Great Start Readiness Program ("GSRP") for preschool, housed at the primary school. In 2016, the Academy opened a virtual program, located in the center of downtown Jackson, to provide an online learning option to area students. In 2019, the Academy moved its high school and virtual program to the campus of Baker College. Over a two-year transition period, the middle school was also moved to expand classrooms and provide more matriculation to the high school. This allowed a substantial increase in space for the middle and high school as well as the primary school. In 2023, the Academy purchased two buildings on the campus of Baker College, one building that continues to house the middle and high school students and the virtual program and one building for the primary school.

Mission

The purpose of the Academy is 'Fostering a community that will empower every student to realize their potential.'

Vision

daVinci Schools are based on common sense and human dignity. The importance of learning and creating a kind and caring community is emphasized at all levels. The Academy believes students are curious and capable learners, deserving of respect, no matter what. To be well educated, students need to understand and accept boundaries and expectations that foster continuous growth. The Academy staff encourages and teaches all students to share in the responsibility of the learning process in a respectful and reasonable way. The Academy believes personal responsibility is learned through building strong, caring relationships with students (Glasser, 1986). The guiding principles begin with understanding the difference between consequences and punishment when dealing with student behaviors (Fay & Funk, 1995). We are committed to continuous improvement, based on best practices, high expectations, coaching and professional development. Our vision is 'students empowered for personal success'.

Values

daVinci believes that every individual is deserving of respect, no matter what. The Academy strives to reveal each students' inherent greatness and inner wealth, by focusing on the whole child, continuous growth and life-long learning. The importance of community is supported by a kind, caring, nurturing and compassionate atmosphere at all levels. We pledge that:

- We will always do what's best for students
- We will do whatever it takes
- We will accept no excuses
- We will do no harm.

Program Delivery

The Academy's Educational Program supports the mission, vision and values of the district through an intentional focus on knowing information about all students (i.e. academics, social and emotional learning, social behavior and interactions, mental and physical health, and family background) and considering all facets of student lives while placing students in the most appropriate courses, interventions and groups. Frequent formative assessment allows staff to stay current on student levels of achievement, as well as changing life conditions that affect learning, and make changes accordingly. Some of these changes are supported through differentiated instruction, while others are supported through a school engagement specialist and/or referral to services, in or outside the Academy.

At the high school, online course opportunities for credit recovery and personal curriculum accessibility, as well as courses that assist with building basic skills, motivation and goal setting, target an alternative high school population. Through the virtual program, online courses can be taken at home, worked on remotely or worked on at the Academy's Virtual Center. The Virtual Center allows students in the virtual program a place to get individual academic support, as well as support through a school engagement specialist and/or referral to other support services, programs, therapy or medical attention.

The diversity of students in classrooms continues to increase and there is a greater need to shape curriculum and instruction to maximize learning for all students, especially underserved, at-risk, poverty stricken, traumatized and/or non-traditional alternative students. One of the primary instructional methods used at the Academy is differentiated instruction. Differentiation assists the teacher in responding to the needs of the students, such as allowing a faster or slower pace of learning as well as choosing themes and content that allow for investigation that is more complex. Individualization is the process of adapting the curriculum to meet the needs of and appeal to the interests of a student. This process is especially valuable to address the needs of at-risk, those who have experienced or are experiencing trauma, and alternative students. The rationale for differentiated instruction comes from theory, research and educational common sense (Stronge, 2007).

Curriculum Adaptations and Modification

A resource room exists at each site for students with an Individualized Education Program ("IEP"). Both sites also have Teacher Support Teams ("TST") that review the needs of struggling and gifted students to provide interventions or programs that not only help students to be academically and behaviorally successful but also be challenged to their greatest ability.

When making educational placement decisions for students with disabilities, the Academy will ensure that parents are contributing members of the IEP team, and together the team will make decisions that are subject to requirements regarding provision of the least-restrictive environment. When determining how services will be delivered to students with disabilities, the Academy will follow all Special Education Rules as issued by the Michigan Department of Education. If a child with a current IEP enrolls in the Academy, the Academy will implement the existing IEP to the extent possible or will provide an interim IEP agreed upon by parents until a new IEP can be developed. IEPs will be developed, revised and implemented in accordance with the Individuals with Disabilities Education Improvement Act ("IDEIA") and state law and regulations.

The Academy will fully comply with federal laws and regulations governing children with disabilities as follows:

- The Academy is responsible for providing a free, appropriate public education to children with disabilities enrolled in the Academy that have been determined through an IEP to require Special Education programs and services.
- The Academy will ensure that children who are suspected of having disabilities are properly evaluated by a multidisciplinary team, as defined in the Michigan Special Education Rules, and that children who have already been identified are re-evaluated by the multidisciplinary team at least every three years.
- When a multidisciplinary team determines that a special education student requires Special Education programs and services, the Academy will ensure that the IEP is fully implemented in accordance with IDEIA and reviewed on an annual basis or more frequently as determined by the IEP team.

The Academy's program for English Learners ("EL") includes techniques, methodology and customized curriculum designed to teach EL students explicitly the English language, including the academic vocabulary needed to access content instruction and to develop English language proficiency in all four language domains (speaking, listening, reading, and writing). Some modes of instructional delivery may include collaborative teaching, with the ESL-endorsed teacher joining the content area teacher to assist in providing language support to the ELs, and/or EL students being pulled out of class for individual or small group intervention, often provided by an ESL-endorsed teacher. Other modes include online programming to support vocabulary. The Academy conducts an initial English Language Screening to any students who are new to the United States, as well as administer all EL students an annual assessment, WIDATM, to determine the student's ability in one of six levels of English language proficiency.

Primary School

The Academy's Primary School serves students in preschool through fifth grades. The Academy is a school-wide Title 1 building that creates a flexible, continuous learning environment where all classes have a student to teacher ratio of twenty-two to one (22:1) or less. The small atmosphere paired with caring staff members creates an environment of strong relationships. Data indicates these relationships lead to a safe and secure learning community where students can excel academically. Smaller class sizes lead to significant improvements in reading and mathematics, where benefits are greatest for students who start in small classes early in education. For these students, smaller classes can diminish the achievement gap and lead to reduced grade retention,

fewer disciplinary actions, decreased drop out and more students taking college entrance exams (Center for Public Education, 2004).

The Academy's Primary School provides best practice instruction and high expectations in all academic areas while allowing for flexibility and choice for students. Flexibility and choice provide students an opportunity to show mastery of skills. Research shows that successful programs for youth at risk of academic failure have clearly demonstrated that having high expectations, with high support, is a critical factor for academic achievement in school. Students achieve more when they believe the teachers expect the students will achieve more (Benard, 1995). We teach students the difference between fixed and growth mindset. Research shows that with the right mindset, we can motivate kids to reach their goals. (Dweck, 2006). High expectations result from a strong belief in the unlimited potential of each student and are also a reliable indication of high student achievement. The Academy builds a culture of high expectations by instilling higher order thinking skills; engaging students in big ideas and complex understanding; and taking into account the abilities and learning styles of all learners while integrating technology into the lives of students to prepare learners for 21st century skills. Students respond positively and work hard to achieve these expectations.

Kindergarten through fifth grade classrooms incorporate the Nurtured Heart Approach ("NHA"). When the NHA is implemented school-wide, classroom by classroom, the entire school advances to inspiring levels of respect, emotional safety and development of character, which promotes greater academic achievement. Using rich relationships balanced by clear limits increases the time actually spent teaching. Staff feel more effective at helping students overcome problems, while students feel an environment of positivity while at school. Academy staff incorporate monthly character trait education with a focus for being reasonable, respectful and responsible at all times. We have also added social emotional curriculum to meet the needs of our students.

Curriculum is developed into a series of units and aligned to formative and summative assessments. Formative assessments may include a variety of strategies such as quizzes, compositions, reports or performance events (Walker and Williamson, 2009), while summative assessments serve as a guide for directing the curriculum and instruction (Hoge & Colardarci, 1989).

The curriculum at the Primary School is aligned to the Michigan Academic Standards ("MAS"). Active participation and frequent use of formative assessments assist in individualizing education. Individualization is the process of adapting the curriculum to meet the needs of and appeal to the interests of a student. Differentiation of instruction works through flexibility in length and/or depth of assignments, lessons developed around multiple intelligences and cooperative learning structures and the growing use of technology in the classroom (Kagan, 1997).

English Language Arts ("ELA")

The ELA curriculum follows the General Education Leadership Network ("GELN") initiative to ensure all students increase in the capacity to improve literacy by identifying systematic and effective practices that can be implemented in the educational setting. Teachers use a balanced literacy approach to teach reading, writing, speaking and listening. Balanced literacy instruction is characterized by meaningful literacy activities that provide children with both the skill and desire to become proficient and lifelong learners. High levels of student achievement result by implementing and defining core instructional practices. System supports are in place to contribute to literacy success for every student; these include the instructional practices recommended for use in every classroom every day, as well as tier supports for students and teacher coaching for newer teachers.

Running records are one of many formative assessments used to ensure all students are showing proficiency in reading. When a student is not showing the growth needed to reach proficiency, special interventions are provided to give the student every opportunity to bring reading skills to grade level within the school year.

Mathematics

The mathematics curriculum uses the eight mathematical practices found in the MAS for instruction, practice and assessment. The Academy's research-based pedagogy assists students in developing a deeper understanding of concepts and application in real-world situations. Its use of innovative instruction breaks complex concepts into simpler increments, recognizing that smaller pieces of information are easier to teach and learn. The distributed approach ensures that students gain and retain critical thinking concepts in real-world situations. Data shows that the population at the Academy are more successful when the concepts are broken down and used in real-world applications.

Social Studies

The social studies curriculum is designed to foster critical thinking and active participation in the civic world. The Academy utilizes a program that emphasizes inquiry-based learning. Through teacher modeling and collaborative projects, students develop essential research and analysis skills. This approach encourages students to ask questions, consider multiple perspectives, and solve problems effectively, preparing them to be successful contributors to their communities and the world. When the focus is on life outside of the K-5 arena, both from a personal and community perspective, a deeper understanding is blended with practical application of skills to better assist students beyond the classroom.

Science

The Academy's Science curriculum is fully aligned to the MAS and promotes three-dimensional ("3D") learning. 3D learning refers to the intentional integration of three distinct dimensions: Scientific and Engineering Practices ("SEPs"), Disciplinary Core Ideas ("DCIs"), and Crosscutting Concepts ("CCCs"). Using this approach, the MAS emphasizes that science is not just a series of isolated facts. This awareness enables students to view science more as an interrelated world of inquiry and phenomena rather than a static set of science disciplines. This fundamental shift in science education requires a different approach to teaching science than in the past; teachers are now using a range of strategies to engage students and create opportunities to demonstrate students' thinking and learning.

Curriculum, Adaptation and Modification

Supplemental services for students with current IEPs include a kindergarten through fifth grade resource room, staffed by a certified special education teacher. The special education teachers help students identified as having a learning or other disability achieve grade level expectations. The

Academy's special education staff and the Jackson County Intermediate School District ("ISD") Special Education staff meet monthly to review the needs of special needs students.

Those students who do not qualify under an IEP but have difficulty in a subject area are referred to the Teacher Support Team ("TST"). The TST meets monthly to determine which students are candidates for appropriate supplemental services. Interventions determined from the TST include working with the Title One teacher or paraprofessional as individuals or in small groups to reduce the achievement gap. The TST also discusses the needs of gifted and talented students and the challenge required to help these students meet their highest academic potential.

The Academy recognizes that the "whole child" is a unique learner comprised of interacting dimensions, such as cognitive, physical, behavioral, social and emotional. The whole child lives within many connected environments including home, school and community. As part of the Whole Child Approach, the Academy embraces the comprehensive Multi-Tiered Systems of Support ("MTSS") framework that uses a collection of research-based strategies designed to meet the needs of the whole child. The Academy intentionally considers an education system that supports successful learner, school and community outcomes.

Virtual

The Academy recognizes that virtual learning is now an option for more than just the middle and high school student. The Academy does not believe that virtual education is best for many elementary aged children, both academically and for students' social emotional well-being, but recognizes that families and students have personal reasons in choosing this option. Through the experience with offering virtual education for middle and high school students, Academy staff has learned that communication and connection is still extremely important and works hard to make the virtual educational experience as 'in person' as possible. The Academy offers a virtual option for all students, kindergarten through twelfth grade.

Assessment

Academy administered assessments ensure students are taught at the appropriate instructional level and staff provide adjustments, accommodations and supplemental instruction as necessary. Instruction is determined by administering many different assessments, including the NWEA[®] MAP[®] GrowthTM, WIDA, PSATTM 8/9, and all required state assessments. The Academy administers the assessments as follows:

Grade	Assessment	Administration Timeline
K-2	NWEA MAP for Primary Grades	Fall, Winter, Spring
3-5	NWEA MAP Growth	Fall, Winter, Spring
K-5	WIDA (as appropriate)	Winter
3-5	State assessment/MI-Access	Spring

Summative assessments are used as a means to gauge student learning relative to content standards in each classroom level as an accountability measure. Formative assessment is used as part of the instructional process. It is incorporated to provide the information needed to adjust teaching and learning while it is happening. Formative assessment informs both teachers and students about student understanding at a point when timely adjustments can be made (Garrison & Ehringhaus, 2007).

Success in College, Work and Life

Each pupil, starting in seventh grade, is provided with the opportunity to develop an Educational Development Plan ("EDP") under the supervision of a highly qualified teacher. An EDP is a document that reflects a student's educational and career goals, methods to achieve these goals and student activities and achievements. The EDP is utilized as a secondary planning tool to direct the student's educational and training goals, including goals beyond graduation. The plan may also identify special resources and support for the student's success in a personal curriculum. The scope of a student's planning can include career awareness or exploration activities, work-based activities and course selections that prepare students for greater understanding of career options and achievement of career goals. Along with the EDP, students in the 8th grade spend a half day at daVinci High School shadowing high school students in several classes and lunch, along with a visit to the Jackson Area Career Center to assist students in planning future high school goals. The EDP is part of the Xello program that continues implementation throughout the high school years and serves to prepare students academically for success in college, work and life.

Preschool Program

The Academy operates an early childhood education program (Pre-Kindergarten/GSRP). On an annual basis, the Academy shall advise the Center on the current status of its early childhood education program. If changes occur in the Academy's early childhood education program, the Academy shall file a revised Early Childhood Education Program Questionnaire with the Center.

Unless permitted under Applicable Law or administrative rule, the Academy shall not use the state school aid funds to establish or operate its early childhood education program. In accordance with Applicable Law and administrative rule, the Academy shall budget and account for funds and expenses associated with its early childhood education program.

The da Vinci Virtual Center

The da Vinci Virtual Center is a support center for students in grades six through twelve enrolled in the Academy's virtual program. The Academy's goal is to provide a better learning environment for online learners, meet individual student needs and provide access to mentors and content teachers instead of limiting students to only virtual support. The online curriculum used at the Academy is OdysseyWare. All virtual content, grades six through 12, is solely from the OdysseyWare curriculum.

Upon enrollment in the virtual program, students are encouraged to stop at the Virtual Center on a weekly basis to ensure the Academy builds a relationship with each student, holds students accountable for online learning time and offers one-on-one support for academics. Students are allowed to stop in as often as needed and are not limited to a specific day or time. There is always a certified teacher in the Virtual Center during open hours, covering all curriculum areas. Online teachers and mentors are also available online at other extended hour times.

In an effort to foster a sense of community with and among the online students, and to build and maintain relationships, the Academy hosts community building events such as special meals,

treats, snacks, or special contests and activities, for example decorating the Christmas tree or frosting Christmas cookies.

Educational programs and graduation requirements meet the Michigan Merit Curriculum standards for core classes, as well as standards of expectation already present in the Academy's primary and high schools.

Middle School/High School

The Academy's middle grades of sixth, seventh and eighth grade, are served in a separate hall from the high school students, although they are located in the same building. The middle school team consists of two language arts teachers, two mathematics teachers, one social studies teacher and one science teacher, as well as a teacher for special education. Middle school students have specials that can include music, art, health, physical education, and/or Spanish.

The Academy's middle and high school has a student-to-teacher ratio of up to twenty-two to one (22:1). The small community and small atmosphere help students feel safe and secure and enhances the learning environment. The strong focus on relationships is key to helping students that may have experienced or are experiencing trauma. Data indicates that relationships and small classes lead to significant improvements, specifically in reading and mathematics and benefits are greatest for students who can receive more one-on-one attention (www2.ed.gov/offices/OESE/ClassSize/local/success.html). While small classes benefit all kinds of students, much research has shown that the benefits may be greatest for minority students or students attending inner-city schools where the population is highly at-risk. For these alternative students, smaller classes can shrink the achievement gap and lead to reduced grade retention, fewer disciplinary actions, less dropping out, and more students graduating within their cohort.

Transitions Classroom

In the Jackson community, the Academy is one of only two charter schools to offer programming for high school students. Based on the needs of the current most at-risk students, the Academy staff developed a transitions class to help students identify and work on the barriers to academic success. The goal of the class is to help students transition back to, and be successful in, the regular program. This class is offered when the staff feels that we have a current group of students that would benefit. If a student that is transferring to the high school has not been successful in attendance, behavior or academics in previous school settings, the student may be offered a semester in the transitions classroom. Students in this room have an even smaller student to teacher ratio, approximately ten to one (10:1). Students complete daily motivational and goal setting activities that include group discussions, journaling and one-on-one advising with the instructor. The class is highly individualized with many students working independently on credit recovery, and many students learning about trauma and how it affects the brain. This can empower the atrisk learner to understand their actions and help them make the changes necessary to be successful. Through the interview process, staff determine if there may be coursework that students have previously taken or if the students have the skills to test out of the course. Other students get additional support and tutoring, as well as take courses online, in an effort to help them catch up on credits. This high support, high expectation class is demanding and structured, yet personal and individualized.

New Student Orientation

To develop rapport with students and to introduce Academy expectations, students attend an interview and orientation. During the interview, information is collected (i.e. birth certificate, immunization records, special education status, discipline records and transcripts) on potential students to better assess the needs of the student. At the interview, appointments are made to assess reading and math skill levels before the student schedule is created.

A required student orientation session is held at the beginning of each school year. Students who enroll after the beginning of a semester receive the orientation information from a staff person responsible for enrolling new students. This information fosters the first relationship building to help the student transition to the school.

Curriculum and Research-based Instructional Strategies

Curriculum at the Academy's high school is aligned to the MAS. The student-to-teacher ratio allows and encourages strong relationships with students. A seminar class is built into the daily schedule to enhance the student and teacher relationship (Faye & Funk, 1995) and to focus on requirements specific to grade level and/or orientation to the Academy. The yearly seminar course allows teachers to work with alternative students individually on time management, organization and completion of assignments, remedial work in reading and math, as well as offer support for student coursework. It is the relationships at the Academy that most affect the success of students.

The Academy uses a backward design process to address both rigor and relevance (McTighe & Wiggins, 1999). All teachers build rigor into content areas with lesson plans that incorporate Bloom's Taxonomy to develop higher order thinking skills (Decker & Davidson, 2006) and Depth of Knowledge (Norman Webb, 1997). Through instructional planning, the Academy works on aligning the primary, middle and high school curricula vertically and has a structured curriculum review timetable in place. The timeline includes an opportunity to ensure pacing guides are updated and the use of current student data is strongly considered. This is accomplished through use of a curriculum spreadsheet template.

Delivery of instruction varies by content area and teacher. In all classrooms, there is a common goal of mastery, the notion that failure is not an option (Blankstein, 2004) and that instructional time has to be used efficiently and effectively. This is delivered through strong relationships and a focus on engagement by active participation, differentiation of instruction and individualization of curriculum that is witnessed by a learning environment and grading system that focuses on mastery of skills and content. The Academy believes that every student achieves or "masters" the curriculum and only receives credit once demonstrating an acceptable level of performance. Teachers provide study skills, offer study aids in the classroom and create differentiated lessons that give students control in the learning environment (Drapeau, 2004). Bloom's Taxonomy is used as a guide to ensure skills are taught at all levels of thinking, with adequate time for checking for understanding and re-teaching. This is noted through flexibility in length and/or depth of assignments, availability of teacher notes and PowerPoint presentations, lessons developed around multiple intelligences and cooperative learning structures and the growing use of technology in the classroom (Kagan, 1997). These tools are especially helpful for at-risk and alternative students who require instruction to include relevance to daily life.

The Academy recognizes the opportunity for online instruction to provide further individualization, especially for at-risk and alternative students. Online instruction is offered as a virtual classroom environment that engages students in learning through interactive technology such as animations, simulations, video-based presentations and exploration activities. Online instruction is led by highly qualified teachers who present lessons supported by online activities and aligned to the state standards. In addition, the Academy also provides a highly qualified teacher to serve as a mentor teacher to assist, monitor and assess student progress. This allows the teacher to reteach, answer questions, explain content and monitor. The online programming offers flexibility in that lessons are self-paced and lends itself to credit recovery opportunities.

English language arts

As indicated, teachers align curriculum to the MAS and develop units based on the expectations. The Academy has adopted the Michigan Association of Intermediate School Administrators ("MAISA") curriculum as the basis for all reading and writing instruction at the middle and high school levels. The English department participates in data retreats and identifies areas of strengths and weaknesses to determine Academy wide reading goals to support comprehension across the curriculum (Tompkins, 2008). Academy data and courses (i.e. Strategic Reading) address student needs in developing critical reading and listening strategies and reinforcing fluency and comprehension skills. Further, the English department recognizes reading comprehension as key in increasing math scores because of the need to accurately understand story problems. For these reasons, the Academy has adopted the Adolescent Critical Reading Initiative ("ACRI"). ACRI establishes goals to bring students to grade level and to prevent students from experiencing content area literacy issues in high school. ACRI emphasizes small group instruction focusing on critical thinking with expository text. The Academy has recently adopted Lexia to provide a more structured literacy intervention for students. Lexia is founded upon a structure and systematic approach to literacy instruction that builds upon prior learning in a sequential manner-from simple to complex- ultimately improving the ability to deliver critical literacy concepts, and transitioning the ownership of learning to the student.

Mathematics

The Academy believes that basic computation skills are the foundation for building higher-level skills. Problem-solving and critical thinking skills are encouraged in all curriculum areas to support mathematics learning (Whimbey & Lochhead, 1982). The Academy's rigorous math program emphasizes both foundational skills and critical thinking. The Academy recognizes the importance of strong computation as a building block for future mathematical concepts. However, the curriculum goes beyond mere calculations, fostering problem-solving and analytical skills through engaging activities. A variety of resources are leveraged to support this approach, including well-aligned textbooks, differentiated instruction strategies, and online platforms like Khan Academy and IXL. This allows learning to be tailored to individual needs and provide additional support through targeted interventions. For students who require additional reinforcement in specific areas of mathematics, remedial courses are available.

Social studies

The Academy has aligned the social studies curriculum with the C3 Framework and the MAS. Staff select textbooks and materials based on alignment and the availability of teacher resources to support differentiation, as well as the availability of student and parent resources to support

learning. Teachers use inquiry-based teaching to engage students (Higgs, 2005). The social studies curriculum incorporates hands-on, project-based learning experiences. These include, but are not limited to, cultural and historical field trips, artistic and food experiences related to the topics being studied, and guest speakers. When the focus is on life outside of the K12 arena, both from a personal and community perspective, a deeper understanding is blended with practical application of skills to better assist students as they move beyond the classroom.

Science

The Academy's science curriculum is fully aligned to the MAS and promotes 3D learning—the intentional integration of the SEPs, DCIs and CCCs. Using this approach, the MAS emphasize that science is not just a series of isolated facts and enables students to view science as an interrelated world of inquiry and phenomena rather than a static set of science disciplines. This fundamental shift in science education requires a different approach to teaching science than in the past, and teachers now use a range of strategies to engage students and create opportunities to demonstrate thinking and learning.

Curriculum Modifications and Accommodations

Supplemental services for students with a current IEP include a resource room, instructed by a helping teacher. "Helping teacher" is a term the Academy utilizes instead of the special education teacher to help students identified as having learning or other disabilities achieve high school content expectations. Classroom accommodations for students with IEPs are tracked by classroom teachers to ensure students receive assistance. Those accommodations include, but are not limited to extra time on tests, tests read to the student, testing in a smaller classroom environment, reduced quantity of class/homework, oral responses to tests, and use of word processors to complete work/tests.

The Academy's special education teachers provide resources and assistance to students with special needs, as well as utilizing a team-teaching approach in some instructional areas to lower the student to teacher ratio. The resource room teacher designs, or assists in the design of, instruction to meet the specific needs of the students to maximize learning potential. Additionally, the resource room teacher works closely with the child's regular general education teachers and parents to ensure support helps the student to reach full potential. Special education services outside of the resource room are provided through the Jackson County ISD.

Differentiation within each classroom exists for students without IEPs as well. This is demonstrated through compliance with 504 plans, alternative options for presenting final projects, oral explanations of subject matter to the teacher, projects that show advanced critical thinking skills and other independent study opportunities. Differentiated instruction provides for multiple and flexible methods of presentation, expression/apprenticeship and engagement.

A high percentage of at-risk youth requires the Academy to research interventions that address varied causes for achievement gaps. Students who do not qualify under an IEP but have difficulty in a subject area receive other support services, such as a one-on-one intervention in reading (NeuroReading). The Academy implements a pyramid of interventions (Blankstein, 2004) to target early prevention and intervention strategies, from additional progress reports to mandatory daily study sessions. The TST meets monthly to determine which students are candidates for appropriate

supplemental services and interventions. The committee considers interventions that challenge advanced students, as well as provide support services for students who are struggling academically and/or behaviorally. Further, the Academy's special education staff and the Jackson County ISD staff meet weekly, as well as when needed to review the needs of special needs students.

All students participate in diagnostic testing two to three times each school year. Course placement decisions are based, in part, on the test results. If students are two or more academic levels below level in reading and/or mathematics, then students are placed in remedial reading and/or mathematics courses (i.e. strategic reading, general math) until performance and test scores indicate students are ready for Michigan Merit Exam ("MME") credit courses.

Graduation Requirements

The Academy's high school graduation requirements follow the Michigan Merit Curriculum ("MMC"). The Academy believes a well-rounded education includes elective credits that assist in individualizing the curriculum for the student. Elective credits may be gained in any core academic or elective area, as well as vocational courses offered by the local ISD career center or dual enrollment courses. The Academy offers the opportunity of online courses to fulfill the requirement of the online learning experience.

The Academy's minimum requirements for graduation are twenty-four credits and completion of annual standardized testing including the MME/SAT[®] test.

Graduation Requirements		
Math		4.5 cr
Algebra I/II	2.0	
Geometry	1.0	
Personal Finance	0.5	
Additional district approved		
math course	1.0	
Must include a math course in final	l year	
English	4.5 cr	
Must include English 12		
Science	3.0 cr	
Biology	1.0	
Any (Physical Science preferred)	1.0	
Chemistry or Physics	1.0	
Social Studies	3.0 cr	
World History	1.0	
US History	1.0	
Civics/Gov	0.5	
Economics	0.5	
Physical Education/Health		1.0 cr
Fine Arts	1.0 cr	
		2.0 cr
Foreign Language		2.0 01

Electives

Total 24.0 cr

Students with special needs or age restrictions may request a Personal Curriculum. 9th Grade = 0 - 5.9 cr10th Grade = 6.0 - 11.9 cr11th Grade = 12.0 - 17.9 cr12th Grade = ≥ 18.0

Community Service

Engaging in community service provides students with the opportunity to become active members of their community and has a lasting, positive impact on society at large. Community service or volunteerism enables students to acquire life skills and knowledge, as well as provide a service to those who need it most. Common benefits of participating in a community service program include psychological benefits. Volunteering increases overall life satisfaction and helps you feel good about yourself because you are helping others as well as helping to decreases stress and ease depression. Volunteering promotes social benefits as students engage with the community, create special bonds with the population being served and increase social awareness and responsibility. And community service has cognitive benefits: volunteering helps students enhance personal knowledge, grow from new experiences and develop better interpersonal communication skills.

Participating in community service not only makes a difference to the organization and people being served, but also makes a difference to every student's career prospects. Participating in community service activities helps to enhance student resumes by allowing students to obtain work-related skills prior to graduation; builds good references for employers in regard to community involvement; and provides a forum to network with future potential employers. Students also develop civic and social responsibility skills and become more aware of community needs. The Academy partners with local programs and not-for-profit organizations to provide service opportunities. Community service and service-learning opportunities allow students to become familiar with business and non-profit employers in the local community (Blankstein, 2004).

Senior Requirements

The Academy is committed to teaching students how to learn, to instill a desire for life-long learning and to support and encourage students in the pursuit of dreams and aspirations. This is accomplished through a senior project in English 12 and a senior ePortfolio. The purpose of the senior research project is to demonstrate mastery in all facets of a major research project such as conducting research, speaking publicly, utilizing technology effectively and communicating a research-based thesis. The four-step process requires students to select a topic; research the topic extensively; create a presentation (organize the research into a presentation outline; create presentation aids; compile a bibliography; plan an interesting and engaging presentation); and finally, present the research to the audience. Students present to a group of peers, staff members and community members. The student must present for a minimum of ten minutes, include presentation aids and involve the audience in the presentation. The Academy requires students pass the presentation with a score of 70% or greater, as measured by the senior research project rubric.

The purpose of the ePortfolio is for students to identify and reflect upon skills acquired in kindergarten through twelfth grade education experience and to plan for life after high school. To that end, students compile an ePortfolio that includes a variety of items including, but not limited to, a reflective essay, transcripts, exhibits of employability skills, descriptions of careers and college paths, a resume and cover letter and a bibliography. The ePortfolio is public and viewable by teachers and students. After students complete the ePortfolio, the student may use the digital portfolio as a marketing tool to employers and college admissions teams.

Success in College, Work and Life

Partnerships and Community Resources

The Academy has worked with various community members to develop partnerships to assist students in developing skills that contribute to success after high school. Through partnerships, the local community assists students by providing social, recreational and educational services. Additionally, community partnerships support students in successfully achieving goals through financial education, job shadowing opportunities, community service and motivational speakers. The Academy's partnerships and resources include local colleges (i.e. Jackson College, Baker College and Spring Arbor University) as well as area businesses and organizations (i.e. True Community Credit Union, Jackson County Health Department, Michigan Theatre, Phoenix Childcare, ABC Childcare, The Dahlem Environmental Education Center, Jackson Area Career Center, Jackson County Math & Science Center, Somerset Beach Campground, Hidden Lake Gardens, Jackson YMCA, Jackson District Library, Target, Jackson County Medical Care Facility, John George Home, Aware Shelter, Jackson Interfaith Shelter, Cascades Park, Ella Sharp Park & Museum, Holocaust Memorial Center, Waterloo Recreational Area, MacCready Reserve, McCourtie Park, Henry Ford Allegiance, Walton Insurance Group, Shop Rat, Jackson Chamber of Commerce, Compassionate Ministries of Jackson County, Cascades Humane Society, Jackson County Animal Shelter, Echo Center, Junior Achievement). Within Jackson County we are serviced by a program through the Jackson County Career Access Center. An advisor is in our building twice a week to work with eleventh and twelfth grade students on their FAFSA, soft skills, on demand careers and training, and helping them to set career goals.

Dual enrollment and Early College

The high school is located on the campus of Baker College, which provides students with the opportunity to enroll in college courses. Having students physically on a college campus assists in eliminating barriers and helps students feel comfortable in a college setting (Conley, 2005). The Academy believes this experience assists students with the transition to college. The successful completion of a college class increases the likelihood of a student continuing to further his/her education after high school graduation. To give students a jump start on a college education while saving money for families, the Academy also participates in Jackson County Early College. Students can either request to enroll in Early College or be recommended by a teacher. Students are reviewed individually based on responsibility, maturity and academic progress.

Assessment

Assessment is another area where the Academy uses differentiation. Assessment is not simply a measure of achievement but is also something that is used to create achievement (Stiggins, 2004). The Academy has been trained in *Assessment for Learning*, which gives important feedback to teachers during the learning process, not just documenting mastery. Assessments for learning are

provided by teachers allowing multiple opportunities for demonstration of mastery (i.e. projects, presentations, process skills, reasoning and persuasive writing and art pieces). Teachers allow multiple re-takes of paper-pencil assessments, allowing students the opportunity to learn from assessments and have further opportunities to demonstrate mastery. Differentiation allows the opportunity for a variety of assessment tools to be used (Wormeli, 2006).

The Academy administers all state required tests, PSAT 8/9 (8th and 9th grades), PSAT[™] 10 (10th grade) and MME for 11th grade (and 12th as appropriate), including SAT, and WorkKeys[®]. The Academy also utilizes other online testing and analyzes data as it relates to content and standards. The NWEA MAP test is administered to students in grades 6-11 two or three times a year. All new students are assessed at the beginning of each semester with a pre-QRI screening test to determine which students need to be placed in the high school's Strategic Reading class. Students who demonstrate low math abilities on the MAP math test are considered for placement in the high school's General Math class, which uses MAP RIT scores to identify areas in curriculum that will help the student remediate gaps in learning. Overall, students are placed in classes based on the level of skill, in addition to which classes are needed to meet MMC requirements. In addition, the data is used for the school improvement process, which helps the Academy make informed decisions about addressing achievement gaps. WIDA is given as appropriate in 6th - 12th grade.

Achievement Gaps

Achievement gaps have shown the need to analyze data and make informed decisions for school improvement. Due to the highly at-risk and transient student population, MME scores and graduation rates continue to be problem areas for the high school. The Academy accepts the responsibility that each staff member must maintain the attitude that mediocrity is not an option in the Academy (Kafele, 2009), and recognizes that building relationships with families is a crucial step in helping students be successful (Payne, 1998). The Academy recognizes the need for substantial improvement in achievement and addresses the challenge in the school improvement process (data retreat), weekly staff meetings and committee/work groups to address specific areas of need. Among the initiatives to address achievement gaps, the Academy has implemented the following intervention strategies:

- build relationships and mentor students and families
- Nurtured Heart
- Positive attendance recognition
- 3 R Stars (reasonable, responsible and respectful)
- Glasser Reality Therapy
- adopted "5D+ Rubric for Instructional Growth and Teacher Evaluation"
- small class sizes up to twenty-two to one (22:1)
- daily seminar course for relationship building, study and support
- differentiated lessons
- Kagan Cooperative Learning Structures
- Growth Mindset
- Community School Engagement Specialist
- social worker on site
- Google Classroom, especially to support absent students

- using technology as a tool
- study skills and test taking skills taught within the content area
- remedial classes in English and mathematics, teacher taught
- remedial classes in English and mathematics, offered through virtual classes
- opportunity for virtual courses
- personal phone calls for absences
- postcards mailed to recognize effort, growth and success
- marking period recognition for achievement
- town meetings
- project based learning intensives with field trip opportunities
- PBIS, in school suspension, and reset room
- multiple seating options (ball chairs, video rocking chairs, hooki stools, Node chairs)
- sensory rooms and tools
- trauma therapy tools

These strategies also help to address the many reasons for students dropping out of school and ultimately failing to graduate.

Program Evaluation: Michigan Integrated Continuous Improvement Process ("MICIP")

The new assumption for MICIP is that school improvement is a continuous process; not a oneyear plan, but a process that evolves throughout the year. This allows the Academy to look at student learning with a new lens through the year, and as the student population changes. Students come to school to learn and to find challenge and excitement in new understandings. To provide learning environments that are meaningful and engaging, the Academy continually reflects on the quality of the systems and makes focused efforts to make improvements. Closing the achievement gaps at the Academy is extremely important and analyzed throughout the year. The Academy uses the data retreat process where leadership teams and individual teachers collaboratively study the Academy's data. Leadership teams work together through a guided, structured process to discover the data patterns, pose hypotheses and develop the school improvement plan. For the cycle to lead to real improvement, team members use data to provide insight and focus for the goals. Data patterns reveal weaknesses in the system that give direction to goals. Collaborative, reflective study of data provides a rich forum for deepening the understanding of learning as the impact of strategies and practices is measured. Key educators go through NWEA training to build experts in working with data.

Administrators participate in peer councils through the Jackson County ISD (Jackson County Superintendents Association, Jackson County Principals Association). These organizations are avenues to professional development, mentoring, best practices, and peer to peer support. The Academy works closely with The Jackson County ISD to identify ongoing opportunities for collaboration and professional development.

MICIP is focused on the district level. While it is primarily the role of the school to implement continuous learning cycles at the instructional level, it is primarily the role of the district to support that instruction at the systems level, whether that be with systems that have more direct impact on student learning such as curriculum/instruction/assessment, data, student support, or technology,

or those that support education more generally, including leadership, communication, human resources, finance, transportation, or food service. It is also ultimately the responsibility of the district to ensure that the plan is funded. (MICIP Training, 2021).

This work is based on research that identifies essential components for successful school improvement. Successful components include data use and collaboration, monitoring, leadership meetings, accountability and then more data collection, a continuous process (Sargent, 2007).

The alternative program uses the Data Retreat process to guide the effectiveness and continuous improvement of the academic program. Other programmatic aspects of the alternative program are evaluated once per semester at an appointed staff meeting by means of a rubric developed by Academy leadership.

Professional Development

To support program implementation, the Academy provides staff targeted professional development that is identified in the school improvement process, as well as during data reviews. Professional development serves as a key factor to improving the quality of instruction and increasing student achievement. Professional development is based on the analysis of achievement data and is differentiated for teacher needs and the subject areas targeted for improvement. In addition to professional development provided from outside resources, Academy teachers identified as skillful in a particular instructional topic model lessons for colleagues, observe peers teaching and provide structured feedback. The structured feedback allows for quality dialogue among staff and leadership and assists in making informed decisions regarding effective instructional strategies and best practices. Key educators go through NWEA training to provide building experts for working with data.

The Academy has a strong relationship with our local Intermediate School District. Not only does the Academy have access to training and trainers, but we also have a voice in setting the stage for the future, to bring experts to our community. On top of regular professional development opportunities, the ISD provides two professional development days throughout the year where all employees can benefit. There are opportunities for bus drivers, para professionals, secretaries, subject and level specific, as well as trauma, whole child, and diversity, equity and inclusion. da Vinci Schools

Contract Amendment No. 2

Tab 3

CURRICULUM

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.4, the Academy shall implement, deliver, and support the curriculum identified in this schedule.

The Academy has adopted Lucy Calkins reading and writing units for kindergarten through grade five; McGraw Hill IMPACT[™] Social Studies for kindergarten through grade 5; Michigan Association of Intermediate School Administrators ("MAISA") reading and writing units for grades six through eight and social studies grades six through eight; Big Ideas Math[®] for grades kindergarten through eight and high school Algebra I/II; Phenomenal Science for kindergarten through grade five; Mi-Star[™] Science for grades six through eight; Michigan Model for Health[™]; Academy written curriculum; and OdysseyWare[®] online curriculum for grades six through twelve enrolled in the Virtual Program. The curriculum for all core subjects has been received, reviewed and approved by the Center.

- MAISA Reading/Writing
- McGraw Hill IMPACT
- Big Ideas Math
- Phenomenal Science
- Mi-Star Science
- OdysseyWare
- Michigan Model for Health

https://oaklandk12-public.rubiconatlas.org/Atlas /Public/View/Default https://www.mheducation.com/prek-12/program/ https://www.bigideaslearning.com/programs/ http://phenomscience.weebly.com/the-units.html https://mi-star.mtu.edu/pages/mi-star-units/ https://davincik12.owschools.com/owsoo/login/auth http://www.michigan.gov/mdhhs/0,5885,7-339-73971_4911_4912_74286---,00.html

Elementary

The following subjects/courses are offered at the Academy.

Course	K	1	2	3	4	5	6	7	8
English Language Arts	Х	X	X	X	Х	X	X	Х	X
Mathematics	Х	Х	Х	Х	Х	Х	Х	Х	Х
Science	Х	Х	Х	Х	Х	Х	Х	Х	Х
Social Studies	Х	Х	Х	Х	Х	Х	Х	Х	Х
Health	Х	Х	Х	Х	Х	Х	Х	Х	Х
Puberty/Reproductive Health					Х	Х	Х	Х	Х
Physical Education	Х	Х	Х	Х	Х	Х	Х	Х	X
Virtual/Online Program							Х	Х	Х

Secondary

The following subjects/courses are offered at the Academy*.

Course Name Grad	de**		Course Name
			Physical Education & Health
English (minimum 4)			(minimum .5 each)
	ny		Recreational Sports
	ny		Health
	ny		
	ny		World Language (minimum 2)
	ny		Spanish I A/B
	ny		Spanish II A
Strategic Reading A	ny		
Mathematics (minimum 4)			Visual, Performing & Applied Arts <i>(minimum 1)</i>
General Math A/B Ai	ny		Mixed Media Art
Algebra I A/B Ai	ny		Music Appreciation
Algebra II A/B A1	ny		Music Instrumental
Geometry A/B An	ny		
Personal Finance Ai	ny		Other
			Resource Room (based on IEP)
Science (minimum 3)			Seminar (Home Room)
Physical Science Ai	ny		
General Biology A	ny		Virtual Courses***
Human Biology Ai	ny		OdysseyWare Course Catalog
Intro to Chemistry/Earth Science An	ny		
General Chemistry/Space Science An	ny	(Off Campus Courses
Environmental Science A	ny		Baker College
			https://www.baker.edu/academics/res
Social Studies (minimum 3)			<u>ll-course-list/</u>
2	ny		Jackson College
	ny		https://www.jccmi.edu/academics/
	ny		
Economics Ai	ny		

* The Academy updates course offerings each school year based on the needs and interests of students as well as teacher certification. As a result some courses are rotated and are not offered each year. All core subjects are taught every year and high school students are required to meet the requirements of the Michigan Merit Curriculum.

**If students are not required to take a course at a specific grade level, "any" is used for the grade indication.

***Virtual Courses are defined as any course(s) that are delivered using the internet.