



CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY
AND RELATED DOCUMENTS

ISSUED TO

NEXTECH HIGH SCHOOL
(A PUBLIC SCHOOL ACADEMY)

BY THE

CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

JULY 1, 2022

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REAUTHORIZING RESOLUTION

REAUTHORIZATION OF PUBLIC SCHOOL ACADEMY

NexTech High School

Recitals:

1. At its February 16, 2017, meeting this board authorized the issuance of a contract to charter as a public school academy to NexTech High School. On July 1, 2017, the contract was effective.
2. The contract of this academy expires June 30, 2022.
3. The Governor John Engler Center for Charter Schools has completed its evaluation and assessment of the operation and performance of NexTech High School.
4. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to NexTech High School. The term of the contract is recommended for a term not to exceed five (5) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to NexTech High School for a term not to exceed five (5) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between NexTech High School 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 NexTech High School is able to comply with all terms and conditions of the contract.

CMU BDT APPROVED

Date: April 21, 2022
Signature: Mary Jane Flanagan



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.

CMU BDT APPROVED

Date: 2/15/18
Signature: My Hangan

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 submitted by the academy board, he/she may select and recommend another 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 made under this

Date:

2/15/18

Signature:

my Hanagar

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: 2/15/18

Signature: m J Flanagan

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

CMU BDT APPROVED

Date: 2/15/18

Signature: my Haneja

TERMS AND CONDITIONS OF CONTRACT

**TERMS AND CONDITIONS
OF CONTRACT**

DATED: JULY 1, 2022

ISSUED BY

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

CONFIRMING THE STATUS OF

NEXTECH HIGH SCHOOL

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 NexTech High School;

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 the NexTech High School's 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. Certain Definitions. 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 NexTech High School 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.
- (l) "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 that does not require repayment by 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 April 21, 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, 2022, Issued by the Central Michigan University Board of Trustees Confirming the Status of NexTech High School 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. Captions. 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. Gender and Number. 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. Statutory Definitions. Statutory terms defined in the Code shall have the same meaning in this Contract.

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

Section 1.6. Application. 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. Conflicting Contract Provisions. 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 Contract with 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, Reauthorizing Resolution and these Terms and Conditions.

ARTICLE II

RELATIONSHIP BETWEEN THE ACADEMY AND THE UNIVERSITY BOARD

Section 2.1. Constitutional Status of Central Michigan University. 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. Independent Status of the Academy. 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. Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University. 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. Academy Has No Power To Obligate or Bind the State of Michigan, the University Board or the University. 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. New Public School Academies Located Within the Boundaries of a Community District. 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. University Board Resolutions. 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. University Board as Fiscal Agent for the Academy. 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. Oversight Responsibilities of the University Board. 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. University Board Administrative Fee. 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. University Board Approval of Condemnation. 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. Authorization to Employ or Contract. 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 full-time 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. Teacher Certification. Except as otherwise provided by law, the Academy shall use certificated teachers according to State Board rule.

Section 3.8. Administrator and Teacher Evaluation Systems. 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. Reimbursement of University Board Services. 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. Limitation on Actions in Performance of Governmental Functions. 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. Academy Board Members Serve In Their Individual Capacity. 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. Incompatible Public Offices and Conflicts of Interest Statutes. 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. Prohibition of Identified Family Relationships. 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. Oath of Public Office. 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. Academy Counsel. 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. Nonprofit Corporation. 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. Articles of Incorporation. 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. Bylaws. 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. Governance Structure. 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. Educational Goal and Related Measures. 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. Educational Programs. The Academy shall implement, deliver and support the educational programs identified in Schedule 7c.

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

Section 6.5. Methods of Pupil Assessment. 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. Application and Enrollment of Students. The Academy shall comply with the application and enrollment requirements identified in Schedule 7f.

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

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

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

Section 6.10. Accounting Standards. 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. Annual Financial Statement Audit. 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. Address and Description of Physical Plant. 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. Contributions and Fund Raising. 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. Disqualified Organizational or Contractual Affiliations. 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. Method for Monitoring Academy's Compliance with Applicable Law and its Targeted Educational Outcomes. 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. Matriculation Agreements. 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. Postings of Accreditation Status. 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. Tuition Prohibited; Fees and Expenses. 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. Compliance with Applicable Law. 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. Amendments. 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. Process for Amendment Initiated by the Academy. 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. Process for Amendment Initiated by the University Board. 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. Final Approval of Amendments. 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. Change in Existing Law. 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. Statutory Grounds for Revocation. 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. Other Grounds for Revocation. 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. Automatic Amendment Of Contract; Automatic Termination of Contract If All Academy Sites Closed; Economic Hardship Termination. 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. Grounds and Procedures for Academy Termination of Contract. 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 to the University Board. A copy of the Academy Board’s resolution approving of the Contract 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. Grounds and Procedures for University Termination of Contract. 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. University Board Procedures for Revoking Contract. 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) Notice of Intent to Revoke. 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) Academy Board's Response. 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 or Applicable Law. A response not in compliance with this Section 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) Plan of Correction. 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) University Board's Contract Reconstitution Provision. 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) Request for Revocation Hearing. 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) Effective Date of Revocation. 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) Disposition of State School Aid Funds. 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. Contract Suspension. The University Board's process for suspending the Contract is as follows:

- (a) The Center Director Action. 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) Disposition of State School Aid Funds. 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) Immediate Revocation Proceeding. 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 shall be provided to the Center and 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. Conservator; Appointment By University President. 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. The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan. 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. Insurance. 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. Lease or Deed for Proposed Site. 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. Certificate(s) of Use and Occupancy. 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. New Building Construction or Renovations. 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. Criminal Background and History Checks; Disclosure of Unprofessional Conduct. 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. Special Education. 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. Deposit of Public Funds by the Academy. 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. Nonessential Elective Course. 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. Notices. 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 NexTech High School 801 Broadway Ave. NW, Ste. 225 Grand Rapids, MI 49504

Section 12.2. Severability. 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. Successors and Assigns. 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. Entire Contract. 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. Assignment. This Contract is not assignable by the Academy.

Section 12.6. Non-Waiver. 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. Governing Law. 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. Counterparts. 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. Term of Contract. 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, 2025, 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. Construction. 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. Force Majeure. 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. No Third Party Rights. 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. Non-agency. It is understood that the Academy is not the agent of the University.

Section 12.15. University Board or the Center's General Policies on Public School Academies Shall Apply. 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. Survival of Provisions. 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. Termination of Responsibilities. 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. Disposition of Academy Assets Upon Termination or Revocation of Contract. 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. Student Privacy. 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. Partnership Agreement. 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: _____
Richard K. Studley, 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.

NEXTECH HIGH SCHOOL

By:  _____
Board President

Date: 6/28/22

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: Richard K. Studley
Richard K. Studley, Chair

Date: 06/17/2022

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.

NEXTECH HIGH SCHOOL

By: _____
Board President

Date: _____

CONTRACT SCHEDULES

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CONTRACT SCHEDULE 1

RESTATED ARTICLES OF INCORPORATION

FILED

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU			AUG 01 2017	
Date Received JUN 27 2017	ADJUSTED PURSUANT TO TELEPHONE AUTHORIZATION		Administrator Corporation Division	
JUL 25 2017	This document is effective on the date filed, unless a subsequent effective date within 90- days after received date is stated in the document.		TransInfo: 1 22230714-1 06/26/17 Check: 07879 Amt: \$10.00 ID: 71149G	
Name Andrew Emmitt		EFFECTIVE DATE: .		
Address 801 Broadway Ave. NW, Suite 225				
City	State			Zip
Grand Rapids	MI			49504
		71149G		

RESTATED ARTICLES OF INCORPORATION
For Use by Domestic Nonprofit Corporations

OF

NEXTECH HIGH SCHOOL

Pursuant to the provisions of the Michigan Nonprofit Corporation Act (Act 162) of 1982, as amended (the "Act"), being MCL 450.2101 et seq. 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: NexTech High School.

The corporation identification number ("CID") assigned by the Bureau is: 71149G.

The corporation has used the following other names: Nexus Academy of Grand Rapids.

The date of filing the original Articles of Incorporation was: July 12, 2012.

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: NexTech High School.

AW

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 non-stock 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 Emmitt.

The address of its registered office in Michigan is: 801 Broadway Ave NW, Suite 225, Grand Rapids, MI 49504.

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

ARTICLE V

The corporation is a governmental entity.

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, Vice-President, 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

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, Bureau of Commercial Services. 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.

ADOPTION OF ARTICLES

These Restated Articles of Incorporation were duly adopted on the 20 day of June, 2017, in accordance with the provisions of Section 64 of the Act. These Restated Articles of Incorporation restate, integrate and do further amend the provisions of the Articles of Incorporation and were duly adopted by the directors. The necessary number of votes were cast in favor of these Restated Articles of Incorporation.

Signed this 20 day of June, 2017.

By: _____

President



CONTRACT SCHEDULE 2

AMENDED BYLAWS

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AMENDED BYLAWS
OF
NEXTECH HIGH SCHOOL

ARTICLE I
NAME

This organization shall be called NexTech High School (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. Principal Office. The principal office of the Academy shall be located in the state of Michigan.

Section 2. Registered Office. 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. General Powers. 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. 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. 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 submitted by the Academy Board, he/she may select and recommend another 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. Length of Term. 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. Number of Director Positions. 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. Qualifications of Academy Board Members. 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. Oath of Public Office. 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. Tenure. 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. Removal and Suspension. 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. Resignation. 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. Board Vacancies. 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. Compensation. 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. Annual and Regular Meetings. 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. Special Meetings. 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. Notice; Waiver. 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. Quorum. 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:

<u># of Academy Board Positions</u>	<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. Manner of Acting. 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. Open Meetings Act. All meetings of the Academy Board shall at all times be in compliance with the Open Meetings Act.

Section 7. Presumption of Assent. 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. Committees. 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 1. Number. 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. Election and Term of Office. 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. Removal. 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. Vacancies. A vacancy in any office shall be filled by appointment by the Academy Board for the unexpired portion of the term.

Section 5. President. 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. Vice-President. 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. Secretary. 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. Treasurer. 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. Assistants and Acting Officers. 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. Salaries. 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. Filling More Than One Office. 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. Contracts. 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. Loans. 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. Checks, Drafts, etc. 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. Deposits. 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. Voting of Gifted, Bequested or Transferred Securities Owned by this Corporation. 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 issued by such other corporation and owned by this corporation the same as such 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 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. Contracts Between Corporation and Related Persons. 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 28th day of June, 2022.


Academy Board Secretary

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 NexTech High School ("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. Definitions. 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. Receipt of State School Aid Payments and Other Funds. 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. Transfer to Academy. Except as provided in Article X of the Terms and Conditions of Contract and in the Oversight, Compliance and Reporting Agreement, 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. Limitation of Duties. 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 Eligibility for State School Aid Payments. 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. State School Aid Payment Overpayments and Penalties. 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. Method of Payment. 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. Compliance with State School Aid Act. 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. Academy Account. 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. Expenditure of Funds. 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. Mid-Year Transfers. 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. Repayment of Overpayment. 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. Records. 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. Reports. 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. Representations. 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. Limitation on Liability. 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 NexTech High School.

BY: _____

David Boyne
Director, State Finance Division
Bureau of State and Authority Finance
Michigan Department of Treasury

Date: February 4, 2022

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 NexTech High School ("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. **Definitions.** 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. **Oversight Responsibilities.** 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.
- l. 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. Compliance and Reporting Duties. 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 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, 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.
- l. 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. Waiver of Compliance and Reporting Duties. 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. Records. 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. Administrative Fee. 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. Time of the Essence. 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. Fiscal Stress Notification from State Treasurer. 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 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.

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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.

Administrator and Teacher Evaluation Systems. 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 assigned to be taught in the same subject area for a second consecutive year by a teacher who 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.

Teacher and Administrator Job Performance Criteria. 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 by CS Partners, LLC, and CSP Management Inc., d/b/a as Partner Solutions for Schools (collectively "CSP") and are outlined in the Educational Service Provider Agreement included in this Schedule.

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-to-day 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.

SERVICES AGREEMENT

This Services Agreement (the “Agreement”) is made and entered into as of July 1, 2022 by and among **CS PARTNERS, INC.**, a Michigan corporation (“CS Partners”), **CSP MANAGEMENT INC.**, a Michigan corporation d/b/a **PARTNER SOLUTIONS FOR SCHOOLS** (“Partner Solutions for Schools” and together with CS Partners, collectively “CSP”), and **NEXTECH HIGH SCHOOL**, a Michigan public school academy (the “Academy”) formed under Part 6(A) of the Revised School Code (the “Code”), as amended.

As a wholly owned subsidiary of CS Partners, Partner Solutions for Schools is the employer of record for all staff assigned to work at the Academy. CS Partners provides the educational consulting services and oversees the management and operational services of the Academy. Together, CS Partners and Partner Solutions for Schools are jointly responsible for providing the Services under this Agreement.

The Academy has been issued a contract (the “Contract”) by the **CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES** (the “Authorizer”) to organize and operate a public school academy. The Authorizer is the statutory authorizing body. The Code and the Contract permit a public school academy to contract with persons and entities for the operation and management of the public school academy.

The Academy and CSP desire to create an enduring educational partnership whereby the Academy and CSP will work together to develop and bring about systems of educational excellence and services to the Academy based on CSP’s vision of school design, CSP’s management principles, the Educational Program (defined below), and the educational goals and curriculum adopted by the Board of Directors of the Academy (the “Board”).

THEREFORE, the parties hereby agree as follows:

ARTICLE I **Relationship of the Parties and Other Matters**

Section 1. Authority. The Academy represents that (a) it is authorized by law to contract with a private entity for the provision of management and operational services to the Academy, (b) it has been issued the Contract from the Authorizer to organize and operate a public school academy, (c) it is authorized by the Authorizer to supervise and control the Academy, and (d) it is vested with all powers necessary or desirable for carrying out the Educational Program (defined below) contemplated in this Agreement.

To the extent permitted by law, the Academy hereby authorizes and grants to CSP the necessary authority and power to perform under this Agreement. No provision of this Agreement shall interfere with the Board’s statutory, contractual, and fiduciary responsibilities, nor shall any provisions of this Agreement be construed so as to prohibit the Academy from acting as an independent, self-governing public body, or allow public decisions to be made other than in compliance with the Michigan Open Meetings Act.

Section 2. Services; Educational Program. The parties agree that CSP, to the extent permitted by and in conformity with the Contract and applicable laws, shall provide all labor, materials, and supervision necessary for the provision of the management and operational services to the Academy contemplated by this Agreement as specifically set forth on the attached Exhibit A (the “Services”).

CSP shall provide Services to the Academy so the Academy can carry out the educational goals, educational programs, curriculum, method of pupil assessment, admissions, policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, educational goals and methods to be used to monitor compliance with performance of targeted educational outcomes, as previously adopted by the Board and as included in the Contract (collectively, the “Educational Program”).

Section 3. Compliance with Academy’s Contract. CSP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy’s obligations under the Academy’s Contract issued by the Authorizer and all applicable law. The provisions of the Academy’s Contract shall supersede any competing or conflicting provisions contained in this Agreement.

Section 4. Relationship of the Parties. CSP is not a division or any part of the Academy. The Academy is a corporate and governmental entity authorized under the Code. The Academy is not a division or any part of CSP. The relationship between the parties hereto was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.

Section 5. CSP as Independent Contractor; Agency. The parties to this Agreement intend that the relationship of CSP to the Academy is that of an independent contractor, and not an employee of the Academy. Except as set forth in this paragraph, no agent or employee of CSP shall be determined to be an agent or employee of the Academy. Notwithstanding the foregoing, CSP and its employees and subcontractors are hereby designated by the Board as “School Officials” of the Academy having a legitimate educational interest such that they are entitled to access educational records under the Family Educational Rights and Privacy Act (“FERPA”) and its implementing regulations during the Term of this Agreement (defined below) to the extent that their roles fit the definition of School Official under § 99.31(a)(1)(i)(B)) of FERPA’s implementing regulations. CSP and its employees and subcontractors agree to comply with FERPA and corresponding regulations applicable to school officials. CSP shall promulgate and recommend to the Board policies and administrative guidelines sufficient to implement this Section.

During the Term of this Agreement, the Academy may disclose confidential data and information to CSP, and its respective officers, directors, employees and designated agents to the extent permitted by applicable law, including without limitation, the FERPA, the Individual with Disabilities Education Act (“IDEA”), 20 USC §1401 et seq., 34 CFR 300.610 -300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the American with Disabilities Act, 42 USC §12101 et seq.; the Health Insurance Portability and Accountability Act (“HIPAA”), 42 USC 1320d -

13200d-8; 45 CFR 160, 162 and 164; Privacy Act of 1974, 5 USC §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84. CSP will be solely responsible for its acts, the acts of its agents, employees, and those subcontractors who are contracted through CSP.

Section 6. No Related Parties or Common Control. The parties hereby agree that none of the voting power of the governing body of the Academy or the Board will be vested in CSP or its directors, members, managers, officers, shareholders, or employees. Further, the Academy and CSP are not, and shall not become: (a) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the “IRS Code”); or (b) related persons, as that term is defined in the IRS Code.

Section 7. Personnel Responsibility. CSP has the ultimate authority to select, hire, discipline, promote, demote, terminate, and transfer personnel, consistent with applicable laws. The School Leader (as defined below) shall be responsible for approving and submitting appropriate hours-worked reports for all hourly employees. CSP evaluation and compensation systems shall comply with all applicable laws.

Section 8. School Leader. CSP shall identify and appoint a School Leader, with advisory input from the Board, to oversee the management, operation and performance of the Academy, including the implementation of the Educational Program at the Academy (the “School Leader”). The School Leader will be an employee of Partner Solutions for Schools, and may be disciplined and/or terminated by CSP in its sole discretion. The School Leader will serve as the on-site supervisor to all CSP Staff assigned to the Academy. The School Leader, in consultation with CSP, will select and hold accountable all staff in leadership team positions. The School Leader shall be responsible for supervising and managing the Educational Program and instruction of students. CSP will have the authority, consistent with applicable laws, to select and supervise the School Leader and to hold the School Leader accountable for the success of the Academy. CSP shall notify the Board prior to the termination of the School Leader.

If the Board becomes dissatisfied with the performance of the School Leader, it shall notify CSP in writing and state the causes of such dissatisfaction to CSP. CSP shall have a reasonable period of time to remedy the dissatisfaction; however, if it cannot remedy the dissatisfaction, CSP shall remove and replace the School Leader at the Academy as soon as practicable. Additionally, it is agreed that any dissatisfaction of the Board shall be reasonable in nature and related specifically to the duties and responsibilities of the School Leader at the Academy.

Section 9. Teachers and staff. CSP will provide administrative support to the School Leader to obtain resumes and credential information for the School Leader to staff the Academy, in accordance with the Board approved budget. CSP will empower the School Leader with the authority to select, hire and hold accountable the teachers and support staff for the operation of the Academy. After qualified staff are selected and hired by the School Leader, Partner Solutions for Schools will onboard and provide additional administrative support to the School Leader. Teachers employed by Partner Solutions for Schools are not eligible for purposes of continuing tenure under MCL §38.71 et seq.

Section 10. Criminal Background Checks. Partner Solutions for Schools agrees that it shall not assign any of its employees, agents or other individuals to perform any services under this Agreement except as permitted under Sections 1230, 1230a, 1230b and related provisions of the Code pertaining to criminal background and criminal conduct checks. The Academy shall require that the results of the criminal background check are received, reviewed, and used (subject to a verification process) by the Academy's Authorized User acting on behalf of the Academy and/or the Board, only as permitted by law to evaluate the qualifications of the individual for his/her assignment. Partner Solutions for Schools and CSP agree to maintain the confidentiality of any criminal background records and related documents on behalf of the Academy and in conformance with applicable laws.

Section 11. The Board. The Board is the governing body with oversight responsibilities over the Academy. The parties acknowledge that throughout this Agreement the term "Board" and the term "Academy" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject-matter of the article/section. This Agreement must be approved by the Board and executed by a duly authorized member of the Board (on behalf of the Academy), and by so executing this Agreement the Board acknowledges and accepts all obligations and responsibilities related to the Board as set forth in this Agreement, subject to the non-disapproval of the Authorizer.

Section 12. Availability of Funds. Notwithstanding any other term or provision in this Agreement to the contrary, CSP shall not be, directly or indirectly, liable to any third party for any cost or expense incurred by the Academy that has been pre-approved or budgeted for by the Academy, and CSP shall only be required to perform its responsibilities under this Agreement to the extent that CSP has received such revenues from the Academy pursuant to the terms of this Agreement (excluding Payroll Costs as elsewhere defined in this agreement that are legally owed to staff at the Academy). CSP shall, however, remain liable to the Academy for any cost it commits the Academy to without the Board's approval.

Section 13. Information Available to the Public. On an annual basis, CSP shall provide the Academy Board all the same information that a school district is required to disclose under section 18(2) of the State School Aid Act, MCL 388.1618(2) and MCL 380.503(c)(1) of the Code, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information under section 18(2), the Academy Board shall make this information publicly available on its website, in a form and manner prescribed by the Michigan Department of Education. The defined terms in Section 503c of the Code shall have the same meaning in this Agreement.

Section 14. Non-Compete Agreement. CSP shall not impose any contractual requirement or contractual obligation on any of its employees assigned to the Academy to enter into a non-compete provision or agreement of any nature. CSP also agrees not to place any restrictions in the employment contracts with any of its employees assigned to work at the Academy that would prevent the Academy from employing those individuals at the Academy or would prevent those individuals from working for the Academy or for any other entity providing educational services to the Academy. CSP agrees that any provision of an employment agreement with any of its

employees that would be in violation of this provision is void and shall not be enforceable in any forum.

Section 15. Lease and Loans. If the Academy and CSP enter into a lease, execute promissory notes or other negotiable instruments, or enter into a lease-purchase agreement or other financing relationship, then such agreements must be separately documented and separately approved and shall not be a part of or incorporated into this Agreement. In addition, all such agreements must comply with the Contract and applicable law, as well as any applicable Authorizer policies.

Section 16. Data Security Breach. CSP shall promptly report to the Board, not later than five (5) days following discovery, any use or disclosure of personally identifiable information from the Academy's education records or other information not suitable for public release (collectively, Covered Data or Information ("CDI")) that is not authorized by this Agreement or applicable law. CSP agrees to promptly undertake to identify: (a) the nature of the unauthorized use or disclosure, (b) the CDI used or disclosed, (c) who made the unauthorized use or received the unauthorized disclosure, (d) what CSP has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, (e) whether, and if so on what grounds, CSP has determined that the security breach has not or is not likely to cause substantial loss or injury to, or result in identity theft with respect to, one or more residents of this state, and (f) what corrective action CSP has taken or shall take to prevent future similar unauthorized use or disclosure. CSP shall provide such other information as reasonably requested by the Academy Board. CSP shall take appropriate action, in accordance with MCL 445.72, to notify affected individuals whose CDI may have been compromised.

ARTICLE II

Term

Section 1. Term. This Agreement shall be effective for the duration of the Academy's current authorizing Contract term of three (3) years with the Authorizer beginning July 1, 2022 ("Effective Date") and ending on June 30, 2025, unless otherwise terminated under the terms of this Agreement. Under no circumstances, shall the term of this Agreement exceed the term of the Academy's Contract.

Section 2. Renewal. If the Contract between the Academy and the Authorizer is extended, the Term shall automatically extend for an additional period of time concurrent with the extended Charter Contract between the Academy and the Authorizer. This extension term shall be for the same number of years as the Contract is extended, and in no event shall this Agreement extend beyond the termination of the Contract between the Academy and the Authorizer.

ARTICLE III

Obligations of the Academy

Section 1. Good Faith Obligation. The Academy shall exercise good faith in considering CSP's recommendations relative to the Educational Program and/or the Services.

Section 2. Academy Funds. The Board shall determine the depository of all funds received by the Academy including, but not limited to, the State School Aid and any Additional Revenue (as defined in Exhibit A). All funds received by the Academy shall be deposited in the Academy's depository account as required by law. Signatories on all Academy Board accounts shall solely be members of the Board or properly designated Academy Board employees on an annual basis via Board resolution. All interest or investment earnings on Academy accounts and deposits shall accrue to the Academy.

Section 3. Notification Requirement. The Academy is required to notify CSP in writing if the Academy receives a notification from the Authorizer discussing a possibility of an intent to revoke the Contract and/or non-renewal or closure is discussed by a Board member or the Authorizer.

ARTICLE IV

Compensation and Reimbursement of Costs

Section 1. Compensation for Services. During the Term of this Agreement, the Board shall pay CS Partners an annual fee (the "Fee") equal to ten percent (10%) of the total State School Aid Foundation Allowance received from the State of Michigan, pursuant to the State School Aid Act of 1979, as amended. At no time shall the annual fee be less than \$100,000.

The Fee may also include ten percent (10%) of any Additional Revenue (as defined in Exhibit A) provided that CS Partners discloses that the Fee also applies to said Additional Revenue and the Board approves the same in the Academy's annual budget, or any revised budget, prior to the application and payment of such Fee.

The parties intend that this Agreement meet all of the applicable safe harbor conditions as set forth in Sections 5.02 through Sections 5.07 of the Revenue Procedure 2017-13. In this regard, the Academy and CSP make the following representations:

- (a) CSP's compensation under this Agreement is reasonable compensation for services to be rendered hereunder and is not based, in whole or in part, on a share of net profits and/or a share of the net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property;
- (b) This Agreement does not pass on to CSP the burden of bearing any share of net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property;
- (c) The term of this Agreement is not greater than 30 years or 80 percent of the useful life of the Academy's school facilities currently financed with tax-exempt debt (if shorter) including all renewal options;
- (d) The Academy bears the risk of loss upon the disposition, damage or destruction of the Academy's property; and

(e) CSP is not entitled to and will not take any federal tax position that is inconsistent with being a service provider under this Agreement to the Academy.

In interpreting this Agreement and in the provision of the services required hereunder, CSP shall not have any role or relationship with the Academy that, in effect, substantially limits the Academy's ability to exercise its rights and obligations under State law. As required by the Academy's Article of Incorporation and Bylaws, the Academy Board may not include any director, officer or employee of a management company that contracts with the Academy. In furtherance of such restriction, it is agreed between the Academy and CSP that none of the voting power of the governing body of the Academy will be vested in CSP or its directors, members, managers, officers, shareholders and employees, and the Academy and CSP will not be related parties as defined in Treas. Reg. 1.150-1(b).

Section 2. Payment of Payroll Costs. In addition to the Fee, Partner Solutions for Schools will invoice the Academy for all employment costs ("Payroll Costs") for Partner Solutions for Schools' employees assigned to the Academy. Payroll Costs include salary, benefits, and other costs attributable to personnel employed and assigned by Partner Solutions for Schools to perform Services at the Academy under this Agreement, including but not limited to gross wages, FICA, Medicare, FUTA, SUTA, workers' compensation insurance, professional liability insurance, separation costs, employer portions of health, dental, vision and life insurance, and 401K employer contributions (if applicable).

Partner Solutions for Schools shall be advanced funds for Payroll Costs no later than the third business day preceding each payroll date ("Payroll Date") for Partner Solutions for Schools' employees assigned to perform Services at the Academy under this Agreement. For purposes of this Agreement, the Payroll Date shall be that date or dates established annually by Partner Solutions for Schools.

If Payroll Costs have not been funded by the Academy by the payroll date, Partner Solutions for Schools may send lay-off notices to Partner Solutions for Schools' employees. At that time, Partner Solutions for Schools will also provide the Academy an invoice for all accrued Partner Solutions for Schools' staff wages (earned but not yet paid) for employees and staff assigned to the Academy for payment. Notwithstanding the above, Partner Solutions accepts full liability and is responsible for paying all salaries, benefits, payroll taxes, workers compensation, unemployment compensation and liability insurance for its employees leased to the Academy or working on Academy operations for work already completed irrespective of whether Partner Solutions receives an advancement of its costs or the payment of service from the Academy. However, Academy's non-payment of such funds is considered a material breach of this Agreement.

Section 3. Payment of Reimbursable Expenses. In addition to the Fee, the Academy shall reimburse CSP for all costs reasonably incurred and paid by CSP ("Reimbursable Expenses") in providing the Services specifically related to the Academy. Reimbursable Expenses include, but are not limited to, Payroll Costs (as defined in Section 2 above) for Partner Solutions for Schools' employees assigned to the Academy that are not advanced under Section 2 above, costs mandated by a governmental entity, administrative agency or court of law, e.g., payment into Michigan Public Employees Retirement System (MPERS), other expenses for equipment, software,

supplies, food service, transportation, special education, psychological services, and medical services.

CSP will invoice the Academy for reimbursement of Reimbursable Expenses with a detailed receipt of material or services provided. The Academy shall only reimburse for costs included in an annual operating budget approved by the Board or as amended during the academic year. In paying such costs on behalf of the Academy, CSP shall not charge an added fee (or mark-up). Marketing and development costs paid by or charged to the Academy shall be limited to those costs specific to the Academy program, and shall not include any costs for the marketing and development of CSP. No corporate costs of CSP shall be charged to, or reimbursed by, the Academy.

If desired, the Board may advance funds to CSP for such costs reimbursable under the Agreement before such costs are incurred (rather than reimburse CSP after the expense is incurred).

Documentation of all expenses must be reflected in the Board's financial packets and presented to the Board for approval and/or ratification at its next regularly scheduled meeting.

All items acquired with Academy funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and other technology, shall be owned by and remain the property of the Academy.

Section 4. Other Institutions. The Academy acknowledges that CSP may enter into agreements similar to this Agreement with other public or private educational schools or institutions (the "Institutions"). CSP shall maintain separate accounts for reimbursable expenses incurred on behalf of the Academy and for reimbursable expenses incurred on behalf of the Institutions. CSP shall only charge the Academy for expenses incurred on behalf of the Academy.

If CSP incurs reimbursable expenses on behalf of the Academy and the Institutions which are incapable of precise allocation between the Academy and the Institutions, then CSP shall allocate such expenses among the Institutions and the Academy, on a pro-rata basis, based on the number of students enrolled at the Academy and the Institutions, or the number of staff assigned to the Academy and the Institutions or upon such other equitable basis as agreed by the parties. Any such information will be provided to the Academy's auditors as necessary to verify as part of the audit.

Section 5. Review of Budget. In accordance with the Board-approved budget timeline, CSP shall propose an annual budget for the Academy to the Academy's Chief Administrative Officer ("CAO") and the Board. The Board shall review, revise, and timely approve the annual budget. The Academy's CAO shall not be an employee of CSP but shall be a member of the Academy Board.

Section 6. Procurement Policies. The Board hereby retains the obligation, as provided in the Code, to adopt written policies governing the procurement of supplies, materials, and equipment for the Academy. Unless otherwise prohibited by law, CSP shall directly procure all

supplies, materials, and equipment provided that CSP complies with the Code including, but not limited to, Sections 1267 and 1274 of the Code, MCL 380.1267 and MCL 380.1274, as if the Academy were making these purchases directly from a third party supplier or vendor and the Board's written policies promulgated thereunder related to such items as if the Academy were making these purchases directly from a third party supplier or vendor. CSP shall not include any added fees or charges with the cost of equipment, materials and supplies purchased from third parties or vendors.

ARTICLE V

Proprietary Information

Section 1. Academy's Rights to Curriculum and Educational Materials. The Academy shall own, without restriction, all proprietary rights to curriculum and educational materials that: (a) are or were both directly developed and paid for by the Academy; or (b) are or were developed by CSP at the direction of the Board with Academy funds.

Section 2. CSP's Rights to Curriculum and Educational Materials. CSP shall own, without restriction, all curriculum, and educational materials, and all other proprietary information owned by, developed by or otherwise in the possession of CSP, except as set forth in this Article.

Section 3. Non-Disclosure of Proprietary Information. Except as specifically required by the Code, Court Order, discovery mandated by state or federal court rules, or the Michigan Freedom of Information Act, the proprietary information and materials of CSP shall be held in strict confidence by the Academy. Such proprietary information and materials must be clearly marked in order to be protected. CSP's educational materials and teaching techniques used by the Academy are subject to disclosure under the Code and the Freedom of Information Act.

During the Term of this Agreement, and continuing for three (3) years thereafter, both parties hereby agree that they will not use or disclose to anyone, directly or indirectly, for any purpose whatsoever, any such proprietary information without the prior written consent of the other party.

ARTICLE VI

Termination

Section 1. Termination by CSP. CSP may terminate this Agreement prior to the end of the Term in the event the Board fails to remedy a material breach within the required time frames below, subject to Sections 6 and 8 below.

- a. CSP may immediately terminate this Agreement with no additional liability or responsibility if CSP fails to receive compensation for Payroll Costs. For this breach only, the Academy has until the Payroll Date to fund payroll or reach an agreement with CSP on the payment of these funds or else an immediate breach may be declared.

- b. CSP may also terminate this Agreement with no additional liability or responsibility upon the occurrence of the following:
 - i. Academy operations cease to exist due to, but not limited to, bankruptcy or insolvency, discontinued operations by its successors and assigns, facility closure, or reconstruction;
 - ii. The Academy requests a reduction in workforce greater than 20%;
 - iii. The Academy is a financially distressed business as set forth in the Worker Assistance and Retraining Notification Act (WARN), 29 U.S.C. §2101, et seq. The Board shall notify CSP 90 days prior to the facility closure in order for CSP to satisfy notice requirements to Partner Solutions' staff under WARN;
 - iv. A determination has been made by a governmental entity, administrative agency or court of law that Partner Solutions for Schools is required to pay into MPSERS;
 - v. Failure by the Academy to pay the Fee or Reimbursables Expenses;
 - vi. If there is a substantial and unforeseen increase in the cost of administering services of this Agreement; or
 - vii. The Academy makes decisions inconsistent with the recommendations of CSP.

The Academy has sixty (60) days after notice from CSP to remedy any of these breaches except for the breach of non-payment of Payroll Costs.

Termination prior to the end of the Term shall not relieve the Academy of any financial or other obligations to CSP outstanding as of the date of termination. Failure by CSP to exercise or exert any remedy available to CSP under this Agreement or applicable laws, shall not be deemed a waiver of CSP's rights and remedies whatsoever.

CSP may terminate this Agreement without cause and without penalty to be effective upon completion of an academic year provided that CSP delivers written notice of intention to terminate to the Academy at least ninety (90) days prior to the end of the then-current academic year.

Section 2. Termination by Academy. The Academy may terminate this Agreement prior to the end of the Term in the event that CSP fails to remedy a material breach within the required time frames below.

- a. Material failure by CSP to account for its expenditures or to pay funds for all compensation required for payroll (provided that CSP has received such funds from the Academy to do so);
- b. Material failure by CSP to provide the Services as required by this Agreement;
- c. A determination has been made by a governmental entity, administrative agency or court of law that Partner Solutions for Schools is required to participate in MPSERS; or

- d. Any action or inaction by CSP that causes the Contract to be in jeopardy of revocation, suspension or termination, as evidenced by written notification from the Authorizer and is not cured within sixty (60) days of that notice.

CSP has ten (10) days after notice from the Academy to remedy a breach that involves the non-payment of funds for all "compensation" required for payroll (provided that CSP has received such funds from the Academy to do so) or to reach an agreement with the Academy on the payment of those funds. CSP has sixty (60) days after written notice from the Academy to remedy all other breaches. Upon expiration of this Agreement, or termination for any reason, all amounts due to CSP shall immediately become due and payable by the Academy, unless otherwise agreed in writing by CSP.

The Academy may terminate this Agreement without cause and without penalty to be effective upon completion of the academic year provided that the Academy delivers written notice of intent to terminate to CSP at least ninety (90) days prior to the end of the then-current academic year.

Section 3. Revocation or Termination of Contract. If the Academy's Contract issued by the Central Michigan University Board of Trustees is revoked or terminated or a new charter contract is not issued to the Academy after expiration of the Academy's Contract, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked, terminated or expires without further action of the parties.

Section 4. Amendment Caused By Academy Site Closure or Reconstitution. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued under Section 507 of the Code, MCL 380.507; or (ii) to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and the Contract, and such closure of an Academy site or reconstitution causes an amendment to or termination of this Agreement, the parties agree that this Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and CSP shall have no recourse against the Academy or the Authorizer Board for implementing such site closure or reconstitution.

Section 5. Change in Law. If any federal, State or local law or regulation, or court or administrative decision, or attorney general's opinion (collectively referred to in this Agreement as the "applicable laws") has a substantial and material adverse impact (as reasonably determined by the party suffering the impact) on the ability of the impacted party to carry out its obligations under this Agreement, then the impacted party, upon written notice, may request a renegotiation of this Agreement. If the parties are unable or unwilling to successfully renegotiate the terms of this Agreement within ninety (90) days after the notice, and after making good faith efforts which shall include, but not be limited to, the use of a third party arbitrator and/or alternative dispute resolution process, the impacted party may terminate this Agreement as of the end of the then-current academic year.

Section 6. Transition. The Academy and CSP agree to make all efforts necessary to remedy a breach of this Agreement in order to continue school operations until completion of the then-current school fiscal year. If a breach cannot be remedied, the Academy and CSP agree to

work cooperatively to transition management and operations of the school without disrupting the school's operations. In the event of any termination prior to the end of the Term of this Agreement, CSP shall provide reasonable assistance in accordance with the Authorizer's Educational Service Provider Policies. CSP shall perform this transition or termination in a similar manner as described in Article VI, Section 8 below based upon completion of the then-current school period.

Section 7. Personal Property upon Termination or Expiration. Upon any termination or the expiration of this Agreement, the Academy may elect (a) to purchase any personal property which has been purchased or leased from a third party solely with CSP funds, provided such purchase or lease is permitted under the purchase or lease documents relating thereto, at the fair market, depreciated value of such personal property or (b) to return same to CSP. All personal property purchased or leased by CSP using Academy funds is and shall remain the personal property of the Academy.

Section 8. Obligations Upon Termination or Expiration. Upon any termination or the expiration of this Agreement, the parties shall remain obligated for all financial or other obligations due at the time of the termination or expiration.

Upon termination or expiration of this Agreement, or termination of this Agreement due to a Contract revocation, reconstitution, termination or non-renewal, CSP shall, without additional charge: (a) close the financial records on the then-current school fiscal year which includes, but is not limited to, the completion and submission of the annual financial audit, state and federal grant reporting and all other associated reporting within required timelines established by the appropriate local, state or federal authority; (b) organize and prepare student records for transition to the new ESP, self-management or in the case of a school closure, transfer to a student's new school as designated by the student's parent / legal guardian or to a person or entity authorized to hold such records; (c) provide for the orderly transition of employee compensation and benefits to the new ESP or self-management without disruption to staffing, or in the case of school closure, final payment of all employee compensation, benefit and tax obligations related to services provided by CSP to the Academy; (d) organize and prepare the Academy's records, both electronic and hard-copy, for transition to the new ESP, self-management or dissolution; and (e) provide for the orderly transition to the new ESP, self-management or dissolution of all Academy-owned assets including, but not limited to, furniture, fixtures, equipment and real estate. This includes any keys, log-in information and passwords related to any Academy asset.

After any termination or the expiration of this Agreement, and once all such obligations referenced above are satisfied, the parties shall have no further obligations to each other under this Agreement whatsoever except for the continuing obligations under (a) Article V (confidentiality and non-use/non-disclosure of proprietary information) and (b) Article VII (indemnification).

ARTICLE VII

Indemnification and Cooperation

Section 1. Indemnification of CSP. To the extent permitted by law and without waiving any governmental immunities, the Academy shall indemnify, save, and hold harmless CSP and all of its employees, officers, directors, subcontractors, and agents against any and all

lawsuits and causes of action or other forms of liability that may arise out of or by reason of any noncompliance by the Academy with any agreements, covenants, warranties or undertakings of the Academy contained in or made pursuant to this Agreement, and any misrepresentations or breach of this Agreement, and any acts or failures to act by the Academy which occurred prior to the Effective Date of this Agreement.

In the event that the Academy or CSP receives funds for the benefit of the Academy pursuant to a grant, endowment, scholarship, or other source of governmental funding ("Funding"), Academy shall be solely responsible for the Funding and any liabilities associated therewith, including any Funding that is ordered returned to the distributing agency. Academy further agrees, to the extent permitted by law, to indemnify, save, and hold harmless CSP and all of its employees, officers, directors, subcontractors, and agents against any and all lawsuits and causes of action or other forms of liability that may arise in connection with the Funding.

In addition, to the extent permitted by law and without waiving any governmental immunities, the Academy shall indemnify, save, hold harmless, and reimburse CSP for any and all legal expenses and costs associated with the defense of any such claim, demand or suit. The Academy agrees to advance to CSP all reasonable costs, actual attorneys' fees, actual experts' fees, and similarly related expenses, immediately upon request so that CSP is not required to pay such expenses out of its own funds.

CSP agrees that for any claim for indemnification made by CSP, to the extent the interests of CSP and the Academy are aligned, the parties agree to coordinate a joint defense to minimize the costs of such defense. To the extent the Academy shall be responsible for indemnification of CSP, the Academy shall have the right to select the attorneys of its choice and to make all decisions and in every respect control the manner in which CSP and the Academy are defended. Notwithstanding the foregoing, in no event shall the Academy indemnify CSP for the attorney fees accrued by CSP in the regular course of business.

To the extent the parties are coordinating a defense, the parties shall utilize shared counsel which shall be paid for by the Academy and no reimbursement of any costs or fees shall be necessary. The Academy may reimburse CSP for pre-approved legal expenses and costs associated with the defense of any such claim, demand, or suit which are not otherwise covered by the joint defense.

If desired, all or part of the indemnification obligations set forth in this section may be met by the purchase of insurance by the Academy. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of the Academy.

Section 2. Indemnification of the Academy. CSP shall indemnify, save, and hold harmless the Academy and all of its employees (if any), officers, directors, subcontractors, and agents against any and all lawsuits and causes of action or other forms of liability that may arise out of, or by reason of any noncompliance by CSP with any agreements, covenants, warranties, or undertakings of CSP contained in or made pursuant to this Agreement, and any misrepresentation

or breach of this Agreement and any acts or failures to act by CSP which occurred prior to the Effective Date of this Agreement.

In addition, CSP shall indemnify, save, hold harmless, and reimburse the Academy for any and all legal expenses and costs associated with the defense of such claim, demand or suit. CSP agrees to advance to the Academy all costs, actual attorneys' fees, actual experts' fees, and such similarly related expenses immediately upon request so that the Academy is not required to pay such expenses out of its own funds.

The Academy agrees that for any claim for indemnification made by the Academy, to the extent the interests of CSP and the Academy are aligned, the parties agree to coordinate a joint defense to minimize the costs of such defense. To the extent CSP shall be responsible for indemnification of the Academy, CSP shall have the right to select the attorneys of its choice and to make all decisions and in every respect control the manner in which CSP and the Academy are defended. Notwithstanding the foregoing, in no event shall CSP indemnify the Academy for the attorney fees accrued by the Board in the regular course of business.

To the extent the parties are coordinating a defense, the parties shall utilize shared counsel which shall be paid for by CSP and no reimbursement of any costs or fees shall be necessary. CSP may reimburse the Academy for pre-approved legal expenses and costs associated with the defense of any such claim, demand, or suit which are not otherwise covered by the joint defense.

If desired, all or part of the indemnification obligations set forth in this section may be met by the purchase of insurance by CSP. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of CSP.

Section 3. Indemnification for Negligence. To the extent permitted by law, each party to this Agreement shall indemnify and hold harmless the other, and their respective boards of directors, partners, officers, employees, agents, and representatives, from any and all claims and liabilities which they may incur and which arise out of the negligence of the other party's trustees, directors, officers, employees, agents, or representatives.

Section 4. Immunities and Limitations. The Academy may assert all immunities and statutory limitations of liability in connection with any claims arising under this Agreement.

Section 5. Responsibility of the Parties. Each party will be solely and entirely responsible for its acts and omissions and for the acts and omissions of its agents and employees (if any) in connection with the performance of that party's responsibilities under this Agreement.

Section 6. Mutual Duty to Cooperate. The parties acknowledge that each party has a duty and obligation to cooperate with the other party, and further that such duty to cooperate is a material part of this Agreement. The purpose of the duty to cooperate is to enable each party to perform its obligations as efficiently as possible. The duty to cooperate shall include all areas of the business of the Academy and the Services. The duty to cooperate also includes reasonable assistance in the event of litigation or a dispute involving a party related to the Academy or the Services provided, such as provision of testimony, records and/or documents reasonably related to

the litigation or dispute (which are not otherwise protected from disclosure under applicable law). The duty to cooperate will be provided in such a manner that it does not adversely affect the other party's ability to defend against a claim.

Section 7. Indemnification of Central Michigan University. The parties acknowledge and agree that Central Michigan University, its Board of Trustees, and its members, officers, employees, agents or representatives (collectively "University") are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, CSP hereby promises to indemnify, defend and hold harmless the University from and against all claims, demands, 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), of 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 Academy's application, the University Board's consideration of or issuance of a Contract, CSP preparation for or operation of the Academy, or which are incurred as a result of the reliance by the University upon information supplied by CSP, or which arise out of CSP's failure to comply with the Contract or Applicable Law. The parties expressly acknowledge and agree that the University may commence legal action against CSP to enforce its rights as set forth in this section of the Agreement.

ARTICLE VIII

Insurance

Section 1. Academy Insurance. The Academy will secure and maintain general liability and umbrella insurance coverage. This coverage will include the building and related capital facilities if they are the property of the Academy. The Academy will maintain such insurance in an amount and on such terms as required by the provisions of the Contract, including the indemnification of CSP required by this Agreement, and naming CSP as an additional insured. The Academy will, upon request, present evidence to CSP that it maintains the requisite insurance in compliance with the provisions of this section. CSP will comply with any information or reporting requirements applicable to the Academy under the Academy's policy with its insurer(s), to the extent practicable. Nothing in this Agreement is intended, nor shall be construed, as a waiver or relinquishment of any immunity from action or liability by the Academy under controlling law.

Section 2. CSP Insurance. CSP will secure and maintain general liability and umbrella insurance coverage, with the Academy listed as an additional insured. CSP will maintain such policies of insurance as are required by the Contract and the Michigan Universities Self-Insurance Corporation ("M.U.S.I.C."), including the indemnification of the Academy as required by this Agreement. In the event that Authorizer or M.U.S.I.C. requests any change in coverage by CSP, CSP agrees to comply with any change in the type or amount of coverage as requested, within thirty (30) days after notice of the insurance coverage change. CSP will, upon request, present evidence to the Academy and Authorizer that it maintains the requisite insurance in compliance with the provisions of this section. The Academy will comply with any information or reporting requirements applicable to CSP under CSP's policy with its insurer(s), to the extent practicable.

Section 3. Evidence and Notices. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance as required in this Article VIII. The policies of insurance of each party shall also provide that the other party receive from the insurer(s) a minimum thirty (30) day written notice of any termination of said policies.

Section 4. Workers' Compensation Coverage. Each party shall maintain workers' compensation insurance, as required by State law, covering their respective employees, if any.

ARTICLE IX

Warranties and Representations

Section 1. Warranties and Representations of the Academy. The Academy represents to CSP that (a) it has the authority under law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement, (b) its actions have been duly and validly authorized, and (c) it will adopt the necessary resolutions.

Section 2. Warranties and Representations of CS Partners. CS Partners represents and warrants to the Academy that (a) it is a Michigan corporation in good standing duly authorized to conduct business in the State of Michigan, (b) it has the authority under applicable laws to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, (c) its actions have been duly and validly authorized, and (d) it will adopt any and all resolutions required for execution of this Agreement.

Section 3. Warranties and Representations of Partner Solutions for Schools. Partner Solutions for Schools represents and warrants to the Academy that: (a) it is a Michigan corporation in good standing duly authorized to conduct business in the State of Michigan; (b) it has the authority under applicable laws to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement; (c) its actions have been duly and validly authorized; and (d) it will adopt any and all resolutions required for execution of this Agreement.

Section 4. Mutual Representations and Warranties. Each party represents and warrants to the other party that except as disclosed in writing to the other party, to its knowledge, there are no pending actions, claims, suits, or proceedings, whether threatened or reasonably anticipated, against or affecting it, which if adversely determined would have a material adverse effect (as might be reasonably determined by the non-affected party if disclosed) on its ability to perform its obligations under this Agreement.

ARTICLE X

Alternative Dispute Resolution

Section 1. Mediation. Any and all disputes between the parties concerning any alleged breach of this Agreement or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement shall first be communicated in writing to the other party and mutually discussed between the parties with an opportunity to cure. If no resolution can be ascertained through that mutual discussion, then the matter will be submitted to mediation for resolution in Kent County. Both parties must mutually

agree upon the mediator selected and shall participate in all meetings in good faith. The mediation shall be conducted in accordance with the rules of the American Arbitration Association seated in Kent County, Michigan, with such variations as the parties and arbitrators unanimously accept. A cause opinion (written explanation) shall be required as to the final decision. The Authorizer shall be notified of said decision, and upon the Authorizer's request, the cause opinion shall be made available. The parties will share equally in the costs of the mediation including forum fees, expenses, and charges of the mediator.

Section 2. Arbitration. If the mediation does not result in a mutually satisfactory compromise, then the matter shall be resolved by arbitration, and such procedure shall be the sole and exclusive remedy for such matters. Unless the parties agree upon a single arbitrator, the arbitration panel shall consist of three (3) persons. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association seated in Kent County, Michigan, with such variations as the parties and arbitrators unanimously accept. The arbitrators' award shall be final and binding. A judgment on the award rendered by the arbitrators may be entered in any court having appropriate jurisdiction, by any party, without the consent of the other party. The losing party shall pay the cost of arbitration, not including attorney fees. It shall be within the discretion and purview of the arbitrator or arbitration panel to award reasonable attorney fees to the prevailing party. The prevailing party shall be defined as the party who prevails in total.

A cause opinion (written explanation) shall be required as to the final decision. The Authorizer shall be notified of said decision, and upon the Authorizer's request, the cause opinion shall be made available.

ARTICLE XI

Miscellaneous

Section 1. Entire Agreement. This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between the Academy and CSP regarding the subject matter hereof. This Agreement, including Exhibit A, constitutes the entire agreement of the parties.

Section 2. Force Majeure. Notwithstanding any other sections of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, pandemic, accident, labor strike, flood, terrorism, or other acts beyond its reasonable control.

Section 3. Governing Law. This Agreement and the rights of the parties hereto shall be interpreted according to the laws of the State of Michigan (the "State").

Section 4. Official Notices. All notices or other communications required by the terms of this Agreement shall be in writing and sent to the parties at the addresses set forth below. Notice may be given by certified or registered mail, postage prepaid, return receipt requested, traceable carrier or personal delivery. Notices shall be deemed to have been given on the date of personal delivery, or, if given by mail, the postmark date. Unless amended or updated in writing, the addresses of the parties hereto for the purposes of this Agreement shall be:

The Academy: Board President
NexTech High School
801 Broadway Ave. NW, Suite 225
Grand Rapids, MI 49504

With a copy to: George P. Butler III
Dickinson Wright PLLC
500 Woodward Ave., Ste. 4000
Detroit, MI 48226

CSP: CS Partners
Partner Solutions for Schools
c/o Chris Matheson
869 S. Old US 23, Suite 500
Brighton, Michigan 48114

Section 5. Assignment. This Agreement shall not be assigned (a) by CSP, without prior consent of the Board, in writing, which consent shall not be unreasonably withheld; or (b) by the Academy, without the prior consent of CSP, in writing, which consent shall not be unreasonably withheld. CSP may, without the consent of the Board, delegate the performance of but not responsibility for any duties and obligations of CSP hereunder to any independent contractor, expert or professional advisor. However, this Agreement shall not be assignable without prior notification to the Authorizer and the Board; and any assignment must be done in a manner consistent with the Authorizer's Educational Service Provider Policies and applicable law.

Section 6. Amendment; Effect of Headings. This Agreement may only be amended in writing, signed by a duly authorized representative of each party and in a manner consistent with the Authorizer's Educational Service Provider Policies.

The underlined headings are included for convenience of the reader, and if the underlined headings are inconsistent with the other text, the underlined text shall be disregarded.

Section 7. Tax Exempt Financing. If at any time the Academy determines that it is in the best interests of the Academy to obtain financing from the Michigan Finance Authority or any other type of financing that is tax-exempt pursuant to the Internal Revenue Code of 1986, then the parties hereby agree that this Agreement shall be automatically amended for the sole and limited purpose of compliance with IRS Revenue Procedure 2017-13, and/or its progeny. Any such automatic amendment shall be as limited as practicable, and the parties shall promptly execute a written agreement reflecting such amendment, but the failure of the parties to do so shall not affect the effectiveness of the automatic amendment referenced above; provided, however, that any such amendment shall be consistent with the Authorizer's Educational Service Provider Policies.

Section 8. Waiver. No waiver of any portion of this Agreement shall be deemed or shall constitute a waiver of any other provision, nor shall such waiver constitute a continuing waiver unless otherwise expressly stated in writing.

Section 9. Severability. The invalidity of any portion or term of this Agreement shall not affect the remaining portions or terms of this Agreement. In the event a portion or a term of this Agreement is deemed invalid, the parties shall cooperatively work together to modify the invalid portion or term as minimally as possible to cure the invalidity, while at all times preserving the spirit and purpose of the applicable portion or term.

Section 10. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement shall not be assignable without prior notification to the Authorizer. Any assignable party shall be considered an ESP, as defined by the Authorizer's Educational Service Provider Policies. As such, any assignable party shall follow the requirements set forth in these ESP Policies.

Section 11. No Third Party Rights. This Agreement is made for the sole benefit of the Academy and CSP. Except as otherwise expressly provided herein, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.

Section 12. Survival of Termination. All representations, warranties, indemnities, and non-disclosures/confidentiality obligations made in this Agreement shall survive any termination or expiration of this Agreement without limitation.

Section 13. Delegation of Authority; Compliance with Laws. Nothing in this Agreement shall be construed as delegating to CSP any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with the Contract and all applicable laws. The parties agree to comply with all applicable laws.

Section 14. Governmental Immunity. Nothing in this Agreement is intended, nor will be construed, as a waiver of the governmental immunity provided to the Academy and its incorporators, board members, officers, employees, and volunteers under Section 7 of Act 170, Public Acts of Michigan, 1964, as amended, MCL 691.1407.

Section 15. Execution. The parties may execute this Agreement by facsimile or in counterparts. A facsimile or photographic copy of this Agreement may be relied upon by either party, or any third party, as if it were an original signature copy. If this Agreement is executed in counterparts, the separate counterpart signature pages shall be combined and treated by the parties, or any third party, as if the separate counterpart signature pages were part of one original signature copy.

Section 16. Review by Independent Counsel. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

Section 17. Limitation of Liability. EXCEPT FOR AMOUNTS EXPRESSLY DUE AND OWING UNDER THIS AGREEMENT, EACH PARTY'S TOTAL LIABILITY TO THE OTHER AND ANY THIRD PARTIES UNDER OR ARISING OUT OF THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNTS PAID OR DUE AND OWING BY

THE ACADEMY TO CSP HEREUNDER. THIS LIMITATION DOES NOT APPLY TO ANY AMOUNTS OWED PURSUANT TO A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT. CSP'S TOTAL LIABILITY TO THE ACADEMY UNDER OR ARISING OUT OF THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNTS PAID OR DUE AND OWING BY THE ACADEMY TO CSP HEREUNDER.

[Signature Page Follows]

The undersigned hereby execute this Agreement as of the date set forth first above.

The Academy:

NEXTECH HIGH SCHOOL, a Michigan public school academy

By:  _____

Its: Board President

CSP:

CS PARTNERS, INC., a Michigan corporation

By:  _____

Its: Designated Officer

CSP MANAGEMENT INC., d/b/a **PARTNER SOLUTIONS FOR SCHOOLS**, a Michigan corporation

By:  _____

Its: Designated Officer

Exhibit A
to
SERVICES AGREEMENT

The purpose of this Exhibit A is to set forth and define the Services to be provided by CSP pursuant to the Agreement.

**EDUCATIONAL MANAGEMENT SERVICES
TO BE PROVIDED BY CS PARTNERS**

A. CSP shall implement the Educational Program (defined in Article I, Section 2 of the Agreement). Modification of the Educational Program as provided in the Contract may only occur with the prior written consent of the Board and, if required, an amendment to the Contract which requires Authorizer approval.

B. CSP may perform functions other than Instruction, including but not limited to purchasing, board support, professional development, and administrative functions off-site (i.e., not on the Academy property), unless prohibited by applicable laws. Student records, which are the property of the Academy, and books and records of the Academy, shall be maintained by CSP and available at the Academy's site.

C. Although the Board shall be responsible for establishing and implementing recruitment and admission policies in accordance with the Educational Program and the Contract, CSP shall enroll students for the Academy in accordance with such Board policies provided that said policies are in compliance with the Contract and applicable laws.

D. CSP shall provide student due process hearings in compliance with all applicable laws, to an extent consistent with the Academy's own obligations as to students only (and not as to faculty). The Board hereby retains the right to provide due process, as required by law.

E. CSP shall administer and provide the Educational Program in a manner which shall meet the requirements imposed under the Contract and applicable laws, unless such requirements are waived. The Academy hereby agrees to interpret State and local regulations within the confines of applicable law in order to give CSP flexibility and freedom to implement the Educational Program in CSP's desired manner.

F. In order to supplement and enhance the School Aid payments received from the State of Michigan, and improve the quality of education at the Academy, CSP may assist the Academy's efforts to obtain revenue from other sources (the "Funding Sources"), and in this regard:

1. the Academy and/or CSP with prior approval of the Board may solicit and receive grants and donations in the name of the Academy from various funding sources consistent with the mission of the Academy;
2. the Academy and/or CSP with prior Board approval may apply for and receive grant money in the name of the Academy from various funding sources;

3. to the extent permitted under the Code and Contract, and with the approval of the Board, CSP or the Academy may charge fees to students for extra services, such as summer and after-school programs, athletics, etc., and charge non-Academy students who participate in such programs; and
4. all funds received by the Academy from such other revenue sources (generally, the "Additional Revenue") shall inure to and be the deemed property of the Academy (however, as provided in Article IV, Section 1 of the Agreement, the Fee may apply against all such Additional Revenue).

G. CSP may subcontract any and all aspects of the Services. However, CSP shall not subcontract the management, oversight, or operation of the teaching and instructional aspects of the Services (the "Instruction"), except as specifically permitted in this Agreement, or with prior written approval of the Board. Any services to be provided by CSP that are included in the management fee but are performed by a subcontractor shall not be charged to, reimbursed by or passed through as an additional cost to the Academy.

H. CSP shall not act in a manner which will cause the Academy to be in breach of its Contract with the Authorizer.

I. CSP shall provide reasonably requested or expected information to the Board on a monthly basis, or upon the Board's reasonable request, to enable the Board to monitor CSP's performance under this Agreement.

BUSINESS/FINANCE SERVICES TO BE PROVIDED BY CS PARTNERS

J. CSP shall be directly accountable to the Board for the administration, operation, and performance of the Academy in accordance with the Contract. CSP's obligation to provide the Services is expressly limited by the budget approved by the Board pursuant to the terms of this Agreement. The Services shall be funded by the Academy budget, and neither CSP nor the Academy shall be permitted to expend Academy funds on the Services in excess of the amount set forth in the Academy Budget.

K. CSP through the School Leader shall implement pupil performance evaluations consistent with the Educational Program, which permit evaluation of the educational progress of each Academy student. CSP shall be responsible for and accountable to the Board for the performance of students who attend the Academy. At a minimum, CSP shall utilize assessment strategies required by the Educational Program. The Academy and CSP will cooperate in good faith to identify other measures of and goals for students and school performance consistent with the Contract.

L. CSP through the School Leader shall plan and supervise special education services to students who attend the Academy. CSP or the Academy may contract these services if it determines that it is necessary and appropriate for the provision of services to students with special

needs, or if instruction cannot be met within the Academy's program. Such services shall be provided in a manner that complies with applicable laws.

M. CSP through the School Leader shall be responsible for all of the management, operation, administration, and education at the Academy which includes, but is not limited to:

1. implementation and administration of the Educational Program approved by the Board and the selection and acquisition of instructional materials, equipment and supplies;
2. management of all personnel functions, including professional development for all instructional personnel and the personnel functions outlined in this Agreement;
3. all aspects of the business administration (as determined and as generally understood in the industry) of the Academy as agreed between CSP and the Board;
4. any function necessary or expedient for the administration of the Academy consistent with the Educational Program, or otherwise approved by the Board.

N. Except as otherwise provided in this Agreement, CSP shall keep all student, educational and financial records relating to the Academy available at the Academy site, and the same shall be available for public inspection upon reasonable request consistent with the Contract and applicable laws. All student, educational and financial records pertaining to the Academy are Academy property and such records are subject to the provisions of the Michigan Freedom of Information Act. All Academy records shall be physically or electronically available, upon request, at the Academy's physical facilities. Except as permitted under the Code, CSP shall not sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of an Academy student's education records. If CSP receives information that is part of an Academy student's education records, CSP shall not sell or otherwise provide the information to any other person except as provided under the Code. For purposes of this section, the terms "education records" and "personally identifiable information" shall have the same meaning as those terms in section 1136 of the Code, MCL 380.1136. Except as permitted under the Contract and applicable law, CSP shall not restrict the Authorizer's or the public's access to the Academy's records. All records shall be kept in accordance with the Contract and applicable state and federal requirements.

O. CSP shall provide the Board with:

1. a projected annual budget, in accordance with the board-approved budget timeline, prior to July 1st of each school year, related to the Services in accordance with the Contract and the Educational Program which budget shall include a budget reserve amount as determined by the Board;
2. detailed monthly financial statements no more than thirty (30) days after month's end (and financial statements reasonably requested by the Board more frequently). Financial statements will be provided as directed by the Board within reason prior to each Board meeting to allow time for all Board members to review the information prior to the meeting. These financial statements shall include: a balance sheet, a statement of revenues, expenditures and changes in fund balance at object level detail with comparison of budget-to-actual and explanations of variance, and a cash flow statement. These statements shall include all revenues received, from whatever source, with respect to the Academy, and

- detailed budgets with statements of all direct expenditures (with details) for the Services rendered to or on behalf of the Academy, whether incurred on-site or off-site;
3. facilitate the annual audit in compliance with applicable laws showing the manner in which funds are spent at the Academy, however, it is acknowledged that only the Academy shall select and retain independent auditors and the Academy shall contract directly with any auditor of its choice, and CSP will cooperate with the production of any and all documents necessary for the audit. Any such audit shall be the property of the Academy. All finance and other records of CSP related to the Academy will be made available by CSP to the Academy, the Academy's independent auditor and the Authorizer upon request; and
 4. other information as reasonably requested by the Board to enable the Board to monitor CSP's performance under the Agreement.

HUMAN RESOURCES SERVICES TO BE PROVIDED BY CSP

P. CSP shall work with the School Leader to recommend staffing levels to the Board, and select, hire, evaluate, assign, discipline and transfer personnel, consistent with applicable laws, and consistent with the parameters adopted and included within the Academy's budget and the Educational Program.

Q. As set forth in the Agreement, CSP shall identify and appoint a School Leader and if applicable, members of a Leadership Team to administer the Educational Program at the Academy. The School Leader will be an employee of Partner Solutions for Schools.

R. CSP shall work with the School Leader to provide the Academy with such teachers, qualified in the applicable grade levels and subjects approved by the Board and consistent with the Contract and applicable law. CSP shall ensure that the curriculum taught by the Academy's teachers is the curriculum set forth in the Contract. Such teachers may also provide instruction at the Academy on a full or part-time basis. If assigned to the Academy on a part-time basis, such teachers may also provide instruction at another institution, or other locations approved by Partner Solutions for Schools. Each teacher assigned to the Academy shall meet and maintain all necessary requirements as established by the Michigan Department of Education, the Authorizer, and State and federal law.

S. CSP shall work with the School Leader to provide the Academy with such support staff, qualified in the areas required. The parties anticipate that such support staff may include clerical staff, administrative assistants, bookkeeping staff, maintenance personnel, and the like. Such support staff may, in the discretion of Partner Solutions for Schools, provide services at the Academy on a full or part-time basis. If assigned to the Academy on a part-time basis, said support staff may also provide services at another institution, or other locations approved by Partner Solutions for Schools.

T. Since, except as specified in this Agreement, all teaching, support staff and other non-teaching personnel performing functions on behalf of the Academy, shall be employees of Partner Solutions for Schools, compensation of all employees of Partner Solutions for Schools shall be

paid by Partner Solutions for Schools upon receipt of funds from the Academy. For purposes of the Agreement and this Exhibit, "compensation" shall include salary and benefits. Evaluation and compensation systems administered by Partner Solutions for Schools shall comply with all applicable laws, including Sections 1249, 1249a, 1249b and 1250 of the Revised School Code and any successor statute that is substantially similar to Sections 1249, 1249a, 1249b and 1250. Partner Solutions for Schools shall pay its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees assigned to the Academy. Unless required by applicable laws, Partner Solutions for Schools shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. Partner Solutions for Schools accepts full liability and is responsible for paying all salaries, benefits, payroll taxes, workers compensation, unemployment compensation and liability insurance for its employees leased to the Academy or working on Academy operations for work already completed irrespective of whether CSP receives an advancement of its costs or the payment of service from the Academy. However, Academy's non-payment of such funds is considered a material breach of this Agreement and must follow Article VI Termination.

U. Partner Solutions for Schools will complete and sign all necessary 401K regulatory and plan documents for its employee benefits plan as required by law and as fiduciary agent of the plan.

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.

Physical Plant Description 6-1

Site Plan 6-3

Floor Plan..... 6-4

Lease Agreement 6-5

Certificates of Use and Occupancy 6-6

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 NexTech High School (the "Academy") is as follows:

Address: 801 Broadway Ave. NW, Ste. 225
Grand Rapids, MI 49504

Description: The Academy leases approximately 16,717 square feet of space from American Seating Park, L.L.C. The space includes three team rooms, three classrooms, a fitness center, open areas for science or art, three conference rooms, two restrooms, several administrative work areas and a storage area.

Configuration of Grade Levels: Ninth through Twelfth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Grand Rapids Public Schools
ISD: Kent 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.

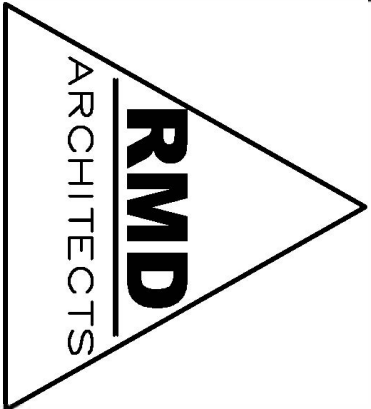
6. Any change in the configuration of grade levels at the Site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions of Contract set forth above.



ENTRY TO SITE

EXIT FROM SITE

CONNECTIONS EDUCATION,LLC
801 BROADWAY NW
GRAND RAPIDS, MI



616 677 9997 OFFICE
616 677 3467 FAX
616 677 3467 CELL
mrcro@rmdarchitects.com
1744 AVONC STAINES DR
TULALUM TOWNSHIP, MI 49455

ISSUED FOR:
REVIEW
PERMIT
REVISED
REVISED
REVISED
REVISED
REVISED

DATE:
05/29/12
06/01/12
06/27/12
07/12/12
07/18/12
08/01/12

SEAL

PROJECT NUMBER
CE122212

SHEET NUMBER
C-2

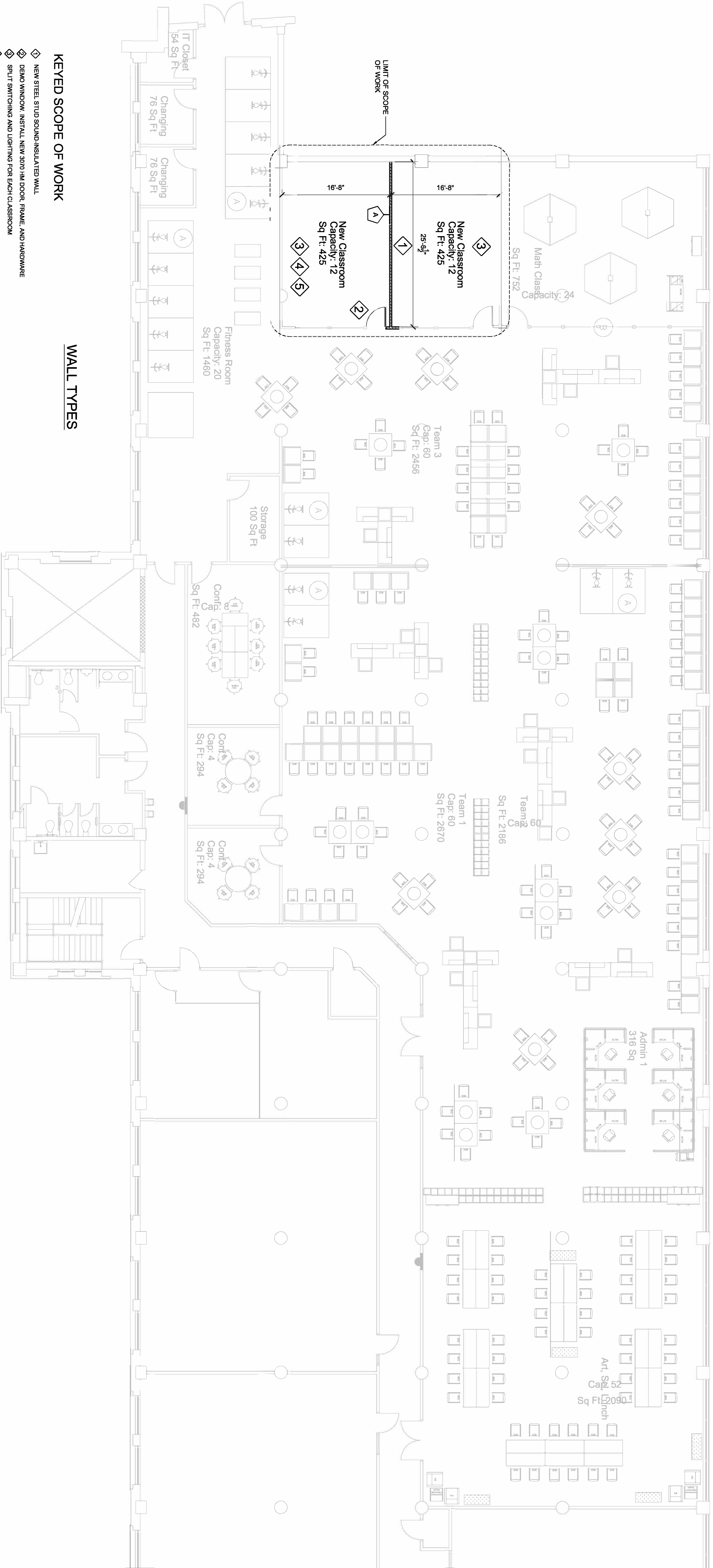
PARKING REQUIREMENTS

OFFICE	36800 SF x4	147200 SF	295 PARKING SPACES
RESIDENTIAL	80 UNITS		80 PARKING SPACES
EDUCATIONAL	250 STUDENTS 10 STAFF		35 PARKING SPACES
			410 PARKING SPACES REQUIRED
			420 PARKING SPACES PROVIDED

STACKING SPACE

STUDENT POPULATION	250	
HIGH SCHOOL	5 SPACES	REQUIRED
REQUIRED STACKING	110 FEET	REQUIRED
	260 FEET	PROVIDED

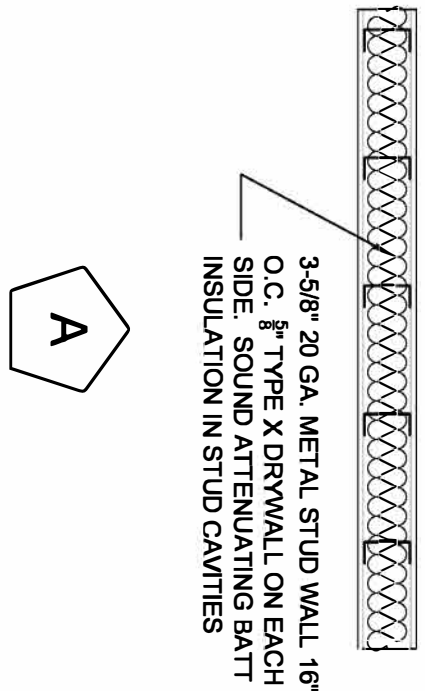
Total Sq Ft: 14,200
Student Capacity: 300



KEYED SCOPE OF WORK

- ◆ NEW STEEL STUD SOUND-INSULATED WALL
- ◆ DEMO WINDOW. INSTALL NEW 3070 HM DOOR, FRAME, AND HARDWARE
- ◆ SPLIT SWITCHING AND LIGHTING FOR EACH CLASSROOM
- ◆ ADD HORN/STROBE FIRE ALARM DEVICE
- ◆ ADD SLOT DIFFUSER TO EXISTING HVAC DUCT

WALL TYPES



A CLASSROOM
RECONFIGURATION FOR:
NEXUS
ACADEMY
801 BROADWAY AVE.
#225
GRAND RAPIDS, MI
49504

REVISIONS

SEAL



1. The Architect is the preparer of a preliminary drawing. It is not to be reproduced or copied in whole or in part, in any form, without the prior written permission of the Architect. It is to be used only for the purpose for which it was prepared and is not to be used for any other purpose without the prior written permission of the Architect. The Architect is not responsible for any errors or omissions in this drawing. The Architect is not responsible for any errors or omissions in this drawing. The Architect is not responsible for any errors or omissions in this drawing.

JOB NO.

DATE 07/26/2017

DRAWN NMG

CHECKED NMG

PLOTTED 07/26/2017

LEASE AGREEMENT

between

Clark Place Commercial, LLC,
a Delaware limited liability company
(**“Landlord”**)

and

NexTech High School,
a Michigan nonprofit corporation
(**“Tenant”**)

Dated: July 1, 2022

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Lease Agreement

This Lease Agreement (“**Lease**”) is entered into by and between **Clark Place Commercial, L.L.C.**, a Delaware limited liability company (“**Landlord**”) and **NexTech High School**, a Michigan nonprofit corporation (“**Tenant**”).

Landlord is the record owner of fee simple title to Unit 3 of American Seating Park Condominium. Landlord, in consideration of Tenant’s covenants and agreements contained in this Lease, hereby demises and leases to Tenant, the premises located in a building commonly known as 801 Broadway N.W., Grand Rapids, Michigan, which premises are reflected on attached **Exhibit C** consisting of a mutually agreed upon: (a) 19,810 rentable square feet, designated as Suite 230, and (b) 3,093 rentable square feet, designated as Suite 215, both of which are part of Unit 3 of American Seating Park Condominium (the “**Leased Premises**”), together with the non-exclusive right to use, in common with Landlord and other persons entitled to use, the common areas of the building as described in this Lease, subject to restrictions, covenants, agreements and easements of record, all laws and ordinances, to be occupied by Tenant in the manner provided for in this Lease.

The parties further mutually covenant and agree as follows:

Article 1 Summary of Basic Lease Provisions

1.1 Lease Term: This Lease is for a term starting July 1, 2022 (the “**Commencement Date**”) and ending June 30, 2027 (the “**Term**”), renewable for one additional five (5) year term. In no event shall this Lease extend beyond a current, valid Charter Contract between the Tenant and Central Michigan University (“**CMU**”).

1.2 Base Rent: Base rent is based upon total 22,903 rentable square feet. Base Rent shall commence on July 1, 2022 and during the Term shall be paid in accordance with the attached **Exhibit B** (the “**Base Rent**”).

Article 2 Term

2.1 Term; Renewal; Right to Terminate. This Lease shall start on July 1, 2022, and end on June 30, 2027. Provided there exists no Event of Default, Tenant shall have the right to renew this Leases for one additional five (5) year term provided that Tenant gives written notice of renewal to Landlord by April 30, 2027. The terms of this Lease shall remain the same during any renewal term except Base Rent shall increase by 2.5% per year. In no event shall this Lease extend beyond a current, valid Charter Contract between the tenant and CMU.

If for any reason the Charter Contract with CMU is terminated, not renewed or extended, prior to the expiration of the Term, the Tenant shall have the right to terminate this Lease without penalty to the Tenant. Tenant shall immediately notify Landlord in writing if upon knowing that Tenant’s Charter Contract with CMU is or will be terminated or not renewed, and this Lease shall terminate on the same termination date as the Charter Contract with CMU.

2.2 **Occupancy and Acceptance of Leased Premises.** Tenant acknowledges that it is in possession of the Leased Premises as of the Effective Date of this Lease. Tenant has fully inspected the Leased Premises and is fully familiar with the Leased Premises. Tenant accepts the Leased Premises in its AS IS condition, on the Effective Date of this Lease and on the Commencement Date. Landlord has made no representations or warranties regarding the condition of the Leased Premises other than as set forth in the Sublease referenced above and set forth in this Lease.

2.3 **Landlord Improvements.** Landlord, through its contractor Pioneer Construction, shall complete the improvements to the Leased Premises described on the attached Exhibit A (the “Landlord Improvements”). Landlord and Tenant may mutually agree to modify the Landlord Improvements, in which case any increase in the cost of the Landlord Improvements shall be paid by Tenant to Landlord. Landlord shall commence the Landlord Improvements on or about June 6, 2022 and shall substantially complete the Landlord Improvements on or about August 5, 2022, subject to delays for force majeure events and availability of required materials, parts or equipment. The cost of the Landlord Improvements, as set forth on Exhibit A, shall be \$124,804.00, of which \$64,902.00 shall be paid by Tenant to Landlord on or before July 1, 2022, and the balance of which shall be paid by Tenant to Landlord by August 25, 2022, provided that the Tenant has been provided with a certificate of occupancy by the Landlord.

Article 3

Rent

3.1 **Base Rent.** Beginning on the Commencement Date, Tenant Agrees to pay to Landlord, as Base Rent for the Leased Premises during the Term the Base Rent stated in Section 1.2. Base Rent shall be paid in advance in equal monthly installments. On the first day of the renewal term, and on the same day each year thereafter, Base Rent shall increase by 2.5%.

3.2 **Late Payment.** Tenant acknowledges that the late payment by Tenant to Landlord of sums due under this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on Landlord by the terms of any notes secured by any encumbrance covering the building (and land and improvements) of which the Leased Premises are a part. Therefore, if any payment due under this Lease from Tenant is not received by Landlord within 10 days its due date, Tenant shall pay to Landlord as a late charge an amount equal to 2% of the amount past due. Acceptance of any late charge shall not constitute a waiver of Tenant’s Event of Default with respect to the overdue amount, or prevent Landlord from exercising any of the other rights and remedies available to Landlord for Tenant’s Event of Default. Notwithstanding the foregoing, Landlord acknowledges and agrees that the foregoing late charge will not apply and will not be assessed with respect to the first two occurrences of Tenant’s failure to pay rent unless Tenant continues to fail to pay such Base Rent within five business days of Landlord’s written notice to Tenant given after the foregoing 10-day period; provided, however, that Landlord shall not be required to give such notice more than twice during the Term. After two such written notices, Landlord shall not be required to provide further written notice and any late charge will apply in accordance with this Section 3.2 without such notice.

If Tenant shall fail to pay the Base Rent, additional rent or any other sum payable under this Lease within 30 days when due, such unpaid amounts shall bear interest at 1 ½% per month or the highest legal rate, whatever is less, until paid in full.

3.3 Time for Payment. All rent shall be payable in advance on the first day of each and every month during the term of this Lease. All rent shall be paid in full without set off, abatement, reduction or claim. If this Lease commences or terminates on a day other than the first date of the month, rent shall be prorated accordingly on the basis of the actual days in such month.

Article 4

Common Areas and Services

4.1 Common Areas. Tenant shall have the right, in common with all other tenants in the building of which the Leased Premises are a part, to use common areas in and around said building, including, but not limited to, parking lots, sidewalks, hallways, restroom facilities, lobbies, stairs and elevators. Tenant shall have access to and use of at least four parking spaces for each whole 1,000 rentable square feet of the Leased Premises. In addition, to the extent that it will not adversely impact the availability of parking for other tenants of the building of which the Leased Premises is a part Tenant may use additional parking spaces in excess of the foregoing parking ratio on an unreserved, as-available, first-come, first-serve basis.

4.2 Services. So long as there is no Event of Default by Tenant, Landlord agrees to provide public elevator service by automatic or manual control.

4.3 Liability. Landlord shall not be liable for any failure to provide any services specified in this Lease by reason of accidents, strikes or the making of repairs, alterations or improvements, or by reason of any other cause beyond the reasonable control of Landlord.

Article 5

Use of the Premises

5.1 Use of the Premises. Tenant shall not use the Leased Premises or any part of the Leased Premises for any purpose other than general office and academic use as a blended online and in-person public school academy for grades 9-12 and related office and administrative purposes without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion, nor for any use which would violate any of the other covenants, agreements, terms, provisions or conditions of this Lease, nor for any unlawful purposes or in any unlawful manner, or in violation of any ordinances. Landlord represents and warrants that Tenant's permitted use hereunder is permitted under the Association Governance Documents and applicable law. Tenant shall not suffer or permit the Leased Premises or any part of the Leased Premises to be used in any manner or anything to be done therein or suffer or permit anything to be brought into or kept in the Leased Premises which, in the reasonable judgment of Landlord, shall in any way impair the appearance or reputation of the building of which the Leased Premises are a part; impair or interfere with any of the services provided in the building of which the Leased Premises are a part, or the proper and economic heating, cleaning, air conditioning or other servicing of the building of which the Leased Premises are a part or of the Leased Premises; or impair or interfere with the use of any of the other areas of the building (and land and

improvements) of which the Leased Premises are a part by any of the other tenants. Tenant shall not install any electrical or other equipment of any kind which, in the reasonable judgment of Landlord, might cause any such impairment, interference, discomfort, inconvenience or annoyance. Tenant shall not cause or allow any noises or odors to proceed from the Leased Premises that may be a nuisance to other tenants in the building. Landlord agrees to include identical provisions as set forth in this Section 5.1 restricting the use of the premises by other tenants so as to prohibit any unlawful use or impairment, interference, discomfort, inconvenience or annoyance to Tenant's use of the Leased Premises.

5.2 Licenses. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business, Tenant shall duly procure and thereafter maintain such license or permit and submit the same for inspection by Landlord. Tenant shall, at all times, comply with the terms and conditions of each such license or permit.

5.3 Increases in Insurance. Tenant shall not do or permit to be done any act or thing upon the Leased Premises that will increase the cost to Landlord or the Association of insurance on the building (and land and improvements) of which the Leased Premises are a part; provided, however, that if any act or omission of Tenant causes Landlord's or Association's cost of insurance on the building to be increased, Landlord may elect not to treat said act or omission as a breach of this Lease, in which case Tenant shall reimburse Landlord for such increase as additional rent upon demand by Landlord. Landlord represents and warrants to Tenant that its use as a public school academy is not an act that will result in increased insurance premiums and that such use does not constitute a breach of this Section 5.3.

5.4 Common Areas. The rights of Tenant in the entrances, corridors, elevators, stairs, restroom facilities, and other common areas of the Building of which the Leased Premises are a part and the sidewalks and parking lot ("**Common Areas**") are limited to ingress to and egress from the Leased Premises. Tenant shall not unreasonably interfere with the use and enjoyment of the Common Areas by other tenants. Fire exits and stairways are for emergency use and shall not be used for any other purpose by Tenant, its employees, licensees or invitees except for ingress and egress. Landlord shall maintain Common Areas in good condition and have the right to control and operate the public portions and the Common Areas by publishing rules and regulations as Landlord deems best for the benefit of all tenants generally and Tenant covenants and agrees to comply with all such rules and regulations after written notice from Landlord.

5.5 Admission to Building. Landlord may refuse admission to the building of which the Leased Premises are a part outside of ordinary business hours to any person not known to the person in charge, for any of Tenant's employees or staff, or any student not carrying a Tenant approved badge or other issued form of identification, if any, and may require all persons admitted to or leaving the building of which the Leased Premises are a part outside of ordinary business hours to register. Any person whose presence at any time shall, in the reasonable judgment of the Landlord, be prejudicial to the safety or the peaceful operation of the building of which the Leased Premises are a part or of its tenants may be denied access or may be ejected. In case of invasion, riot, public excitement or other commotion, Landlord may prevent all access during the continuance of same, by closing the doors or otherwise, for the safety of the tenants and protection of property. The establishment and enforcement of the requirements of this section shall not impose any responsibility on Landlord to provide security to Tenant or Tenant's employees, agents

or invitees, or to provide for the protection of Tenant against the removal of property from the Leased Premises. Landlord shall in no way be liable to Tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from the Leased Premises or the building of which the Leased Premises are a part.

5.6 Signs. Tenant shall have the right to signage: (a) one monument sign associated with the building; (b) in the lobby of the building; (c) just outside the Suite of the Leased Premises; and (d) on the door of the Leased Premises. Tenant shall have the right to use the freestanding signs to the north of the primary park monument at the corner of 7th and Broadway; provided, however, the cost of the design, fabrication, installation and removal of such sign shall be borne by Tenant. Signage shall be mutually agreed upon between Tenant and Landlord, consistent with building standards and in accordance with the governing municipality. Except for the foregoing, Tenant shall not display any signage from the Leased Premises or in or on the building without Landlord's prior written consent.

5.7 Awnings. No awnings or other projections over or around the windows or window draperies or blinds shall be installed by Tenant except as approved or supplied by Landlord, and Landlord shall have no obligation to provide any such draperies or blinds. Other than as part of Landlord's Work, all floor covering in the Leased Premises shall be of a quality equal to or greater than building standard as established by Landlord.

5.8 Floor load. Landlord shall have the right to prescribe the weight and position of safes and other objects of excessive or concentrated weight, and no safe or other object whose weight exceeds the lawful or permitted load for the area upon which it would stand shall be brought into or kept upon the Leased Premises. If, in the judgment of Landlord, it is necessary to distribute excessive or concentrated weight of any safe or heavy object, the work involved in such distribution shall be done at the expense of Tenant and in such manner as Landlord shall determine. Freight, furniture, business equipment and bulky matter shall be delivered to and removed from the Leased Premises only during hours and in a manner reasonably approved by Landlord.

5.9 Locks. No additional locks or bolts of any kind shall be placed upon any of the doors in the Leased Premises (other than for locks on interior doors needed to secure any confidential student information and records as described below) and no lock on any door shall be changed or altered in any respect. Duplicate keys or access cards for the Leased Premises shall be procured only from Landlord, which may make a reasonable charge there for. Upon termination of the Lease, all keys to the Leased Premises shall be delivered to Landlord. Notwithstanding the foregoing, Landlord acknowledges and agrees that Tenant may keep privileged and confidential student records and information at the Leased Premises and that Landlord has no right to access such student information and that if Landlord has such access to the Leased Premises, Landlord shall comply with all requirements of the Family Educational and Privacy Rights Act.

5.10 Bicycles and Animals. Bicycles and Animals. Tenant shall permit no bicycle or other vehicle, and no dog or other animal (except service animals) in the Leased Premises or the offices, halls, corridors, elevators or elsewhere in the building of which the Leased Premises are a part.

5.11 **Required Drills.** Landlord shall permit Tenant to conduct required fire drills and safety lock down drills as mandated for school operations under the Revised School Code. Tenant shall provide advance notice to Landlord before scheduling or conducting such mandatory drills.

Article 6

Care of the Premises; Alterations.

6.1 **Care of the Premises.** Except for Landlord's obligations with respect to the Leased Premises, Tenant shall keep the Leased Premises in good condition and repair, and shall yield and deliver up the same at the expiration of the term in as good condition as when taken, ordinary wear and tear and damage and adjoining from insurance casualty excepted. Tenant shall also maintain all portions of the Leased Premises and adjoining areas in an orderly condition, free of dirt, rubbish and any and all unlawful obstructions. Landlord shall furnish for Tenant's use in common with other tenants in the building, suitable and adequate receptacles/dumpsters for rubbish arising from standard public school academy usage.

6.2 **Right of Entry.** Landlord shall have the right, upon 24 hours prior notice to Tenant (or without any notice whatsoever in case of emergency), to enter upon the Leased Premises for the purpose of making any repairs to and performing any work on the Leased Premises which may be necessary by reason of Tenant's failure to make any such repairs or perform any such maintenance work as provided in this Lease or to address necessary repairs of the Building. Except in case of emergency, the privilege and right of entry shall be exercised at reasonable times and at reasonable hours. In the event Landlord or its contractors or agents desire to access the Leased Premises while students are present on the Leased Premises, except in the case of an emergency, Landlord and its contractors and agents shall only enter when accompanied by a Tenant representative. Notwithstanding the foregoing, except in the case of an emergency, Landlord agrees to use commercially reasonable efforts to minimize interruption or impact on Tenant's use and occupancy of the Leased Premises in exercising its rights or performing its obligations under this Lease. Landlord hereby acknowledges and agrees that Tenant keeps privileged and confidential student records and information at the Premises and that Landlord has no right to access such student information. In the event Landlord or one of its agents inadvertently has access to such student records, which it shall avoid with all good efforts, Landlord shall comply with all requirements of the Family Educational and Privacy Rights Act. If Tenant fails to perform any repair or maintenance work which is Tenant's obligation hereunder within 10 days after receipt of Landlord's written notice, Tenant shall pay Landlord upon demand the cost of any repairs and maintenance work performed by Landlord or the Association on account of Tenant's failure to perform such repairs and/or maintenance work or those repairs or maintenance required because of the wrongful acts or negligence of Tenant, which sums shall be deemed additional rent under this Lease. Tenant shall not be entitled to any abatement of rent on account of work performed within the Leased Premises or within the building of which the Leased Premises are a part.

6.3 **Alterations.** Tenant, at its expense, may make changes and improvements to the Leased Premises, provided any such change or improvement shall:

(a) Be made only with the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, unless decorative or minor (less than \$15,000);

- (b) Comply with all governmental requirements;
- (c) Equal or exceed the then construction standard for the building of which the Leased Premises are a part; and
- (d) Be performed by a licensed contractor first approved by Landlord, which contractor, at the request of Landlord, will agree to perform construction in accordance with reasonable regulations established by Landlord and will provide to Landlord evidence of insurance coverage in an amount and form reasonably satisfactory to Landlord.

All work performed shall be done in such a manner as to not disturb or disrupt the operation of the building of which the Leased Premises are a part or of any other tenant. Following completion of any changes, additions or improvements requiring Landlord's consent, Tenant shall furnish Landlord with current "as built" drawings and specifications for the Leased Premises reflecting such changes, additions or improvements made to the Leased Premises. Any increase in real estate taxes or insurance premiums on the building of which the Leased Premises are a part attributable to such change, addition or improvement shall be paid by Tenant. Tenant shall not cause or permit liens of any kind to be filed or placed against the Leased Premises or against the building of which the Leased Premises are a part. If any such liens are filed, with or without Tenant's knowledge, Tenant shall immediately, at Tenant's sole cost and expense, take whatever action is necessary to cause such lien to be discharged.

Notwithstanding any of the foregoing, Landlord hereby consents to Tenant's installation of its voice/data, surveillance, access and audio-visual systems, and computer networking devices and equipment in the Leased Premises.

6.4 Repairs by Landlord. Landlord shall maintain in good working order and be responsible for all necessary repairs and replacements to the Common Areas, to the roof, heating, air conditioning, fire protection/sprinkling, plumbing and sewage (up to the point of entry into the Leased Premises), and electrical systems (up to the point of entry into the Leased Premises), and Landlord shall also make all repairs to the Leased Premises which are structural in nature; provided, however, that Tenant shall reimburse Landlord for all repairs and replacements arising from Tenant's wrongful act, negligence or default under this Lease and that of its agents, servants, employees and invitees. Tenant shall also be responsible to maintain the electrical systems and plumbing systems located within the Leased Premises to the extent exclusively serving the Leased Premises.

6.5 Alterations by Landlord. Landlord reserves the right to make such changes, alterations, additions or improvements in or to the building of which the Leased Premises are a part or the Common Areas and the fixtures and equipment thereof, as well as in or to the street entrances, halls, passages, elevators and stairways, as it may deem necessary or desirable, provided there is no unreasonable obstruction of the right of access to the Leased Premises or unreasonable interference with the use of the Leased Premises.

6.6 Conduits. In performing Landlord's obligations under this Article 6, Landlord reserves the right to install conduits in the area above the ceiling of the Leased Premises which shall be made by Landlord with reasonable dispatch and coordinated with Tenant so as to not

unreasonably interfere with Tenant's use and occupancy of the Premises and if Landlord has complied with Tenant's Access Requirements, such work and installation will not relieve Tenant from the performance of its obligations under this Lease.

Article 7

Utilities and Taxes

7.1 Utilities. Landlord shall provide, included in the Base Rent, heat, water and sewer service. Landlord shall make available separately metered electrical service for the Leased Premises, which shall be paid by Tenant. Telephone or other communication services shall be paid directly by Tenant. Landlord shall not be liable and to the extent permitted by law and without waiving governmental immunities, Tenant will hold Landlord harmless from any failure of water supply, electric current or other utility, for injury to persons, including death, or damage to property, or for interference with light or other easements, except to the extent due to the negligence of Landlord, its employees, contractors and others for whom Landlord is legally responsible.

7.2 Taxes. Landlord shall pay when due, included in Base Rent, all real property taxes assessed against the Leased Premises and/or against Unit 3 of which the Leased Premises is a part. Tenant shall pay when due all, if any, personal property taxes assessed against Tenant's personal property located at the Leased Premises. Landlord and Tenant agree that except for electrical service in the Leased Premises and other utilities such as telephone and communication services contracted for directly by Tenant for the Leased Premises, Base Rent herein is a modified "gross" rental rate and includes all other utilities and services to the Leased Premises and Tenant's share of operating expenses, common area maintenance, taxes and any other expenses relating to the operation and maintenance of the building of which the Leased Premises are a part and Tenant shall have no liability therefor except as expressly provided for otherwise in this Lease.

Article 8

Insurance

8.1 Landlord's Insurance. Landlord, directly or through the Association, shall insure the building and maintain property and commercial general liability insurance for those perils and in amounts which would be considered prudent for similar property situated in Grand Rapids, Michigan, in such forms and amounts reasonably determined by Landlord.

8.2 Tenant's Insurance. Tenant shall, at its sole expense, during the term of this Lease, obtain and keep insurance in effect, insuring Tenant, Landlord and all mortgagees of the building of which the Leased Premises are a part, as their interests may appear, in accordance with the following:

(a) Upon all property situated in the Leased Premises owned by Tenant and on all fixtures and improvements installed or constructed in the Leased Premises by or on behalf of Tenant. Such insurance shall be in an amount not less than the full replacement cost adjusted

annually with coverage against at least fire with standard extended coverage, vandalism and malicious mischief, sprinkler leakage (if applicable) and water damage; and

(b) Commercial general liability insurance in amount not less than \$1,000,000 per occurrence and at least \$2,000,000 aggregate for bodily injury and property damage.

Tenant shall provide a certificate of such insurance coverage to Landlord on or before the Commencement Date of this Lease and during the term of this Lease shall provide additional certificates of such insurance coverage and provide evidence of renewals of such policies as soon as reasonably practicable prior to such renewals. Tenant shall immediately notify Landlord of any cancellation, renewal or change in insurance coverage.

8.3 Waiver of Subrogation. Notwithstanding anything to the contrary herein, Landlord and Tenant each waive, as to the other, all right of recovery which one might otherwise have against the other, and its agents, employees, invitees, guests or licensees, for any loss or damage to any property or for any personal injury which is covered or coverable (whether or not such insurance is obtained or maintained) by a policy or policies of insurance, notwithstanding that such loss or damage may result from the negligence or fault of the non-insured party, or its agents, employees, invitees, guests or licensees. Any deductible amount included in such policy or policies shall be treated as though it were recoverable under the policy or policies. Landlord and Tenant shall each cause their insurance underwriters to include waiver of subrogation endorsements in all insurance policies underwritten with respect to this Lease, the Leased Premises or the building (and land and improvements) of which the Leased Premises are a part.

Article 9

Damage

9.1 Damage. If the Leased Premises shall be destroyed or damaged by any cause as to be unfit in whole or in part for occupancy, Tenant shall reasonably determine, in good faith without the intent to circumvent the provisions of this Section 9.1 whether or not Tenant can continue to use the Leased Premises for its intended purposes and otherwise fulfill its contractual obligations with the remaining portion of the Leased Premises and Landlord shall reasonably determine the length of time it will take to repair the damage or destruction. Landlord and Tenant shall consult with each other as to their foregoing determinations as soon as practicable but no later than 20 days from the date of the damage or destruction. If Landlord determines that the damage or destruction can reasonably be repaired within 60 days from the date of such destruction or damage, then Tenant shall not be entitled to surrender possession of the Leased Premises, nor shall Tenant's liability to pay rent under this Lease cease without the mutual consent of the parties hereto; but in the case of any such destruction or damage, Landlord shall repair the same with all reasonable speed and shall use all reasonable efforts to complete such repairs within 60 days from the date of said destruction or damage, and Base Rent and any other charges under this Lease shall not abate for the period of restoration. If Landlord determines in accordance with this Section 9.1, that the Leased Premises cannot be repaired or restored within 60 days from the date of such destruction or damage, Landlord shall notify Tenant, in writing, within five days after Landlord and Tenant consult in accordance with the first paragraph of Article 9, as to whether or not Landlord elects to repair or rebuild and whether Tenant desires to terminate this Lease. If Landlord elects not to repair or rebuild, or if Tenant elects to terminate this Lease because the Leased

Premises cannot be restored within 60 days, then the Lease shall terminate upon the date of the damage or destruction with no penalty to Tenant.

Landlord will not carry insurance of any kind on Tenant's furniture or on any fixtures or equipment removable by Tenant under the provisions of this Lease, nor on any improvement, alteration, or betterment made by Tenant to the Leased Premises, and Landlord shall not be obligated to repair any damage thereto or replace the same.

Notwithstanding any term or provision of this Lease to the contrary, Landlord shall not be liable for any damages to Tenant for delays in commencing or completing repairs to the Leased Premises after fire or other casualty resulting from adjustment of insurance claims, governmental requirements, or any cause beyond Landlord's reasonable control.

9.2 Condemnation. If all or a portion of the Leased Premises is taken or condemned by any public or quasi-public authority, entity or corporation having the power of eminent domain, this Lease shall terminate as of the date of taking.

A voluntary sale or transfer in lieu of but under the threat of condemnation shall be considered a taking or condemnation. Landlord shall be entitled to all compensation paid as a result of such taking or condemnation and Tenant shall have no claim against Landlord or the condemning authority for any part of the taking or condemnation, except that Tenant may pursue a claim against the condemning authority for loss of business, cost of relocation or cost of removal of Tenant's trade fixtures, furniture and equipment.

Article 10

Default

10.1 Events of Default; Remedies. The occurrence of any of the following is referred to as an "**Event of Default**":

(a) The failure, neglect or refusal of Tenant to pay any installment of Base Rent, additional rent and/or to pay any other monies, payments or additional charges payable by Tenant when and as the same shall become due and payable under the terms of this Lease if the same is not cured within five days of written notice from Landlord;

(b) The failure, neglect or refusal of Tenant to keep and perform any of the other terms, covenants, conditions, stipulations, obligations or agreements contained in this Lease covenanted and agreed to be kept and performed by Tenant, if any such default shall continue for a period of more than 30 days after written notice of such default; provided, however, to the extent such breach or failure cannot reasonably be cured within the foregoing 30-day period and Tenant has commenced such cure and diligently pursues the same, Tenant shall have up to 90 days to cure such default); or

(c) Tenant becoming bankrupt or insolvent, or filing any debtor proceedings, or taking or having taken against Tenant in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization or for appointment of a receiver or trustee of all or a portion of Tenant's property, or Tenant making an assignment for the benefit of creditors, or petitioning for or entering into an arrangement, or Tenant

suffering any lien, levy or encumbrance to be filed against the Leased Premises, or if this Lease be taken under any writ of execution.

10.2 Remedies on Default. Upon the occurrence of an Event of Default, Landlord may exercise any or all of the following remedies, in addition to any other remedy now or subsequently permitted by law:

(a) **Right of Reentry.** Except as otherwise required by provisions of Michigan law which cannot be waived, Tenant authorizes and fully empowers Landlord or Landlord's agents to reenter and take possession of the Leased Premises without any previous notice of intention to reenter or resort to legal process and to remove all persons and property from the Leased Premises, and to use such force and assistance in effecting and perfecting such removal of said persons and property as may be necessary or advisable to recover exclusive possession of all of the Leased Premises, whether in the possession of Tenant or of third persons or otherwise, without being deemed guilty in any manner of trespass, without becoming liable for any loss or damage occasioned thereby, and without prejudice to any remedies which might otherwise be available to Landlord. No reentry or taking possession of the Leased Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant by Landlord or unless the termination of this Lease be decreed by a court of competent jurisdiction.

(b) **Right to Relet.** Should Landlord elect to reenter and take possession as provided in this Lease, or should Landlord reenter or take possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may either terminate this Lease or continue this Lease in full force and effect, and the Lease will continue in effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect rent from Tenant when due. During the period Tenant is in default, Landlord may relet the Leased Premises or any part of the Leased Premises to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all reasonable costs Landlord incurs in reletting the Leased Premises or any part of the Leased Premises, including, without limitation, brokers' commissions, reasonable attorneys' fees (through appellate and enforcement or collection proceedings), expenses of repairs and reasonable remodeling of the Leased Premises as may be reasonably necessary in Landlord's judgment to relet the Leased Premises, and like costs. Reletting can be for a period shorter or longer than the remaining term of this Lease and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion shall deem advisable. Tenant shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from any reletting. In no event shall Tenant be liable for any consequential damages.

If Landlord elects to relet the Leased Premises as provided in this subsection, rent that Landlord receives from reletting shall be applied to the payment of: first, any indebtedness from Tenant to Landlord other than rent due from Tenant, including all damages and expenses (including, without limitation, real estate agent commissions in reletting the Leased Premises and attorney fees resulting from Tenant's default) sustained by Landlord as a result of the Event(s) of Default; second, all costs, including for maintenance, incurred by Landlord in reletting; and, third, rent due and unpaid under this Lease. After such application of the rent received from reletting, any sum remaining from the rent Landlord receives from reletting shall be held by Landlord and applied in payment of future rent as rent becomes due under this Lease. In no event shall Tenant

be entitled to any excess rent received by Landlord. If, on the date rent is due under this Lease, the rent received from the reletting as provided in this subsection is less than the amount of rent due under this Lease, Landlord reserves the right to bring any action or legal proceeding for the recovery of any deficits remaining unpaid as Landlord may deem favorable, from time to time, without being obliged to wait until the end of the term of this Lease or of any renewals or extensions of this Lease, or for the final determination of Tenant's account. No such reletting of the Leased Premises by Landlord and no other act by Landlord allowed by this subsection shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention be given to Tenant by Landlord or unless the termination of this Lease be decreed by a court of competent jurisdiction.

(c) **Right to Terminate.** Landlord may at any time after reentry and/or reletting elect to terminate this Lease for the Event of Default giving rise to such reentry and/or reletting, or, absent such reentry or reletting without termination, may terminate this Lease at any time when there is an Event(s) of Default. No act by Landlord other than giving written notice of termination to Tenant shall terminate this Lease. Reentry, acts of maintenance, efforts to relet or reletting the Leased Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interests under this Lease shall not constitute a termination of this Lease. On termination of this Lease, Landlord has the right to recover from Tenant

(i) The unpaid rent, additional rent and other charges that were payable at the time of termination of this Lease, together with interest from the date due at the lesser of the highest rate permitted by law or 1.5% per month;

(ii) The amount by which the unpaid rent and other charges that would have been payable after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided, together with interest on such difference as it accrued at 1.5% per month or the highest legal rate, whatever is less;

(iii) The present value, at the time of the award, of the amount by which the unpaid rent, additional rent and other charges for the balance of the term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided, with such present value to be computed using a 7% discount rate; and

(iv) All costs incurred by Landlord in enforcing this Lease, including but not limited to, reasonable attorneys' fees.

10.3 **Bankruptcy.**

(a) If following the filing of a petition by or against Tenant in a bankruptcy court Landlord shall not be permitted to terminate this Lease as hereinabove provided because of the provisions of Title 11 of the United States Code relating to Bankruptcy, as amended (the "**Bankruptcy Code**"), then Tenant (including Tenant as Debtor-in-Possession) or any trustee for Tenant agrees promptly, within no more than 30 days upon request by Landlord to the Bankruptcy Court, to assume or reject this Lease, and Tenant agrees not to seek or request any extension or adjournment of any application to assume or reject this Lease by Landlord with such Court.

Tenant's or the trustee's failure to assume this Lease within said 30-day period shall be deemed a rejection. Landlord shall thereupon immediately be entitled to possession of the Premises without further obligation to Tenant or the trustee, and this Lease shall be terminated, except that a Landlord's right to damages for Tenant's default shall survive such termination.

(b) Tenant or any trustee for Tenant may only assume this Lease if (i) it cures or provides adequate assurance that the trustee will promptly cure any default hereunder, (ii) it compensates or provides adequate assurance that the Tenant will promptly compensate Landlord for any actual pecuniary loss to Landlord resulting from Tenant's default, and (iii) it provides adequate assurance of future performance under this Lease by Tenant. In no event after the assumption of this Lease by Tenant or any trustee for Tenant shall any then-existing default remain uncured for a period in excess of 10 days. Adequate assurance of future performance of this Lease shall include, without limitation, adequate assurance (i) of the source of rent required to be paid by Tenant hereunder, and (ii) that assumption or permitted assignment of this Lease will not breach any provision hereunder.

10.4 Removal of Property. If Landlord elects to reenter and take possession of the Leased Premises, or if Landlord reenters and takes possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may remove all personal property from the Leased Premises and store such property, without liability for loss or damage, such storage to be for the account and at the expense of Tenant. In the event that Tenant shall not pay the cost of storing any such property after it has been stored for a period of 30 days or more, Landlord may, at its option, sell or permit to be sold any or all of such property at public or private sale, in such manner and at such times and places as Landlord in its sole discretion may deem proper, without notice to Tenant, and shall apply the proceeds of such sale: first, to the costs and expenses of such sale, including reasonable attorneys' fees (through appellate and enforcement or collection proceedings); second, to the payment of the costs for storing such property; third, to the payment of any other sums which may then be or thereafter become due Landlord from Tenant under any of the terms of this Lease; and fourth, the balance, if any, to Tenant.

10.5 No Release. Landlord will in no event, whether or not Landlord has reentered or taken possession of the Leased Premises and whether or not this Lease has been terminated, be obligated to or be responsible in any way whatsoever for failure to relet the Leased Premises. The failure of Landlord to relet the Leased Premises or any part of the Leased Premises shall not release or affect Tenant's liability for rent or damages.

10.6 Costs. If suit shall be brought for recovery of possession of the Leased Premises, for the recovery of rent, or any other amount due under the provisions of the Lease, or because of the breach of any other covenant contained in this Lease on the part of Tenant to be kept or performed, and a breach shall be established, Tenant shall pay to Landlord all expenses incurred therefor, including reasonable attorneys' fees and court costs (through appellate and enforcement or collection proceedings)

10.7 Cure. Landlord, at any time after Tenant commits a default, subject to any required notice period and the expiration of any cure period, may cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately due from Tenant to Landlord

at the time such sum is paid, and, if paid at a later date, shall bear interest at 1.5% per month or the highest legal rate, whichever is less, until Landlord is reimbursed by Tenant. The sum, together with interest, shall be additional rent.

10.8 Remedies Cumulative. All rights and remedies of Landlord under this Lease are cumulative and none shall exclude any other rights or remedies provided by law, specifically including, but not limited to, summary proceedings pursuant to MCLA 600.5701, *et seq.*

Article 11 Access to Leased Properties

Landlord and Landlord's authorized representatives, upon 24 hours' notice to Tenant (except in the case of an emergency), and shall have the right to enter upon the Leased Premises at all reasonable hours for the purpose of inspecting the same, performing its obligations and exercising its rights hereunder, and for the period of six months prior to termination of this Lease, for the purpose of reletting the Leased Premises; provided, however, if students are present at the Leased Premises at the time of entry, Landlord and Landlord's authorized representatives shall (except in the case of an emergency) enter only when accompanied by a Tenant's representative.

Article 12 Holding Over

It is agreed that, in the event Tenant holds over after the termination of the term of this Lease, the tenancy shall be from month-to-month in the absence of a written agreement to the contrary. During any hold over period, the base monthly rent shall be 110% of the last lease year's monthly Base Rent and Tenant shall continue to pay all additional rent charges, if any.

Article 13 Assignment and Subletting

13.1 Assignment and Subletting. Tenant shall not have the right to sublease the Leased Premises or assign its rights under this Lease without Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed. Notwithstanding any such sublease or assignment, Tenant and all assignees and sublessees shall remain liable for the performance of all of Tenant's obligations contained in this Lease. Any assignee or sublessee will be required to execute an instrument in writing assuming, along with Tenant and jointly and severally, all of Tenant's obligations and liabilities to Landlord.

13.2 Corporate Tenant. If Tenant is a corporation, then any transfer of this Lease from Tenant by merger, consolidation or liquidation shall constitute an assignment for the purpose of this Lease and shall require the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Transferee Tenant shall have at least equal financial strength as Tenant as of the Effective Date of this Lease, and engage in the same or substantially similar use of the Leased Premises. If at any time during the Lease Term any part or all of the corporate shares of Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition so as to result in a change in the present effective voting control of Tenant by tire person or persons owning a majority of said corporate shares on the date of this Lease, Tenant

shall promptly notify Landlord in writing of such change, and Landlord may require Tenant to provide reasonable evidence of financial ability to perform its obligations under the Lease.

13.3 Sale or Transfer. If Unit 3 of American Seating Park Condominium of which the Leased Premises are a part is sold or transferred, Landlord shall be automatically and entirely released from all of its covenants and obligations under this Lease from and after the date of such conveyance or transfer. The new owner or transferee shall assume all of Landlord's obligations to Tenant under this Lease. Tenant agrees to recognize and attorn to such new owner or transferee as Landlord.

Article 14

Estoppel Agreement

Tenant shall, without charge and at any time and from time to time, within 15 days after receipt of written request by Landlord, certify by written instrument, duly executed, acknowledged and delivered to any mortgagee, assignee of any mortgagee or purchaser, or any proposed mortgagee, proposed assignee or proposed purchaser, or any other person, firm or corporation specified by Landlord: (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (b) whether or not there are then existing, to the best of its knowledge, any setoffs or defenses against the enforcement of any of the agreements, terms, covenants or conditions of this Lease upon the part of Tenant to be performed or complied with (and, if so, specifying the same); and (c) the dates, if any, to which the rental(s) and other charges under this Lease have been paid in advance.

Article 15

Nonliability and Indemnification

15.1 Nonliability. Neither Landlord nor its agents shall be liable for any injury or damage to persons or the property of Tenant, its agents, employees, visitors, invitees or licensees in, upon or about the Leased Premises or the common areas or areas adjacent to or adjoining the building of which the Leased Premises are a part, except to the extent that such injury or damage results from the negligence or intentional conduct of Landlord, its employees, contractors, agents and others for whom Landlord is legally responsible ("Landlord Parties"). Landlord shall not be liable for any loss or damage to person or property of Tenant or of others located in the Leased Premises by theft or otherwise or resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the Leased Premises or from the pipes, appliances or plumbing work or from the roof, street or subsurface or from any other place or by dampness or for any cause whatsoever, except to the extent that such loss or damage results from the negligence or intentional conduct of any Landlord Parties.

15.2 Indemnification. To the extent permitted by law and without waiving any governmental immunities, Tenant covenants and agrees to hold harmless, indemnify and defend Landlord and its members, managers and agents against any and all liability, damages, expenses, fees, penalties, causes of action, suits, costs, legal fees, claims or judgments arising from injury or damage to persons or property occasioned by any act or acts or omissions of Tenant, its agents, servants, contractors, employees, visitors, or invitees arising out of Tenant's use and occupancy of

the Leased Premises, except to the extent caused by the negligence or willful misconduct of Landlord, or its members, managers, employees, agents, or contractors.

15.3 Recourse Against Landlord. In the event Landlord shall fail to perform or observe any of the covenants, provisions or conditions contained in this Lease on its part to be performed or observed within 30 days after receipt from Tenant of a written notice of default which reasonably describes default by Landlord, or more than 30 days if required because of the nature of the default, and Landlord fails to proceed diligently to cure such default after written notice, then Landlord shall be in default under this Lease (a "**Landlord Default**"). In the event of a Landlord Default, Landlord shall be responsible to tenant for damages sustained by Tenant (except incidental or consequential damages) as a result of Landlord's breach; provided, however, that Tenant agrees that any damages arising out of a money judgment against Landlord shall be satisfied out of Landlord's estate in Unit 3 (including sale, condemnation and insurance proceeds) of American Seating Park Condominium of which the Leased Premises are a part, and neither Landlord nor any of its members shall be personally liable with respect to any such judgment. Tenant waives any right to satisfy said money judgment against Landlord except from Landlord's estate in Unit 3 (including any sale, condemnation and insurance proceeds) of American Seating Park Condominium of which the Leased Premises are a part. Furthermore, in the event of a Landlord Default, and for so long as the Landlord Default continues, Tenant shall have the right to terminate this Lease without liability by giving written notice to Landlord.

Article 16

Surrender of Premises

16.1 Surrender. Upon the expiration or other termination of this Lease, Tenant shall immediately surrender possession of the Leased Premises to Landlord, in broom-clean condition, together with all improvements or additions in or to the Leased Premises, by whomever made, in the condition as received or first installed, ordinary wear and tear and damage from casualty excepted.

16.2 Fixtures. All fixtures, equipment, improvements and appurtenances attached to or built into the Leased Premises at the commencement or during the term of this Lease, including floor to ceiling partitions and doors and door hardware, shall be and remain part of the Leased Premises and, at the expiration of the term of this Lease, shall be deemed the property of Landlord and shall not be removed by Tenant. All electric, plumbing, heating, sprinkling, telephone and communication wiring, window covering, ventilation, silencing, air conditioning and cooling equipment will be deemed to be included in such fixtures, equipment, improvements and appurtenances, whether or not attached to or built into the Leased Premises.

16.3 Removable Personal Property. Upon expiration or other termination of this Lease, Tenant, at its expense, shall remove all movable office furnishings and equipment installed by Tenant at its expense. Tenant agrees that it will pay the cost of repairing any damage to the Leased Premises, or to the building of which the Leased Premises are a part, arising from the removal of any property which it is permitted or obligated to remove from the Leased Premises. Any property left on the Leased Premises after the expiration of this Lease and after Landlord provides written notice regarding same to the Tenant and the expiration of 7 business days during which Tenant may retrieve such property, shall be deemed conclusively to have been abandoned

and to be the property of Landlord to dispose of as Landlord deems most expedient. If Tenant caused the lighting layout or heating, ventilating or air conditioning systems to be altered from building standard layouts, then, unless Landlord shall otherwise agree in writing, at the expiration or termination of this Lease, Tenant shall pay to Landlord an amount equal to the cost to replace such nonstandard layouts to building standard layouts.

16.4 Indemnification. To the extent permitted by law and without waiving any governmental immunities, Tenant shall indemnify, defend and hold Landlord harmless from and against any loss or liability resulting from delay by Tenant in surrendering the Leased Premises, including, without limitation, any claims made by any succeeding tenant, except in no event shall Tenant be responsible for consequential damages.

Article 17

Subordination to Mortgages; Attornment

17.1 Subordination. This Lease is and at all times shall be subject and subordinate to any mortgage or mortgages now in force or which shall at any time hereafter be placed upon the building (and land and improvements) of which the Leased Premises are a part, and to each and every advance previously or subsequently made under and pursuant to any such mortgage(s). Tenant agrees that it will, within 15 days after receipt of written demand and without charge, execute and deliver such instruments as shall be reasonably required by any mortgagee or proposed mortgagee to confirm or to effect more fully subordination of this Lease to the lien of any such mortgage or mortgages. Notwithstanding such subordination, Tenant's right to quiet enjoyment of the Leased Premises shall not be disturbed if Tenant is not in default under this Lease and so long as Tenant shall pay the rent, additional rent and any other charges and observe and perform all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. Upon request by Tenant, Landlord shall use its best commercial efforts to obtain a reasonably acceptable non-disturbance agreement from any lender of Landlord holding a mortgage on Unit 3.

17.2 Attornment. In the event of any sale of Unit 3 of American Seating Park Condominium of which the Leased Premises are a part, or in the event any proceedings are brought for the foreclosure of, or in the event of conveyance by deed in lieu of foreclosure of, or in the event of any exercise of the power of sale under, any mortgage made by Landlord with respect to the building (and land and improvements) of which the Leased Premises are a part, Tenant agrees to attorn to, and agrees to execute instruments reasonably satisfactory to, the new owner, whereby Tenant attorns to such new owner and recognizes such new owner as Landlord under this Lease.

Article 18

Quiet Enjoyment

Landlord covenants that, if and so long as Tenant keeps and performs each and every covenant, agreement, term, provision and condition contained in this Lease on the part and on behalf of Tenant to be kept and performed, Tenant shall quietly enjoy the Leased Premises without hindrance or molestation by Landlord or by any other person lawfully claiming the same, subject to the covenants, agreements, terms, provisions and conditions of this Lease or to any mortgage to which this Lease is subject and subordinate.

Article 19
Miscellaneous

19.1 Notices. All notices permitted or required by this Lease shall be in writing and either by mail, overnight courier with a tracking service, or personal delivery. If by mail, notice shall be deposited in the United States mails, postage prepaid, registered or certified mail, return-receipt requested, and addressed to the party to whom notice is directed. If by overnight courier, the notice shall be deposited with an overnight courier with a tracking service, and addressed to the party to whom notice is directed. If by personal delivery, notice shall be personally delivered to the party to whom notice is directed. Notice shall be deemed effective on the date postmarked if by mail, or on the date of delivery, if personally delivered. Notice by overnight courier shall be deemed received the next business day. Notices shall be sent to:

If to Landlord:	Clark Place Commercial, LLC Attn: Beth Visser 940 Monroe Ave NW, Ste. 115 Grand Rapids, MI 49503
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If to Tenant:	NexTech High School Attn: Board President 801 Broadway Ave. NW, Suite 230 Grand Rapids, MI 49504
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19.2 Severability. The invalidity or unenforceability of any provision of this Lease shall not affect the validity or enforceability of any remaining provisions and this Lease shall be construed in all respects as if any invalid or unenforceable provision were omitted.

19.3 Waiver. No term, condition, covenant or provision contained in this Lease may be waived except in a writing signed by the waiving party. No oral statements, course of conduct or course of dealing shall be deemed a waiver. No waiver by any party of any violation or breach of this Lease shall be deemed or construed to constitute a waiver of any other violation or breach, or as a continuing waiver of any violation or breach.

19.4 Applicable Law. This Lease shall be interpreted, construed and governed according to the laws of the State of Michigan.

19.5 Captions. The captions or headings to the various paragraphs contained in this Lease are for convenience only and shall to no extent affect the meaning, scope or interpretation of this Lease.

19.6 Counterparts. This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one instrument.

19.7 Binding Effect. This Lease shall be binding upon and inure to the benefit of the parties to this Lease, as well as their respective successors and assigns.

19.8 Merger and Modification. This constitutes the entire agreement between the parties with respect to the subject matter of this Lease, and any prior discussions, negotiations, and

agreements between the parties are merged into this Lease. The existing Lease between Landlord and Tenant shall terminate and be replaced by this Lease on July 1, 2022. No amendment or modification of this Lease shall be enforceable except if in writing and signed by the party against whom enforcement is sought.

19.9 Payments Due on Sundays and Holidays. In any case where a payment is due under the terms of this Lease on a Sunday or a legal holiday, payment need not be made on such date but must be made on the next succeeding business day which is not a Sunday or legal holiday.

19.10 Cumulative Remedies. The remedies provided in this Lease for the benefit of Landlord shall be cumulative.

19.11 Consent to Jurisdiction and Venue. In the event of legal proceedings on or concerning this Lease, each party consents to being subject to the personal jurisdiction of the courts of the State of Michigan with respect to any claims, defenses, counterclaims, crossclaims or third party claims. The parties further consent to and agree not to challenge venue in any court of the State of Michigan with respect to any proceeding on or concerning this Lease. For purposes of this section, courts of the State of Michigan shall include the United States District Courts located in Michigan.

19.12 Real Estate Broker. Landlord represents and warrants to Tenant and Tenant represents and warrants to Landlord that neither has hired or retained the services of a real estate broker for the transactions contemplated by this Lease other than Bradley Company. Landlord shall pay all sums owed to Bradley Company arising from this Lease. Landlord and Tenant will each indemnify the other from any claims, causes of actions, and expenses (including reasonable attorneys' fees) arising from a party's breach of this representation and warranty.

19.13 No Memorandum of Lease. Tenant shall not record a memorandum of this Lease.

19.14 Authorization. Both parties represent that the person executing this Lease on behalf of the respective party has all necessary authority to execute this Lease, and that when executed, this Lease will be a legally binding obligation of each party.

By signing this Lease Agreement, the parties acknowledge that they have read this document, they know its contents and they are voluntarily signing it. This Lease shall be effective on the date of the last party to sign.

Landlord:

Clark Place Commercial, LLC, a Delaware limited liability company

By: _____


Chris Beckering

Its: Authorized Representative

Date: 2022

Tenant:

NexTech High School, a Michigan nonprofit corporation

By: _____


Its: _____

PRESIDENT

Date: 2022

Exhibit A

Landlord Improvements



Project: NexTECH High School, Suite 230 Renovations

Project Start Date: June 6, 2022 (Monday)

Project Completion Date: August 5th, 2022 (Friday), 1 week prior school start.

Project Manager: Drew Hutchinson (616) 401-3062

Scope of Work:

- **Division 2 Demo :**
 - Selective Demolition throughout suite to facilitate renovations.
- **Division 6 Carpentry/General Trades:**
 - Install new Glass Door System between existing Suites.
 - Construct new Classroom 21'-6" x 41'-2"
 - South Wall of this classroom will have glass wall system.
 - West wall of this classroom will be full height drywall with closet.
 - Classroom will have two entry doors.
 - Prime and Paint Drywalled walls
 - Add electrical outlets in appropriate locations for room.
 - Construct new 20'-4" x 21'-4" classroom.
 - New classroom will have one door to match other doors in suite.
 - New Classroom will have two windows that match other classrooms.
 - Prime and Paint Drywalled walls.
 - Add electrical outlets in appropriate locations for room.
 - Construct new 16' x 3' closet in west corridor.
 - Install Barnwood Wall finish in Hallway corridor
 - Modify Window vent in lab area.
- **Division 23 HVAC:**
 - Replace current "Duct-Sock" with spiral wound duct throughout suite.
 - Duct newly created enclosed classrooms with spiral wound duct.

550 KIRTLAND STREET, S.W. • GRAND RAPIDS, MI 49507 • TEL (616) 247-6966 • FAX (616) 247-0186 • WWW.PIONEERINC.COM

Exhibit B
Base Rent Schedule

American Seating Park
Summary of Monthly
Rents
5/17/2022

For NexTech High School

16,717

SF

**Connection
Education**

<u>Month/Year</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
January	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
February	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
March	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
April	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
May	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
June	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
July	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
August	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
September	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
October	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
November	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
December	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
	309,237.32	316,968.24	324,892.44	333,014.75	341,340.12	172,777.10

Clark Place
Commercial LLC
Summary of Monthly
Rents
5/13/2022

3,093 square ft

<u>Month/Year</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
	20.00	20.50	21.01	21.54	22.08	22.63

Exhibit B-1

January		5,155.00	5,283.88	5,415.97	5,551.37	5,690.16
February		5,155.00	5,283.88	5,415.97	5,551.37	5,690.16
March		5,155.00	5,283.88	5,415.97	5,551.37	5,690.16
April	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	5,832.41
May	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	5,832.41
June	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	5,832.41
July	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
August	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
September	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
October	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
November	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
December	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
<hr/>						
	46,395.00	63,019.88	64,595.37	66,210.26	67,865.51	34,567.69
<hr/>						

	19,810	Square feet				
<u>Month/Year</u>						
January	25,451.63	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34
February	25,451.63	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34
March	25,451.63	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34
April	30,606.63	31,371.80	32,156.09	32,959.99	33,783.99	34,628.59
May	30,606.63	31,371.80	32,156.09	32,959.99	33,783.99	34,628.59
June	30,606.63	31,371.80	32,156.09	32,959.99	33,783.99	34,628.59
July	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
August	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
September	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
October	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
November	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
December	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-

Totals	355,632.32	379,988.11	389,487.81	399,225.01	409,205.64	207,344.79
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Exhibit C

The Leased Premises

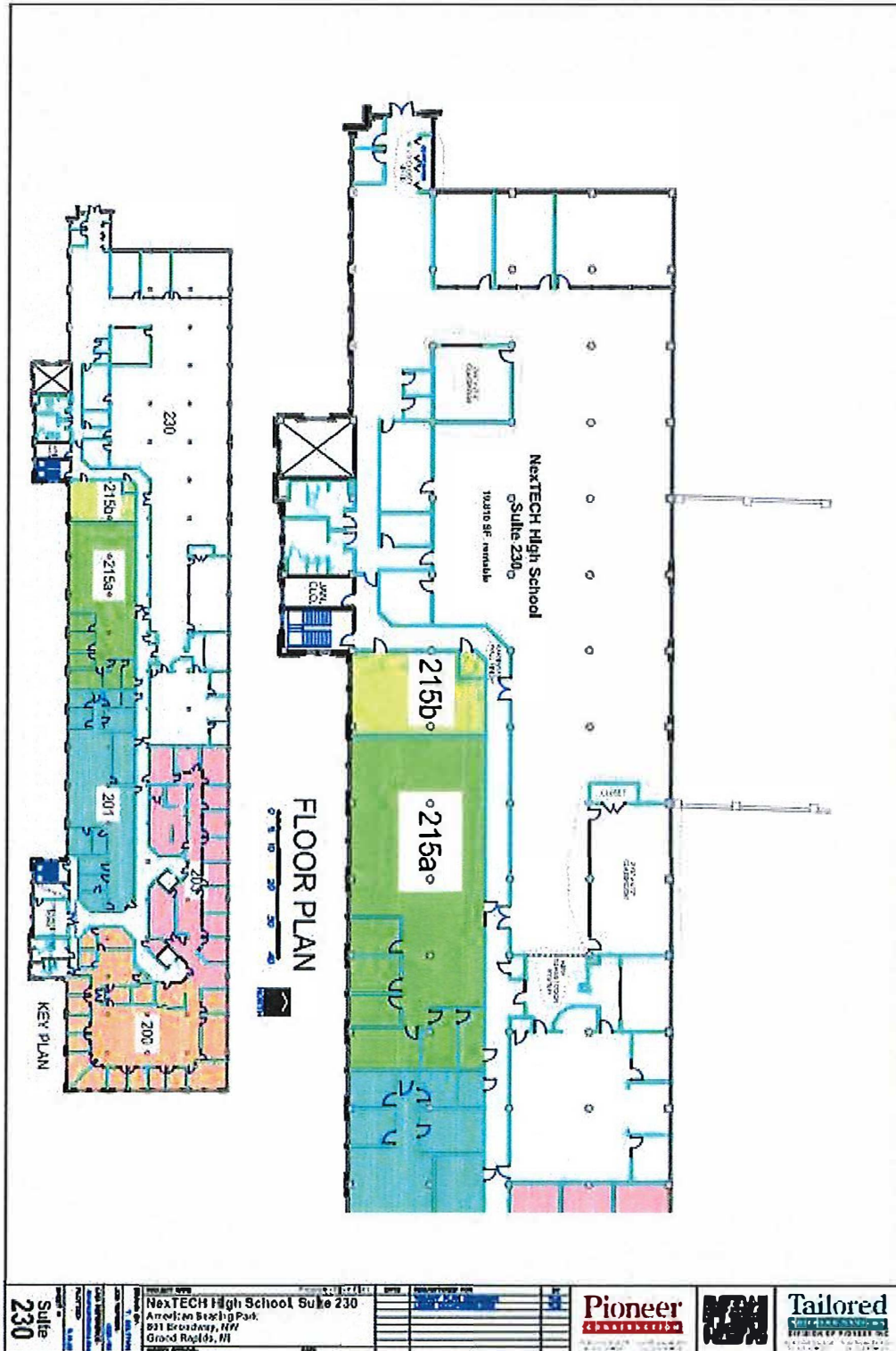


Exhibit C-1

4895-3133-7765 v2 [51673-1]

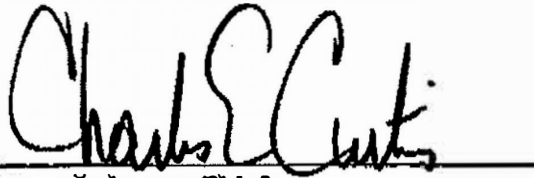
CORRECTED
CERTIFICATE OF USE AND OCCUPANCY
PERMANENT

**Michigan Department of Licensing and Regulatory Affairs
Bureau of Construction Codes/Building Division
P. O. Box 30254
Lansing, MI 48909
(517) 241-9317**

**Building Permit No. B033588
Nexus Academy of Grand Rapids
801 Broadway NW
Grand Rapids, Michigan
Kent County**

The above named building of Use Group E 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.


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

September 27, 2012

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: BLDG18-00326

801 NW BROADWAY AVE

Grand Rapids, MI 49504

COUNTY: Kent

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: 09/27/2018

CONTRACT SCHEDULE 7

**REQUIRED INFORMATION FOR
A PUBLIC SCHOOL ACADEMY**

SCHEDULE 7
REQUIRED INFORMATION FOR
A PUBLIC SCHOOL ACADEMY

Required Information for a Public School Academy. 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. Governance Structure. 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. Educational Programs. The educational programs of the Academy are set forth in Section c of this Schedule.
- Section d. Curriculum. The curriculum of the Academy is set forth in Section d of this Schedule.
- Section e. Methods of Pupil Assessment. The methods of pupil assessment of the Academy are set forth in Section e of this Schedule.
- Section f. Application and Enrollment of Students. 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. Age or Grade Range of Pupils. 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 3: Post-Secondary Readiness: Grades 9-11

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%
In the event that performance against the standard falls below these required expectations, “measurable progress towards the achievement of this goal” will be defined using the following measures and targets:			
Over Time:	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) over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	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 $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ 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.

The mission of NexTech High School (“Academy”) is to provide a personalized and transformational high school experience that prepares each student academically for success in college, work and life.

The vision the Academy embodies is of an innovative, inspirational and individualized high-performance high school for today’s learner. The Academy builds on recent research and best practices about the most effective ways to serve youth who may be alienated and disengaged from the traditional school setting, but can thrive in a culture of high expectations and wraparound support for the way they learn best.

The values that define the Academy include quality school programs; passionate, expert and caring teachers; cutting-edge technology that enables personal excellence; and real connections linking school, family and community. By fulfilling these values, the Academy ensures students will thrive.

Like any other school, alternative high schools are heterogeneous in the student population. A portion of the students are significantly behind in the accrual of high school credits compared to typical peers, and many of these students are also several grade levels behind in reading, language and math skills. Another group of students are capable students who are not interested in the social scene in large high schools. More student profiles are students who suffer from anxiety; students who are gifted in an area like the arts or computer programming and networks and who want to learn through these mediums; or gifted and talented students who are bored with, or even resentful of, compliance driven assignments. What all these students have in common is a desire to take control of their education and use an online format, whether fully online or in a blended approach, and the Academy offers that potential.

The Academy delivers curriculum, monitors student progress, and prepares students for post-secondary success using a blended-learning model. This model has the majority of students on-campus 16 hours a week, in either a morning or afternoon session, four days per week. During the on-campus time, students meet with individual advisers, attend a more formal class, get small-group or one-on-one tutoring, and meet with the counselor and others to continuously align high school work with post-secondary plans and goals. These sessions help keep students connected to learning by showing teachers/coaches exactly the points at which students might be struggling, and where the teacher and student can co-construct an alternative if necessary. It also allows students to maintain social relationships with peers in an accepting community. Some students may be able to participate in a more virtual atmosphere based on the need for flexibility with internships, work programs and personal need.

Off-campus, students are expected to complete course work through an online system. The structure of the learning management system (“LMS”) allows students to communicate directly

with advisers or the teachers and to monitor individual progress in real-time. Based on the mutually agreed upon arrangement the student has with the teacher, the student can “jump around” the course or complete it sequentially, while needing to pass certain milestones before moving on. The student’s learning preferences and interests can be considered to design alternative assessments in conjunction with the teacher, which are also housed in the LMS. For example, a student who is interested in Bitcoin, might replace an assignment in economics class to research how Bitcoin works and responds to market forces. The LMS format allows the teacher to build the assignment and attach a rubric, as well as allows the student to report on his or her progress entirely online.

The Academy addresses the needs of the student population by allowing for numerous entry points into content, an ability to proceed through a course at a pace that is accelerated or slowed and to communicate with the teacher in a no-risk fashion. Asking questions, requesting an extension, or looking for another way to approach material or demonstrate learning in an alternate fashion can be done without anyone else needing to know. This kind of “privacy” allows a student to preserve and grow a sense of themselves as a capable learner and, because the progress of peers’ studies is not relevant, students feel like a member of the academic community. This “academic mindset” is an important factor in the success of adolescents in school, as are the ability to persevere and to remain organized and active.¹

Restructuring the approach to learning, where students appreciate learning through encouragement to find the awe and wonder in the content, is the key to student engagement. Unlike many online courses where students instantly try to “game” the system and ignore the content in an effort to complete the course as quickly as possible, the NexTech blended learning model is locally controlled and created. This also allows teachers to pace and design the course specifically for the content standards and needs of the students. Unlike nationally distributed online courses that cover massive amounts of content that is quickly forgotten, the NexTech model allows for unit and lesson design that requires the kind of problem solving that is required on the new SAT[®], the M-STEP and in college courses where what students do with information is prized over being able to recite it or find it.²

This approach is critical for students who may have previously decided that high school was not for them and were disengaged, but want to be successful and know they can do more than what had been available at local schools. The Academy chose a blended model precisely because of data that shows students not only can thrive in this more relaxed setting, but are eager to learn.³ This is particularly important as students will need to wrestle with the challenges of core classes and still complete the non-core coursework. The blended learning format can make this more approachable as students learn to use time based on work preferences.

¹ The University of Chicago Consortium on Chicago School Research. (June 2012). *Teaching Adolescents to Become Learners. The Role of Nonacademic Factors in Shaping School Performance: A Critical Literature Review*. Retrieved from <https://consortium.uchicago.edu/sites/default/files/publications/Noncognitive%20Report.pdf>

² Hoover, Eric. (2015, Oct 28). Everything you need to know about the new SAT. *The New York Times*. Retrieved from https://www.nytimes.com/2015/11/01/education/edlife/everything-you-need-to-know-about-the-new-sat.html?_r=0

³ Headden, Susan. (Fall 2013). The Promise of personalized learning. *Education Next*, vol. 13, no. 4. Retrieved from <http://educationnext.org/the-promise-of-personalized-learning/>

Just as the Academy is presenting students with a new style of schooling, colleges have also begun dramatic transformations. More than one quarter of post-secondary students take at least one course online⁴ and the “traditional” classes are de facto blended classes as students submit coursework through online portals and manage all aspects of college life, including registration, communication with offices and professors, scheduling, acquiring materials, etc. online and independently.

The whole of the Academy program is built around personalization. Because students can adjust the pace, place and time of learning, individual needs are being met right off the bat. The added ability to consult with an adviser or content area teacher, either in person or online, to adjust the way the students work with content increases the adaptiveness for learners. Technology also provides access in ways that traditional classrooms struggle to do without broadcasting a student’s disability or weaknesses and impacting the student’s sense of self at a pivotal time in development, or that results in students being in more restrictive environments so as not to disturb other students.

For example, at the Academy, students are working in small groups with highly-qualified instructors on a regular and consistent basis. When a student requests or needs content adaptations, the student is accommodated immediately within the setting in a low-risk environment. The small environment is a natural catalyst for individual student adaptations and are common in every course and classroom.

For gifted and talented students, opportunity truly presents itself in online learning. In addition to the potential of rapidly accelerating progress through high school, teachers can easily swap in advanced courses, such as AP coursework through Michigan Virtual High School, or even monitor a students’ progress in an advanced online course available through educational vendors and partners. The array of options and opportunity in an online format are where the promise of truly personalized learning lies.

When making educational placement decisions for students with disabilities, the Academy will ensure that parents are contributing members of the Individualized Educational Program (“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:

⁴ Online Learning Consortium Report. (2016, Feb 25). Retrieved from https://onlinelearningconsortium.org/news_item/report-one-four-students-enrolled-online-courses/

1. 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.
2. 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.
3. 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.

Academy teachers use summative assessments to analyze the skills and behaviors students need to be successful. At the high school level in Michigan, this is generally the PSAT™ and SAT, and for science and social studies, the M-STEP. Because the SAT and M-STEP assessments are taken in spring of 11th grade, using the data from the 9th and 10th grade PSAT, as well as practice tests at all levels from the College Board and Khan Academy, is important in developing and choosing among the lessons that students engage in within the LMS and while on-campus.

However, just as a textbook is only as good as the teacher in whose hands it is placed, an online curriculum and blended program require talented teachers who can make connections between student activities in school, online and out-of-school that transfer well to the types of academic qualities assessed on standardized and other tests. Therefore, the Academy is committed to extensive teacher training in what assessments are measuring and how to challenge students in daily activities. The Academy is sensitive to the perception that the teacher is less important than the online curriculum in this delivery model,⁵ and so helps all stakeholders understand the critical role of the teacher. For the teacher, this is being the most informed consumer of the online curriculum and understanding how to use it, add to it or revise it based on student needs. For the student, it is understanding the expectations of standardized tests, the college experience, contemporary work-life where problem identification, solving and advocacy are keys to success, and engaging with the teacher in high school to develop those skills and that confidence. For parents, it means developing an understanding that school looks (or should look) a lot different than it did even 20 years ago, and that the demonstration of mastery and higher order thinking skills are what is desired—not repetition, memorization or the performance of a practiced computation as it may have been when parents were in school.

Therefore, the teachers and administration spend time analyzing the assessments provided through the LMS and supported in school to determine the quality of the assessments, as well as broader skills or gaps in knowledge that students may be exemplifying. Responding to this analysis can be in small or large group interventions, or individually in-person or online. Importantly though, especially as a school that is likely to have a higher percentage of students who are behind in reading and math grade-level competency as well as high school credits, teachers use the unique

⁵ Bailey, J., Patrick, S., Schneider, C., Vander Ark, T. Online learning: Myths, reality and promise. (2015) *Foundation for Excellence in Education*. Retrieved from <http://digitalllearningnow.com/site/uploads/2013/07/Online-Learning-Myths-FINAL.pdf>

structure of the Academy to engage students in challenging tasks that do not devalue the intellect of students, and instead actively pursue rich topics that incite controversy and require research, defending ideas, and communicating with precision and clarity. In this way, the Academy uses data-informed instruction instead of data-driven, which too narrowly tries to anticipate standardized tests.⁶

The role of the Academy counselor is essential to guide the student experience at the Academy as preparation for college. Like many alternative schools, many students think the highest aspiration is earning a high school diploma, but at the Academy, the counselor works in conjunction with each student's adviser to have all students apply to college by October of the student's senior year. The Academy celebrates these applications and students throughout the Academy so younger students anticipate and make plans for college applications. Students who are interested in dual-enrollment and meet the requirements receive application assistance, and the Academy schedule is uniquely supportive of dual enrollment as only 16-hours a week are needed on-campus.

By drawing direct connections between student work at the Academy and what will be expected of students at college, and by visiting colleges and having college counselors visit the students at the Academy, students who may have never considered college will see it as a viable future.

Similarly, for students who had planned to go to college, the counselor's role is to make sure that students are not under-matched or over-matched—that students are choosing the college that is most likely to result in graduation in less than six years. The relationships between adults and students—between the counselor and the student, the student and the adviser, and the students' inter-personal relationships—all support an environment where college is an expectation. The Academy is a proud partner and member in the Grand Rapids Promise Zone, which allows free college through Grand Rapids Community College for all graduating students that reside in the city of Grand Rapids.

Students may also declare an intention to enroll in college prior to sophomore year through a partnership with the Kent Intermediate School District ("KISD") and Grand Rapids Community College. This program, known as Launch U, offers students a quick path to an Associate Degree and a job, in a growing field full of high-tech tools like robots and industrial lasers. The program starts in 10th grade, continues through high school, provides industry certificates along the way – and with one additional year can result in a specialized Associate Degree from Grand Rapids Community College.

Exposing students to the contemporary world of work is also of importance. Interested students are encouraged to enroll and participate in local career center courses through Kent Career Technical Center. These courses expose students to the world of work that teaches not only about the skills students may need, but also about the habits that make for a successful and mutually rewarding work life. Showing up, being on time, being responsible to a team and completing work on time to preserve a space in the program are lessons that are useful for a lifetime. The Academy

⁶ Neuman, Susan. (November 2016). Code-Red: The danger of data-driven instruction. *Educational Leadership*, Vol. 74, No. 3. Retrieved from http://www.ascd.org/publications/educational_leadership/nov16/vol74/num03/Code_Red@_The_Danger_of_Data-Driven_Instruction.aspx

has built partnerships through the local area intermediate school district, and is always seeking partnerships with local employers so students can get real-world work experiences to prepare for life after high school.

Graduation Requirements

Content Area	Credits Required	Total	
Mathematics	Four years of mathematics are required, which must include the content in Algebra 1, Geometry and Algebra 2 and for some students, one other course.	4.0	Students may earn additional math credit in dual enrollment or take advanced courses through Michigan Virtual HS or students can choose to take Physics as a fourth-year math or may earn Algebra 2 credit in a collaborative teaching engineering-manufacturing-industrial technology course.
English Language Arts	Four credits of English Language Arts.	4.0	Students may also earn credit through dual enrollment or take advanced courses through Michigan Virtual HS.
Science	Three credits of science are required, one of which must be Biology and one other must be either Chemistry or Physics.	3.0	Students may also earn credit through dual enrollment or take advanced courses through Michigan Virtual HS.
Social Studies	Three credits of social studies are required, .5 in Civics and .5 in Economics as well as one credit each in US and World History and Geography.	3.0	Students may earn their economics credit through a collaborative learning program in state approved marketing courses.
World Language	Two credits are required.	2.0	Students may earn these credits any time in their K-12 experience; also available through Imagine Edgenuity® or Michigan Virtual courses.

P.E. and Health	One total credit is required, .5 in each area.	1.0	Students may earn PE credits through outside documented experiences such as organized sports, gym memberships or personal training.
Visual, Applied and Performing Arts	One total credit is required.	1.0	Edgenuity virtual courses
Electives		4.0	Dual enrollment, onsite courses, MVHS, or Edgenuity can all be used to earn elective credit.
Total		22.0	

The Academy is primarily concerned with a few pieces of hard data: student enrollment and retention; student graduation rate and college acceptance rate; and student achievement on the SAT and M-STEP. If these indicators continue to rise, the Academy can be assured of effective delivery of the program.

Until all the above metrics are at a level of excellence, the Academy, through its school improvement team and reporting to its board of directors, will analyze any places where it is falling short. Annually, surveys of students, parents, staff and community, as well as data collection of the reasons students leave or enroll in the Academy and what they are looking for in a school, is used by the school improvement team to draw conclusions about the student experiences influencing achievement.

Finally, the Academy uses Correlates of Effective Schools⁷ to evaluate its success. The seven correlates influence the practical running of the Academy. The correlates evaluated and the data collected through collaborative staff planning, teacher evaluation and advising, and through surveys are:

- **Clear and Focused Mission:** How often is the mission referenced when making decisions about initiatives, policy, curriculum and instruction?
- **High Expectations:** Perception Surveys: Do teachers believe they have the skills and knowledge necessary to ensure that nearly all students in their classes master the curriculum? Self-Reporting: Were there students whose progress fell below expectations? What was the response? Were there students who exceeded expectations—how were the

⁷ Lezotte, L., McKee-Snyder, K. (2011) *What Effective Schools Do: Re-envisioning the Correlates*. Solution Tree Press, Bloomington, IN.

student and family informed? Based on your knowledge thus far, are there students who are not likely to master the curriculum?

- **Instructional Leadership:** Perception Surveys: Do teachers feel that efforts to maintain the disciplinary climate of the school are reinforced by the principal? Do teachers see the principal or curriculum leader as a resource for solving instructional problems? Self-Reporting: How many classroom observations longer than 10-minutes were conducted weekly/monthly? How much time did leadership spend examining student data? How many students were met with because of discipline problems?
- **Frequent Monitoring of Student Success:** Self-Reporting: Teachers use assessment data to give feedback and inform instruction. Analysis and discussion of assessment content and form are part of regular curricular reviews in collaborative planning.
- **Opportunity to Learn/Time on Task:** Perception Surveys: Is allocated time flexible enough to meet the needs of teachers and students? Is enhanced instruction regularly provided for low-achieving students? Self-Reporting: What percent of students were performing at or above grade-level at the beginning of the year? How do teachers account for lack of background knowledge that may prevent access to learning?
- **Safe and Orderly Environment:** Perception Surveys: Do teachers at the Academy genuinely care about students? Are students treated fairly and consistently? Is the Academy clean and a source of pride to all? Is discipline a problem at the Academy?
- **Home School Relationships:** Perception Surveys: Do parents feel they have numerous opportunities to interact with the Academy? Are parents adequately notified about events, conferences and other opportunities in the Academy? Do parents have opportunities to work with the Academy to select and evaluate Academy activities? Self-Reporting: How many parent complaints have occurred weekly/monthly? How many parent contacts were made by teachers or by administration?

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 Academy written curriculum, Brigham Young University's ("BYU") Buzz platform, Imagine Edgenuity® and Michigan Virtual as a curriculum. The curriculum for all core subjects has been received, reviewed and approved by the Center.

- BYU <https://nexttechlansing.agilixbuzz.com/admin/>
- Edgenuity <https://www.edgenuity.com/login/>
- Michigan Virtual <https://michiganvirtual.org/courses/>

Secondary

The following subjects/courses are offered at the Academy*.

Course Name	Grade**	Course Name	Grade**
English (<i>minimum 4</i>)		Visual, Performing & Applied Arts (<i>BYU</i>)	
English 9	9	Digital Photography	Any
English 10	10	Art Foundations	Any
English 11	11	Calligraphy	Any
English 12	12	Drawing	Any
Mathematics (<i>minimum 4</i>)		Intro to Commercial Art	Any
Algebra I	9	Interior Design	Any
Geometry	10	Clothing Fashion	Any
Algebra II	11	Virtual Courses***—BYU	
Pre-Calculus	12	Advanced Literature	Any
Business/Consumer Math	Any	Creative Writing	Any
Science (<i>minimum 3</i>)		Recreational Reading	Any
Biology	Any	Reading Around the World	Any
Chemistry	Any	Technical Writing	Any
Physics	Any	Public Speaking	Any
Earth Science	Any	Financial Literacy	Any
Social Studies (<i>minimum 3</i>)		Trigonometry	Any
US History & Geography	Any	Applied Math	Any
World History & Geography	Any	Environmental Science	Any
Government	Any	Astronomy	Any

Economics	Any
Physical Education & Health (<i>minimum .5 each</i>)	
Physical Education	Any
Health	Any
World Language (<i>minimum 2</i>)	
French 1	Any
French 2	Any
American Sign Language 1	Any
American Sign Language 2	Any
Spanish 1	Any
Spanish 2	Any
BYU courses	
Business—BYU	
Accounting	Any
Business Law	Any
Business Communications	Any
Marketing	Any

Human Anatomy	Any
Meteorology	Any
Child Development	Any
Psychology	Any
Ancient Civilizations	Any
Current Events	Any
Geography	Any
World Civilizations	Any
Sociology	Any
Fitness for Living	Any
Food and Nutrition	Any
CTE—BYU	
Small Engine Repair	Any
Automotive Basics	Any
Health Occupations	Any
Medical Terminology	Any
Computer/Tech—BYU	
Computer Science	Any
Robotics	Any
Keyboarding	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 ninth through twelfth grades. The maximum building capacity is 288 students. The Academy's program is delivered through a stratified schedule that would allow for a maximum enrollment of 300 students with not more than 150 students enrolled in either session. At no time shall the number of students physically present at the Academy exceed 288. 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.

Re-enrolling Students

- 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 ninth through twelfth grade. The Academy may add grades with the prior written approval of the authorizing body.

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, 2022 Contract to Charter
A Public School Academy and Related Documents

Issued To

NEXTECH HIGH SCHOOL
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 1

NEXTECH HIGH SCHOOL

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2022, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NEXTECH HIGH SCHOOL (the "Academy"), the parties agree to amend the Contract as follows:

- 1.) Amend Schedule 7, Section b: Educational Goal and Related Measures, by replacing the materials contained therein with the materials attached as Tab 1.

The changes identified in Section 1 shall have an effective date of July 1, 2022.

- 2.) Amend Schedule 6: Physical Plant Description, by replacing the materials contained therein with the materials attached as Tab 2.

The changes identified in Section 2 shall have an effective date of June 16, 2023.

This entire amendment is hereby approved by the University Board and the Academy Board through their authorized designees.



Dated: 06/30/2023

By: Corey R. Northrop, Executive Director
The Governor John Engler Center for Charter Schools
Designee of the University Board



Dated: 6/27/23

By: Andrew Enright
NexTech High School
Designee of the Academy Board

NexTech High School
Contract Amendment No. 1

Tab 1

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: Post-Secondary Readiness: Grades 9-11

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%
In the event that performance against the standard falls below these required expectations, “measurable progress towards the achievement of this goal” will be defined using the following measures and targets:			
Over Time:	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) over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	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 $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

Measure 2: On-Track to Graduation

The 'on-track' towards graduation of all students in grades nine through twelve will be assessed using the following measures and targets.

Measure	Metric	Target
The percentage of students on track to graduate	The distribution of students who have earned 4.5 or more credits during the school year or students who need less than 4.5 credits to graduate and intend to return to the academy.	60%

Notes:

Each fall, NexTech High School will provide Central Michigan University with the official fall count roster of students. This list will serve as the cohort of students to be considered for that school year's educational goal.

After the school year is complete, NexTech High School will provide Central Michigan University with the number of credits each student, on the fall count list, earned for that school year. Students earning four-and-a-half or more credits will be considered on-track. Additionally, any early graduates and/or students who, intend to return, needing fewer than four-and-a-half credits to graduate will also be considered as on-track.

NexTech High School
Contract Amendment No. 1

Tab 2

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 6-1

Site Plan 6-3

Floor Plan..... 6-4

Lease Agreement 6-5

Certificates of Use and Occupancy 6-34

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 NexTech High School (the "Academy") is as follows:

Address: 801 Broadway Ave. NW, Ste. 225
Grand Rapids, MI 49504

Description: The Academy leases approximately 19,810 square feet of space from American Seating Park, L.L.C. The space includes four team rooms, five classrooms, a fitness center, open areas for science or art, four conference rooms, two restrooms, several administrative work areas and storage areas.

Configuration of Grade Levels: Ninth through Twelfth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Grand Rapids Public Schools
ISD: Kent 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.



ENTRY TO SITE

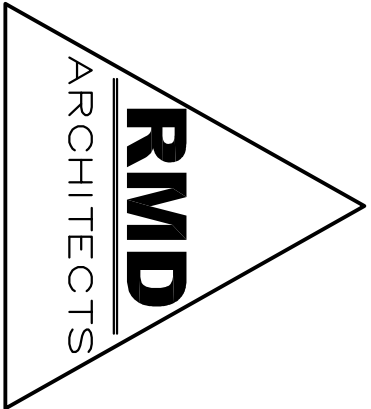
EXIT FROM SITE

PARKING REQUIREMENTS			
OFFICE	36800 SF x4	147200 SF	295 PARKING SPACES
RESIDENTIAL	80 UNITS		80 PARKING SPACES
EDUCATIONAL	250 STUDENTS 10 STAFF		35 PARKING SPACES

410 PARKING SPACES
REQUIRED
420 PARKING SPACES
PROVIDED

STACKING SPACE			
STUDENT POPULATION	250		
HIGH SCHOOL			
REQUIRED STACKING	5 SPACES		
	110 FEET	REQUIRED	
	260 FEET	PROVIDED	

CONNECTIONS EDUCATION,LLC
801 BROADWAY NW
GRAND RAPIDS, MI



616 677 9997 OFFICE
616 677 3467 FAX
616 677 3467 CELL
mrcroft@rmdarchitects.com
1744 JAYNE SQUARE DR
TALMAGE TOWNSHIP, MI 49435

ISSUED FOR:
REVIEW
PERMIT
REVISED
REVISED
REVISED
REVISED
REVISED

DATE:
05/29/12
06/01/12
06/27/12
07/12/12
07/18/12
08/01/12

SEAL

PROJECT NUMBER
CE122212

SHEET NUMBER
C-2

LEASE AGREEMENT

between

Clark Place Commercial, LLC,
a Delaware limited liability company
("Landlord")

and

NexTech High School,
a Michigan nonprofit corporation
("Tenant")

Dated: July 1, 2022

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Lease Agreement

This Lease Agreement (“**Lease**”) is entered into by and between **Clark Place Commercial, L.L.C.**, a Delaware limited liability company (“**Landlord**”) and **NexTech High School**, a Michigan nonprofit corporation (“**Tenant**”).

Landlord is the record owner of fee simple title to Unit 3 of American Seating Park Condominium. Landlord, in consideration of Tenant’s covenants and agreements contained in this Lease, hereby demises and leases to Tenant, the premises located in a building commonly known as 801 Broadway N.W., Grand Rapids, Michigan, which premises are reflected on attached **Exhibit C** consisting of a mutually agreed upon: (a) 19,810 rentable square feet, designated as Suite 230, and (b) 3,093 rentable square feet, designated as Suite 215, both of which are part of Unit 3 of American Seating Park Condominium (the “**Leased Premises**”), together with the non-exclusive right to use, in common with Landlord and other persons entitled to use, the common areas of the building as described in this Lease, subject to restrictions, covenants, agreements and easements of record, all laws and ordinances, to be occupied by Tenant in the manner provided for in this Lease.

The parties further mutually covenant and agree as follows:

Article 1 Summary of Basic Lease Provisions

1.1 Lease Term: This Lease is for a term starting July 1, 2022 (the “**Commencement Date**”) and ending June 30, 2027 (the “**Term**”), renewable for one additional five (5) year term. In no event shall this Lease extend beyond a current, valid Charter Contract between the Tenant and Central Michigan University (“**CMU**”).

1.2 Base Rent: Base rent is based upon total 22,903 rentable square feet. Base Rent shall commence on July 1, 2022 and during the Term shall be paid in accordance with the attached **Exhibit B** (the “**Base Rent**”).

Article 2 Term

2.1 Term; Renewal; Right to Terminate. This Lease shall start on July 1, 2022, and end on June 30, 2027. Provided there exists no Event of Default, Tenant shall have the right to renew this Leases for one additional five (5) year term provided that Tenant gives written notice of renewal to Landlord by April 30, 2027. The terms of this Lease shall remain the same during any renewal term except Base Rent shall increase by 2.5% per year. In no event shall this Lease extend beyond a current, valid Charter Contract between the tenant and CMU.

If for any reason the Charter Contract with CMU is terminated, not renewed or extended, prior to the expiration of the Term, the Tenant shall have the right to terminate this Lease without penalty to the Tenant. Tenant shall immediately notify Landlord in writing if upon knowing that Tenant’s Charter Contract with CMU is or will be terminated or not renewed, and this Lease shall terminate on the same termination date as the Charter Contract with CMU.

2.2 Occupancy and Acceptance of Leased Premises. Tenant acknowledges that it is in possession of the Leased Premises as of the Effective Date of this Lease. Tenant has fully inspected the Leased Premises and is fully familiar with the Leased Premises. Tenant accepts the Leased Premises in its AS IS condition, on the Effective Date of this Lease and on the Commencement Date. Landlord has made no representations or warranties regarding the condition of the Leased Premises other than as set forth in the Sublease referenced above and set forth in this Lease.

2.3 Landlord Improvements. Landlord, through its contractor Pioneer Construction, shall complete the improvements to the Leased Premises described on the attached Exhibit A (the “Landlord Improvements”). Landlord and Tenant may mutually agree to modify the Landlord Improvements, in which case any increase in the cost of the Landlord Improvements shall be paid by Tenant to Landlord. Landlord shall commence the Landlord Improvements on or about June 6, 2022 and shall substantially complete the Landlord Improvements on or about August 5, 2022, subject to delays for force majeure events and availability of required materials, parts or equipment. The cost of the Landlord Improvements, as set forth on Exhibit A, shall be \$124,804.00, of which \$64,902.00 shall be paid by Tenant to Landlord on or before July 1, 2022, and the balance of which shall be paid by Tenant to Landlord by August 25, 2022, provided that the Tenant has been provided with a certificate of occupancy by the Landlord .

Article 3

Rent

3.1 Base Rent. Beginning on the Commencement Date, Tenant Agrees to pay to Landlord, as Base Rent for the Leased Premises during the Term the Base Rent stated in Section 1.2. Base Rent shall be paid in advance in equal monthly installments. On the first day of the renewal term, and on the same day each year thereafter, Base Rent shall increase by 2.5%.

3.2 Late Payment. Tenant acknowledges that the late payment by Tenant to Landlord of sums due under this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on Landlord by the terms of any notes secured by any encumbrance covering the building (and land and improvements) of which the Leased Premises are a part. Therefore, if any payment due under this Lease from Tenant is not received by Landlord within 10 days its due date, Tenant shall pay to Landlord as a late charge an amount equal to 2% of the amount past due. Acceptance of any late charge shall not constitute a waiver of Tenant’s Event of Default with respect to the overdue amount, or prevent Landlord from exercising any of the other rights and remedies available to Landlord for Tenant’s Event of Default. Notwithstanding the foregoing, Landlord acknowledges and agrees that the foregoing late charge will not apply and will not be assessed with respect to the first two occurrences of Tenant’s failure to pay rent unless Tenant continues to fail to pay such Base Rent within five business days of Landlord’s written notice to Tenant given after the foregoing 10-day period; provided, however, that Landlord shall not be required to give such notice more than twice during the Term. After two such written notices, Landlord shall not be required to provide further written notice and any late charge will apply in accordance with this Section 3.2 without such notice.

If Tenant shall fail to pay the Base Rent, additional rent or any other sum payable under this Lease within 30 days when due, such unpaid amounts shall bear interest at 1 ½% per month or the highest legal rate, whatever is less, until paid in full.

3.3 Time for Payment. All rent shall be payable in advance on the first day of each and every month during the term of this Lease. All rent shall be paid in full without set off, abatement, reduction or claim. If this Lease commences or terminates on a day other than the first date of the month, rent shall be prorated accordingly on the basis of the actual days in such month.

Article 4 Common Areas and Services

4.1 Common Areas. Tenant shall have the right, in common with all other tenants in the building of which the Leased Premises are a part, to use common areas in and around said building, including, but not limited to, parking lots, sidewalks, hallways, restroom facilities, lobbies, stairs and elevators. Tenant shall have access to and use of at least four parking spaces for each whole 1,000 rentable square feet of the Leased Premises. In addition, to the extent that it will not adversely impact the availability of parking for other tenants of the building of which the Leased Premises is a part Tenant may use additional parking spaces in excess of the foregoing parking ratio on an unreserved, as-available, first-come, first-serve basis.

4.2 Services. So long as there is no Event of Default by Tenant, Landlord agrees to provide public elevator service by automatic or manual control.

4.3 Liability. Landlord shall not be liable for any failure to provide any services specified in this Lease by reason of accidents, strikes or the making of repairs, alterations or improvements, or by reason of any other cause beyond the reasonable control of Landlord.

Article 5 Use of the Premises

5.1 Use of the Premises. Tenant shall not use the Leased Premises or any part of the Leased Premises for any purpose other than general office and academic use as a blended online and in-person public school academy for grades 9-12 and related office and administrative purposes without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion, nor for any use which would violate any of the other covenants, agreements, terms, provisions or conditions of this Lease, nor for any unlawful purposes or in any unlawful manner, or in violation of any ordinances. Landlord represents and warrants that Tenant's permitted use hereunder is permitted under the Association Governance Documents and applicable law. Tenant shall not suffer or permit the Leased Premises or any part of the Leased Premises to be used in any manner or anything to be done therein or suffer or permit anything to be brought into or kept in the Leased Premises which, in the reasonable judgment of Landlord, shall in any way impair the appearance or reputation of the building of which the Leased Premises are a part; impair or interfere with any of the services provided in the building of which the Leased Premises are a part, or the proper and economic heating, cleaning, air conditioning or other servicing of the building of which the Leased Premises are a part or of the Leased Premises; or impair or interfere with the use of any of the other areas of the building (and land and

improvements) of which the Leased Premises are a part by any of the other tenants. Tenant shall not install any electrical or other equipment of any kind which, in the reasonable judgment of Landlord, might cause any such impairment, interference, discomfort, inconvenience or annoyance. Tenant shall not cause or allow any noises or odors to proceed from the Leased Premises that may be a nuisance to other tenants in the building. Landlord agrees to include identical provisions as set forth in this Section 5.1 restricting the use of the premises by other tenants so as to prohibit any unlawful use or impairment, interference, discomfort, inconvenience or annoyance to Tenant's use of the Leased Premises.

5.2 Licenses. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business, Tenant shall duly procure and thereafter maintain such license or permit and submit the same for inspection by Landlord. Tenant shall, at all times, comply with the terms and conditions of each such license or permit.

5.3 Increases in Insurance. Tenant shall not do or permit to be done any act or thing upon the Leased Premises that will increase the cost to Landlord or the Association of insurance on the building (and land and improvements) of which the Leased Premises are a part; provided, however, that if any act or omission of Tenant causes Landlord's or Association's cost of insurance on the building to be increased, Landlord may elect not to treat said act or omission as a breach of this Lease, in which case Tenant shall reimburse Landlord for such increase as additional rent upon demand by Landlord. Landlord represents and warrants to Tenant that its use as a public school academy is not an act that will result in increased insurance premiums and that such use does not constitute a breach of this Section 5.3.

5.4 Common Areas. The rights of Tenant in the entrances, corridors, elevators, stairs, restroom facilities, and other common areas of the Building of which the Leased Premises are a part and the sidewalks and parking lot ("**Common Areas**") are limited to ingress to and egress from the Leased Premises. Tenant shall not unreasonably interfere with the use and enjoyment of the Common Areas by other tenants. Fire exits and stairways are for emergency use and shall not be used for any other purpose by Tenant, its employees, licensees or invitees except for ingress and egress. Landlord shall maintain Common Areas in good condition and have the right to control and operate the public portions and the Common Areas by publishing rules and regulations as Landlord deems best for the benefit of all tenants generally and Tenant covenants and agrees to comply with all such rules and regulations after written notice from Landlord.

5.5 Admission to Building. Landlord may refuse admission to the building of which the Leased Premises are a part outside of ordinary business hours to any person not known to the person in charge, for any of Tenant's employees or staff, or any student not carrying a Tenant approved badge or other issued form of identification, if any, and may require all persons admitted to or leaving the building of which the Leased Premises are a part outside of ordinary business hours to register. Any person whose presence at any time shall, in the reasonable judgment of the Landlord, be prejudicial to the safety or the peaceful operation of the building of which the Leased Premises are a part or of its tenants may be denied access or may be ejected. In case of invasion, riot, public excitement or other commotion, Landlord may prevent all access during the continuance of same, by closing the doors or otherwise, for the safety of the tenants and protection of property. The establishment and enforcement of the requirements of this section shall not impose any responsibility on Landlord to provide security to Tenant or Tenant's employees, agents

or invitees, or to provide for the protection of Tenant against the removal of property from the Leased Premises. Landlord shall in no way be liable to Tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from the Leased Premises or the building of which the Leased Premises are a part.

5.6 Signs. Tenant shall have the right to signage: (a) one monument sign associated with the building; (b) in the lobby of the building; (c) just outside the Suite of the Leased Premises; and (d) on the door of the Leased Premises. Tenant shall have the right to use the freestanding signs to the north of the primary park monument at the corner of 7th and Broadway; provided, however, the cost of the design, fabrication, installation and removal of such sign shall be borne by Tenant. Signage shall be mutually agreed upon between Tenant and Landlord, consistent with building standards and in accordance with the governing municipality. Except for the foregoing, Tenant shall not display any signage from the Leased Premises or in or on the building without Landlord's prior written consent.

5.7 Awnings. No awnings or other projections over or around the windows or window draperies or blinds shall be installed by Tenant except as approved or supplied by Landlord, and Landlord shall have no obligation to provide any such draperies or blinds. Other than as part of Landlord's Work, all floor covering in the Leased Premises shall be of a quality equal to or greater than building standard as established by Landlord.

5.8 Floor load. Landlord shall have the right to prescribe the weight and position of safes and other objects of excessive or concentrated weight, and no safe or other object whose weight exceeds the lawful or permitted load for the area upon which it would stand shall be brought into or kept upon the Leased Premises. If, in the judgment of Landlord, it is necessary to distribute excessive or concentrated weight of any safe or heavy object, the work involved in such distribution shall be done at the expense of Tenant and in such manner as Landlord shall determine. Freight, furniture, business equipment and bulky matter shall be delivered to and removed from the Leased Premises only during hours and in a manner reasonably approved by Landlord.

5.9 Locks. No additional locks or bolts of any kind shall be placed upon any of the doors in the Leased Premises (other than for locks on interior doors needed to secure any confidential student information and records as described below) and no lock on any door shall be changed or altered in any respect. Duplicate keys or access cards for the Leased Premises shall be procured only from Landlord, which may make a reasonable charge there for. Upon termination of the Lease, all keys to the Leased Premises shall be delivered to Landlord. Notwithstanding the foregoing, Landlord acknowledges and agrees that Tenant may keep privileged and confidential student records and information at the Leased Premises and that Landlord has no right to access such student information and that if Landlord has such access to the Leased Premises, Landlord shall comply with all requirements of the Family Educational and Privacy Rights Act.

5.10 Bicycles and Animals. Bicycles and Animals. Tenant shall permit no bicycle or other vehicle, and no dog or other animal (except service animals) in the Leased Premises or the offices, halls, corridors, elevators or elsewhere in the building of which the Leased Premises are a part.

5.11 **Required Drills.** Landlord shall permit Tenant to conduct required fire drills and safety lock down drills as mandated for school operations under the Revised School Code. Tenant shall provide advance notice to Landlord before scheduling or conducting such mandatory drills.

Article 6

Care of the Premises; Alterations.

6.1 **Care of the Premises.** Except for Landlord's obligations with respect to the Leased Premises, Tenant shall keep the Leased Premises in good condition and repair, and shall yield and deliver up the same at the expiration of the term in as good condition as when taken, ordinary wear and tear and damage and adjoining from insurance casualty excepted. Tenant shall also maintain all portions of the Leased Premises and adjoining areas in an orderly condition, free of dirt, rubbish and any and all unlawful obstructions. Landlord shall furnish for Tenant's use in common with other tenants in the building, suitable and adequate receptacles/dumpsters for rubbish arising from standard public school academy usage.

6.2 **Right of Entry.** Landlord shall have the right, upon 24 hours prior notice to Tenant (or without any notice whatsoever in case of emergency), to enter upon the Leased Premises for the purpose of making any repairs to and performing any work on the Leased Premises which may be necessary by reason of Tenant's failure to make any such repairs or perform any such maintenance work as provided in this Lease or to address necessary repairs of the Building. Except in case of emergency, the privilege and right of entry shall be exercised at reasonable times and at reasonable hours. In the event Landlord or its contractors or agents desire to access the Leased Premises while students are present on the Leased Premises, except in the case of an emergency, Landlord and its contractors and agents shall only enter when accompanied by a Tenant representative. Notwithstanding the foregoing, except in the case of an emergency, Landlord agrees to use commercially reasonable efforts to minimize interruption or impact on Tenant's use and occupancy of the Leased Premises in exercising its rights or performing its obligations under this Lease. Landlord hereby acknowledges and agrees that Tenant keeps privileged and confidential student records and information at the Premises and that Landlord has no right to access such student information. In the event Landlord or one of its agents inadvertently has access to such student records, which it shall avoid with all good efforts, Landlord shall comply with all requirements of the Family Educational and Privacy Rights Act. If Tenant fails to perform any repair or maintenance work which is Tenant's obligation hereunder within 10 days after receipt of Landlord's written notice, Tenant shall pay Landlord upon demand the cost of any repairs and maintenance work performed by Landlord or the Association on account of Tenant's failure to perform such repairs and/or maintenance work or those repairs or maintenance required because of the wrongful acts or negligence of Tenant, which sums shall be deemed additional rent under this Lease. Tenant shall not be entitled to any abatement of rent on account of work performed within the Leased Premises or within the building of which the Leased Premises are a part.

6.3 **Alterations.** Tenant, at its expense, may make changes and improvements to the Leased Premises, provided any such change or improvement shall:

(a) Be made only with the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, unless decorative or minor (less than \$15,000);

- (b) Comply with all governmental requirements;
- (c) Equal or exceed the then construction standard for the building of which the Leased Premises are a part; and
- (d) Be performed by a licensed contractor first approved by Landlord, which contractor, at the request of Landlord, will agree to perform construction in accordance with reasonable regulations established by Landlord and will provide to Landlord evidence of insurance coverage in an amount and form reasonably satisfactory to Landlord.

All work performed shall be done in such a manner as to not disturb or disrupt the operation of the building of which the Leased Premises are a part or of any other tenant. Following completion of any changes, additions or improvements requiring Landlord's consent, Tenant shall furnish Landlord with current "as built" drawings and specifications for the Leased Premises reflecting such changes, additions or improvements made to the Leased Premises. Any increase in real estate taxes or insurance premiums on the building of which the Leased Premises are a part attributable to such change, addition or improvement shall be paid by Tenant. Tenant shall not cause or permit liens of any kind to be filed or placed against the Leased Premises or against the building of which the Leased Premises are a part. If any such liens are filed, with or without Tenant's knowledge, Tenant shall immediately, at Tenant's sole cost and expense, take whatever action is necessary to cause such lien to be discharged.

Notwithstanding any of the foregoing, Landlord hereby consents to Tenant's installation of its voice/data, surveillance, access and audio-visual systems, and computer networking devices and equipment in the Leased Premises.

6.4 Repairs by Landlord. Landlord shall maintain in good working order and be responsible for all necessary repairs and replacements to the Common Areas, to the roof, heating, air conditioning, fire protection/sprinkling, plumbing and sewage (up to the point of entry into the Leased Premises), and electrical systems (up to the point of entry into the Leased Premises), and Landlord shall also make all repairs to the Leased Premises which are structural in nature; provided, however, that Tenant shall reimburse Landlord for all repairs and replacements arising from Tenant's wrongful act, negligence or default under this Lease and that of its agents, servants, employees and invitees. Tenant shall also be responsible to maintain the electrical systems and plumbing systems located within the Leased Premises to the extent exclusively serving the Leased Premises.

6.5 Alterations by Landlord. Landlord reserves the right to make such changes, alterations, additions or improvements in or to the building of which the Leased Premises are a part or the Common Areas and the fixtures and equipment thereof, as well as in or to the street entrances, halls, passages, elevators and stairways, as it may deem necessary or desirable, provided there is no unreasonable obstruction of the right of access to the Leased Premises or unreasonable interference with the use of the Leased Premises.

6.6 Conduits. In performing Landlord's obligations under this Article 6, Landlord reserves the right to install conduits in the area above the ceiling of the Leased Premises which shall be made by Landlord with reasonable dispatch and coordinated with Tenant so as to not

unreasonably interfere with Tenant's use and occupancy of the Premises and if Landlord has complied with Tenant's Access Requirements, such work and installation will not relieve Tenant from the performance of its obligations under this Lease.

Article 7 Utilities and Taxes

7.1 Utilities. Landlord shall provide, included in the Base Rent, heat, water and sewer service. Landlord shall make available separately metered electrical service for the Leased Premises, which shall be paid by Tenant. Telephone or other communication services shall be paid directly by Tenant. Landlord shall not be liable and to the extent permitted by law and without waiving governmental immunities, Tenant will hold Landlord harmless from any failure of water supply, electric current or other utility, for injury to persons, including death, or damage to property, or for interference with light or other easements, except to the extent due to the negligence of Landlord, its employees, contractors and others for whom Landlord is legally responsible.

7.2 Taxes. Landlord shall pay when due, included in Base Rent, all real property taxes assessed against the Leased Premises and/or against Unit 3 of which the Leased Premises is a part. Tenant shall pay when due all, if any, personal property taxes assessed against Tenant's personal property located at the Leased Premises. Landlord and Tenant agree that except for electrical service in the Leased Premises and other utilities such as telephone and communication services contracted for directly by Tenant for the Leased Premises, Base Rent herein is a modified "gross" rental rate and includes all other utilities and services to the Leased Premises and Tenant's share of operating expenses, common area maintenance, taxes and any other expenses relating to the operation and maintenance of the building of which the Leased Premises are a part and Tenant shall have no liability therefor except as expressly provided for otherwise in this Lease.

Article 8 Insurance

8.1 Landlord's Insurance. Landlord, directly or through the Association, shall insure the building and maintain property and commercial general liability insurance for those perils and in amounts which would be considered prudent for similar property situated in Grand Rapids, Michigan, in such forms and amounts reasonably determined by Landlord.

8.2 Tenant's Insurance. Tenant shall, at its sole expense, during the term of this Lease, obtain and keep insurance in effect, insuring Tenant, Landlord and all mortgagees of the building of which the Leased Premises are a part, as their interests may appear, in accordance with the following:

(a) Upon all property situated in the Leased Premises owned by Tenant and on all fixtures and improvements installed or constructed in the Leased Premises by or on behalf of Tenant. Such insurance shall be in an amount not less than the full replacement cost adjusted

annually with coverage against at least fire with standard extended coverage, vandalism and malicious mischief, sprinkler leakage (if applicable) and water damage; and

(b) Commercial general liability insurance in amount not less than \$1,000,000 per occurrence and at least \$2,000,000 aggregate for bodily injury and property damage.

Tenant shall provide a certificate of such insurance coverage to Landlord on or before the Commencement Date of this Lease and during the term of this Lease shall provide additional certificates of such insurance coverage and provide evidence of renewals of such policies as soon as reasonably practicable prior to such renewals. Tenant shall immediately notify Landlord of any cancellation, renewal or change in insurance coverage.

8.3 Waiver of Subrogation. Notwithstanding anything to the contrary herein, Landlord and Tenant each waive, as to the other, all right of recovery which one might otherwise have against the other, and its agents, employees, invitees, guests or licensees, for any loss or damage to any property or for any personal injury which is covered or coverable (whether or not such insurance is obtained or maintained) by a policy or policies of insurance, notwithstanding that such loss or damage may result from the negligence or fault of the non-insured party, or its agents, employees, invitees, guests or licensees. Any deductible amount included in such policy or policies shall be treated as though it were recoverable under the policy or policies. Landlord and Tenant shall each cause their insurance underwriters to include waiver of subrogation endorsements in all insurance policies underwritten with respect to this Lease, the Leased Premises or the building (and land and improvements) of which the Leased Premises are a part.

Article 9

Damage

9.1 Damage. If the Leased Premises shall be destroyed or damaged by any cause as to be unfit in whole or in part for occupancy, Tenant shall reasonably determine, in good faith without the intent to circumvent the provisions of this Section 9.1 whether or not Tenant can continue to use the Leased Premises for its intended purposes and otherwise fulfill its contractual obligations with the remaining portion of the Leased Premises and Landlord shall reasonably determine the length of time it will take to repair the damage or destruction. Landlord and Tenant shall consult with each other as to their foregoing determinations as soon as practicable but no later than 20 days from the date of the damage or destruction. If Landlord determines that the damage or destruction can reasonably be repaired within 60 days from the date of such destruction or damage, then Tenant shall not be entitled to surrender possession of the Leased Premises, nor shall Tenant's liability to pay rent under this Lease cease without the mutual consent of the parties hereto; but in the case of any such destruction or damage, Landlord shall repair the same with all reasonable speed and shall use all reasonable efforts to complete such repairs within 60 days from the date of said destruction or damage, and Base Rent and any other charges under this Lease shall not abate for the period of restoration. If Landlord determines in accordance with this Section 9.1, that the Leased Premises cannot be repaired or restored within 60 days from the date of such destruction or damage, Landlord shall notify Tenant, in writing, within five days after Landlord and Tenant consult in accordance with the first paragraph of Article 9, as to whether or not Landlord elects to repair or rebuild and whether Tenant desires to terminate this Lease. If Landlord elects not to repair or rebuild, or if Tenant elects to terminate this Lease because the Leased

Premises cannot be restored within 60 days, then the Lease shall terminate upon the date of the damage or destruction with no penalty to Tenant.

Landlord will not carry insurance of any kind on Tenant's furniture or on any fixtures or equipment removable by Tenant under the provisions of this Lease, nor on any improvement, alteration, or betterment made by Tenant to the Leased Premises, and Landlord shall not be obligated to repair any damage thereto or replace the same.

Notwithstanding any term or provision of this Lease to the contrary, Landlord shall not be liable for any damages to Tenant for delays in commencing or completing repairs to the Leased Premises after fire or other casualty resulting from adjustment of insurance claims, governmental requirements, or any cause beyond Landlord's reasonable control.

9.2 Condemnation. If all or a portion of the Leased Premises is taken or condemned by any public or quasi-public authority, entity or corporation having the power of eminent domain, this Lease shall terminate as of the date of taking.

A voluntary sale or transfer in lieu of but under the threat of condemnation shall be considered a taking or condemnation. Landlord shall be entitled to all compensation paid as a result of such taking or condemnation and Tenant shall have no claim against Landlord or the condemning authority for any part of the taking or condemnation, except that Tenant may pursue a claim against the condemning authority for loss of business, cost of relocation or cost of removal of Tenant's trade fixtures, furniture and equipment.

Article 10

Default

10.1 Events of Default; Remedies. The occurrence of any of the following is referred to as an "**Event of Default**":

(a) The failure, neglect or refusal of Tenant to pay any installment of Base Rent, additional rent and/or to pay any other monies, payments or additional charges payable by Tenant when and as the same shall become due and payable under the terms of this Lease if the same is not cured within five days of written notice from Landlord;

(b) The failure, neglect or refusal of Tenant to keep and perform any of the other terms, covenants, conditions, stipulations, obligations or agreements contained in this Lease covenanted and agreed to be kept and performed by Tenant, if any such default shall continue for a period of more than 30 days after written notice of such default; provided, however, to the extent such breach or failure cannot reasonably be cured within the foregoing 30-day period and Tenant has commenced such cure and diligently pursues the same, Tenant shall have up to 90 days to cure such default); or

(c) Tenant becoming bankrupt or insolvent, or filing any debtor proceedings, or taking or having taken against Tenant in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization or for appointment of a receiver or trustee of all or a portion of Tenant's property, or Tenant making an assignment for the benefit of creditors, or petitioning for or entering into an arrangement, or Tenant

suffering any lien, levy or encumbrance to be filed against the Leased Premises, or if this Lease be taken under any writ of execution.

10.2 Remedies on Default. Upon the occurrence of an Event of Default, Landlord may exercise any or all of the following remedies, in addition to any other remedy now or subsequently permitted by law:

(a) **Right of Reentry.** Except as otherwise required by provisions of Michigan law which cannot be waived, Tenant authorizes and fully empowers Landlord or Landlord's agents to reenter and take possession of the Leased Premises without any previous notice of intention to reenter or resort to legal process and to remove all persons and property from the Leased Premises, and to use such force and assistance in effecting and perfecting such removal of said persons and property as may be necessary or advisable to recover exclusive possession of all of the Leased Premises, whether in the possession of Tenant or of third persons or otherwise, without being deemed guilty in any manner of trespass, without becoming liable for any loss or damage occasioned thereby, and without prejudice to any remedies which might otherwise be available to Landlord. No reentry or taking possession of the Leased Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant by Landlord or unless the termination of this Lease be decreed by a court of competent jurisdiction.

(b) **Right to Relet.** Should Landlord elect to reenter and take possession as provided in this Lease, or should Landlord reenter or take possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may either terminate this Lease or continue this Lease in full force and effect, and the Lease will continue in effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect rent from Tenant when due. During the period Tenant is in default, Landlord may relet the Leased Premises or any part of the Leased Premises to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all reasonable costs Landlord incurs in reletting the Leased Premises or any part of the Leased Premises, including, without limitation, brokers' commissions, reasonable attorneys' fees (through appellate and enforcement or collection proceedings), expenses of repairs and reasonable remodeling of the Leased Premises as may be reasonably necessary in Landlord's judgment to relet the Leased Premises, and like costs. Reletting can be for a period shorter or longer than the remaining term of this Lease and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion shall deem advisable. Tenant shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from any reletting. In no event shall Tenant be liable for any consequential damages.

If Landlord elects to relet the Leased Premises as provided in this subsection, rent that Landlord receives from reletting shall be applied to the payment of: first, any indebtedness from Tenant to Landlord other than rent due from Tenant, including all damages and expenses (including, without limitation, real estate agent commissions in reletting the Leased Premises and attorney fees resulting from Tenant's default) sustained by Landlord as a result of the Event(s) of Default; second, all costs, including for maintenance, incurred by Landlord in reletting; and, third, rent due and unpaid under this Lease. After such application of the rent received from reletting, any sum remaining from the rent Landlord receives from reletting shall be held by Landlord and applied in payment of future rent as rent becomes due under this Lease. In no event shall Tenant

be entitled to any excess rent received by Landlord. If, on the date rent is due under this Lease, the rent received from the reletting as provided in this subsection is less than the amount of rent due under this Lease, Landlord reserves the right to bring any action or legal proceeding for the recovery of any deficits remaining unpaid as Landlord may deem favorable, from time to time, without being obliged to wait until the end of the term of this Lease or of any renewals or extensions of this Lease, or for the final determination of Tenant's account. No such reletting of the Leased Premises by Landlord and no other act by Landlord allowed by this subsection shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention be given to Tenant by Landlord or unless the termination of this Lease be decreed by a court of competent jurisdiction.

(c) **Right to Terminate.** Landlord may at any time after reentry and/or reletting elect to terminate this Lease for the Event of Default giving rise to such reentry and/or reletting, or, absent such reentry or reletting without termination, may terminate this Lease at any time when there is an Event(s) of Default. No act by Landlord other than giving written notice of termination to Tenant shall terminate this Lease. Reentry, acts of maintenance, efforts to relet or reletting the Leased Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interests under this Lease shall not constitute a termination of this Lease. On termination of this Lease, Landlord has the right to recover from Tenant

(i) The unpaid rent, additional rent and other charges that were payable at the time of termination of this Lease, together with interest from the date due at the lesser of the highest rate permitted by law or 1.5% per month;

(ii) The amount by which the unpaid rent and other charges that would have been payable after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided, together with interest on such difference as it accrued at 1.5% per month or the highest legal rate, whatever is less;

(iii) The present value, at the time of the award, of the amount by which the unpaid rent, additional rent and other charges for the balance of the term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided, with such present value to be computed using a 7% discount rate; and

(iv) All costs incurred by Landlord in enforcing this Lease, including but not limited to, reasonable attorneys' fees.

10.3 **Bankruptcy.**

(a) If following the filing of a petition by or against Tenant in a bankruptcy court Landlord shall not be permitted to terminate this Lease as hereinabove provided because of the provisions of Title 11 of the United States Code relating to Bankruptcy, as amended (the "**Bankruptcy Code**"), then Tenant (including Tenant as Debtor-in-Possession) or any trustee for Tenant agrees promptly, within no more than 30 days upon request by Landlord to the Bankruptcy Court, to assume or reject this Lease, and Tenant agrees not to seek or request any extension or adjournment of any application to assume or reject this Lease by Landlord with such Court.

Tenant's or the trustee's failure to assume this Lease within said 30-day period shall be deemed a rejection. Landlord shall thereupon immediately be entitled to possession of the Premises without further obligation to Tenant or the trustee, and this Lease shall be terminated, except that a Landlord's right to damages for Tenant's default shall survive such termination.

(b) Tenant or any trustee for Tenant may only assume this Lease if (i) it cures or provides adequate assurance that the trustee will promptly cure any default hereunder, (ii) it compensates or provides adequate assurance that the Tenant will promptly compensate Landlord for any actual pecuniary loss to Landlord resulting from Tenant's default, and (iii) it provides adequate assurance of future performance under this Lease by Tenant. In no event after the assumption of this Lease by Tenant or any trustee for Tenant shall any then-existing default remain uncured for a period in excess of 10 days. Adequate assurance of future performance of this Lease shall include, without limitation, adequate assurance (i) of the source of rent required to be paid by Tenant hereunder, and (ii) that assumption or permitted assignment of this Lease will not breach any provision hereunder.

10.4 Removal of Property. If Landlord elects to reenter and take possession of the Leased Premises, or if Landlord reenters and takes possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may remove all personal property from the Leased Premises and store such property, without liability for loss or damage, such storage to be for the account and at the expense of Tenant. In the event that Tenant shall not pay the cost of storing any such property after it has been stored for a period of 30 days or more, Landlord may, at its option, sell or permit to be sold any or all of such property at public or private sale, in such manner and at such times and places as Landlord in its sole discretion may deem proper, without notice to Tenant, and shall apply the proceeds of such sale: first, to the costs and expenses of such sale, including reasonable attorneys' fees (through appellate and enforcement or collection proceedings); second, to the payment of the costs for storing such property; third, to the payment of any other sums which may then be or thereafter become due Landlord from Tenant under any of the terms of this Lease; and fourth, the balance, if any, to Tenant.

10.5 No Release. Landlord will in no event, whether or not Landlord has reentered or taken possession of the Leased Premises and whether or not this Lease has been terminated, be obligated to or be responsible in any way whatsoever for failure to relet the Leased Premises. The failure of Landlord to relet the Leased Premises or any part of the Leased Premises shall not release or affect Tenant's liability for rent or damages.

10.6 Costs. If suit shall be brought for recovery of possession of the Leased Premises, for the recovery of rent, or any other amount due under the provisions of the Lease, or because of the breach of any other covenant contained in this Lease on the part of Tenant to be kept or performed, and a breach shall be established, Tenant shall pay to Landlord all expenses incurred therefor, including reasonable attorneys' fees and court costs (through appellate and enforcement or collection proceedings)

10.7 Cure. Landlord, at any time after Tenant commits a default, subject to any required notice period and the expiration of any cure period, may cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be immediately due from Tenant to Landlord

at the time such sum is paid, and, if paid at a later date, shall bear interest at 1.5% per month or the highest legal rate, whichever is less, until Landlord is reimbursed by Tenant. The sum, together with interest, shall be additional rent.

10.8 Remedies Cumulative. All rights and remedies of Landlord under this Lease are cumulative and none shall exclude any other rights or remedies provided by law, specifically including, but not limited to, summary proceedings pursuant to MCLA 600.5701, *et seq.*

Article 11

Access to Leased Properties

Landlord and Landlord's authorized representatives, upon 24 hours' notice to Tenant (except in the case of an emergency), and shall have the right to enter upon the Leased Premises at all reasonable hours for the purpose of inspecting the same, performing its obligations and exercising its rights hereunder, and for the period of six months prior to termination of this Lease, for the purpose of reletting the Leased Premises; provided, however, if students are present at the Leased Premises at the time of entry, Landlord and Landlord's authorized representatives shall (except in the case of an emergency) enter only when accompanied by a Tenant's representative.

Article 12

Holding Over

It is agreed that, in the event Tenant holds over after the termination of the term of this Lease, the tenancy shall be from month-to-month in the absence of a written agreement to the contrary. During any hold over period, the base monthly rent shall be 110% of the last lease year's monthly Base Rent and Tenant shall continue to pay all additional rent charges, if any.

Article 13

Assignment and Subletting

13.1 Assignment and Subletting. Tenant shall not have the right to sublease the Leased Premises or assign its rights under this Lease without Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed. Notwithstanding any such sublease or assignment, Tenant and all assignees and sublessees shall remain liable for the performance of all of Tenant's obligations contained in this Lease. Any assignee or sublessee will be required to execute an instrument in writing assuming, along with Tenant and jointly and severally, all of Tenant's obligations and liabilities to Landlord.

13.2 Corporate Tenant. If Tenant is a corporation, then any transfer of this Lease from Tenant by merger, consolidation or liquidation shall constitute an assignment for the purpose of this Lease and shall require the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Transferee Tenant shall have at least equal financial strength as Tenant as of the Effective Date of this Lease, and engage in the same or substantially similar use of the Leased Premises. If at any time during the Lease Term any part or all of the corporate shares of Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition so as to result in a change in the present effective voting control of Tenant by tire person or persons owning a majority of said corporate shares on the date of this Lease, Tenant

shall promptly notify Landlord in writing of such change, and Landlord may require Tenant to provide reasonable evidence of financial ability to perform its obligations under the Lease.

13.3 Sale or Transfer. If Unit 3 of American Seating Park Condominium of which the Leased Premises are a part is sold or transferred, Landlord shall be automatically and entirely released from all of its covenants and obligations under this Lease from and after the date of such conveyance or transfer. The new owner or transferee shall assume all of Landlord's obligations to Tenant under this Lease. Tenant agrees to recognize and attorn to such new owner or transferee as Landlord.

Article 14

Estoppel Agreement

Tenant shall, without charge and at any time and from time to time, within 15 days after receipt of written request by Landlord, certify by written instrument, duly executed, acknowledged and delivered to any mortgagee, assignee of any mortgagee or purchaser, or any proposed mortgagee, proposed assignee or proposed purchaser, or any other person, firm or corporation specified by Landlord: (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (b) whether or not there are then existing, to the best of its knowledge, any setoffs or defenses against the enforcement of any of the agreements, terms, covenants or conditions of this Lease upon the part of Tenant to be performed or complied with (and, if so, specifying the same); and (c) the dates, if any, to which the rental(s) and other charges under this Lease have been paid in advance.

Article 15

Nonliability and Indemnification

15.1 Nonliability. Neither Landlord nor its agents shall be liable for any injury or damage to persons or the property of Tenant, its agents, employees, visitors, invitees or licensees in, upon or about the Leased Premises or the common areas or areas adjacent to or adjoining the building of which the Leased Premises are a part, except to the extent that such injury or damage results from the negligence or intentional conduct of Landlord, its employees, contractors, agents and others for whom Landlord is legally responsible ("Landlord Parties"). Landlord shall not be liable for any loss or damage to person or property of Tenant or of others located in the Leased Premises by theft or otherwise or resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the Leased Premises or from the pipes, appliances or plumbing work or from the roof, street or subsurface or from any other place or by dampness or for any cause whatsoever, except to the extent that such loss or damage results from the negligence or intentional conduct of any Landlord Parties.

15.2 Indemnification. To the extent permitted by law and without waiving any governmental immunities, Tenant covenants and agrees to hold harmless, indemnify and defend Landlord and its members, managers and agents against any and all liability, damages, expenses, fees, penalties, causes of action, suits, costs, legal fees, claims or judgments arising from injury or damage to persons or property occasioned by any act or acts or omissions of Tenant, its agents, servants, contractors, employees, visitors, or invitees arising out of Tenant's use and occupancy of

the Leased Premises, except to the extent caused by the negligence or willful misconduct of Landlord, or its members, managers, employees, agents, or contractors.

15.3 Recourse Against Landlord. In the event Landlord shall fail to perform or observe any of the covenants, provisions or conditions contained in this Lease on its part to be performed or observed within 30 days after receipt from Tenant of a written notice of default which reasonably describes default by Landlord, or more than 30 days if required because of the nature of the default, and Landlord fails to proceed diligently to cure such default after written notice, then Landlord shall be in default under this Lease (a "**Landlord Default**"). In the event of a Landlord Default, Landlord shall be responsible to tenant for damages sustained by Tenant (except incidental or consequential damages) as a result of Landlord's breach; provided, however, that Tenant agrees that any damages arising out of a money judgment against Landlord shall be satisfied out of Landlord's estate in Unit 3 (including sale, condemnation and insurance proceeds) of American Seating Park Condominium of which the Leased Premises are a part, and neither Landlord nor any of its members shall be personally liable with respect to any such judgment. Tenant waives any right to satisfy said money judgment against Landlord except from Landlord's estate in Unit 3 (including any sale, condemnation and insurance proceeds) of American Seating Park Condominium of which the Leased Premises are a part. Furthermore, in the event of a Landlord Default, and for so long as the Landlord Default continues, Tenant shall have the right to terminate this Lease without liability by giving written notice to Landlord.

Article 16

Surrender of Premises

16.1 Surrender. Upon the expiration or other termination of this Lease, Tenant shall immediately surrender possession of the Leased Premises to Landlord, in broom-clean condition, together with all improvements or additions in or to the Leased Premises, by whomever made, in the condition as received or first installed, ordinary wear and tear and damage from casualty excepted.

16.2 Fixtures. All fixtures, equipment, improvements and appurtenances attached to or built into the Leased Premises at the commencement or during the term of this Lease, including floor to ceiling partitions and doors and door hardware, shall be and remain part of the Leased Premises and, at the expiration of the term of this Lease, shall be deemed the property of Landlord and shall not be removed by Tenant. All electric, plumbing, heating, sprinkling, telephone and communication wiring, window covering, ventilation, silencing, air conditioning and cooling equipment will be deemed to be included in such fixtures, equipment, improvements and appurtenances, whether or not attached to or built into the Leased Premises.

16.3 Removable Personal Property. Upon expiration or other termination of this Lease, Tenant, at its expense, shall remove all movable office furnishings and equipment installed by Tenant at its expense. Tenant agrees that it will pay the cost of repairing any damage to the Leased Premises, or to the building of which the Leased Premises are a part, arising from the removal of any property which it is permitted or obligated to remove from the Leased Premises. Any property left on the Leased Premises after the expiration of this Lease and after Landlord provides written notice regarding same to the Tenant and the expiration of 7 business days during which Tenant may retrieve such property, shall be deemed conclusively to have been abandoned

and to be the property of Landlord to dispose of as Landlord deems most expedient. If Tenant caused the lighting layout or heating, ventilating or air conditioning systems to be altered from building standard layouts, then, unless Landlord shall otherwise agree in writing, at the expiration or termination of this Lease, Tenant shall pay to Landlord an amount equal to the cost to replace such nonstandard layouts to building standard layouts.

16.4 Indemnification. To the extent permitted by law and without waiving any governmental immunities, Tenant shall indemnify, defend and hold Landlord harmless from and against any loss or liability resulting from delay by Tenant in surrendering the Leased Premises, including, without limitation, any claims made by any succeeding tenant, except in no event shall Tenant be responsible for consequential damages.

Article 17

Subordination to Mortgages; Attornment

17.1 Subordination. This Lease is and at all times shall be subject and subordinate to any mortgage or mortgages now in force or which shall at any time hereafter be placed upon the building (and land and improvements) of which the Leased Premises are a part, and to each and every advance previously or subsequently made under and pursuant to any such mortgage(s). Tenant agrees that it will, within 15 days after receipt of written demand and without charge, execute and deliver such instruments as shall be reasonably required by any mortgagee or proposed mortgagee to confirm or to effect more fully subordination of this Lease to the lien of any such mortgage or mortgages. Notwithstanding such subordination, Tenant's right to quiet enjoyment of the Leased Premises shall not be disturbed if Tenant is not in default under this Lease and so long as Tenant shall pay the rent, additional rent and any other charges and observe and perform all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. Upon request by Tenant, Landlord shall use its best commercial efforts to obtain a reasonably acceptable non-disturbance agreement from any lender of Landlord holding a mortgage on Unit 3.

17.2 Attornment. In the event of any sale of Unit 3 of American Seating Park Condominium of which the Leased Premises are a part, or in the event any proceedings are brought for the foreclosure of, or in the event of conveyance by deed in lieu of foreclosure of, or in the event of any exercise of the power of sale under, any mortgage made by Landlord with respect to the building (and land and improvements) of which the Leased Premises are a part, Tenant agrees to attorn to, and agrees to execute instruments reasonably satisfactory to, the new owner, whereby Tenant attorns to such new owner and recognizes such new owner as Landlord under this Lease.

Article 18

Quiet Enjoyment

Landlord covenants that, if and so long as Tenant keeps and performs each and every covenant, agreement, term, provision and condition contained in this Lease on the part and on behalf of Tenant to be kept and performed, Tenant shall quietly enjoy the Leased Premises without hindrance or molestation by Landlord or by any other person lawfully claiming the same, subject to the covenants, agreements, terms, provisions and conditions of this Lease or to any mortgage to which this Lease is subject and subordinate.

Article 19
Miscellaneous

19.1 Notices. All notices permitted or required by this Lease shall be in writing and either by mail, overnight courier with a tracking service, or personal delivery. If by mail, notice shall be deposited in the United States mails, postage prepaid, registered or certified mail, return-receipt requested, and addressed to the party to whom notice is directed. If by overnight courier, the notice shall be deposited with an overnight courier with a tracking service, and addressed to the party to whom notice is directed. If by personal delivery, notice shall be personally delivered to the party to whom notice is directed. Notice shall be deemed effective on the date postmarked if by mail, or on the date of delivery, if personally delivered. Notice by overnight courier shall be deemed received the next business day. Notices shall be sent to:

If to Landlord: Clark Place Commercial, LLC
 Attn: Beth Visser
 940 Monroe Ave NW, Ste. 115
 Grand Rapids, MI 49503

If to Tenant: NexTech High School
 Attn: Board President
 801 Broadway Ave. NW, Suite 230
 Grand Rapids, MI 49504

19.2 Severability. The invalidity or unenforceability of any provision of this Lease shall not affect the validity or enforceability of any remaining provisions and this Lease shall be construed in all respects as if any invalid or unenforceable provision were omitted.

19.3 Waiver. No term, condition, covenant or provision contained in this Lease may be waived except in a writing signed by the waiving party. No oral statements, course of conduct or course of dealing shall be deemed a waiver. No waiver by any party of any violation or breach of this Lease shall be deemed or construed to constitute a waiver of any other violation or breach, or as a continuing waiver of any violation or breach.

19.4 Applicable Law. This Lease shall be interpreted, construed and governed according to the laws of the State of Michigan.

19.5 Captions. The captions or headings to the various paragraphs contained in this Lease are for convenience only and shall to no extent affect the meaning, scope or interpretation of this Lease.

19.6 Counterparts. This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one instrument.

19.7 Binding Effect. This Lease shall be binding upon and inure to the benefit of the parties to this Lease, as well as their respective successors and assigns.

19.8 Merger and Modification. This constitutes the entire agreement between the parties with respect to the subject matter of this Lease, and any prior discussions, negotiations, and

agreements between the parties are merged into this Lease. The existing Lease between Landlord and Tenant shall terminate and be replaced by this Lease on July 1, 2022. No amendment or modification of this Lease shall be enforceable except if in writing and signed by the party against whom enforcement is sought.

19.9 Payments Due on Sundays and Holidays. In any case where a payment is due under the terms of this Lease on a Sunday or a legal holiday, payment need not be made on such date but must be made on the next succeeding business day which is not a Sunday or legal holiday.

19.10 Cumulative Remedies. The remedies provided in this Lease for the benefit of Landlord shall be cumulative.

19.11 Consent to Jurisdiction and Venue. In the event of legal proceedings on or concerning this Lease, each party consents to being subject to the personal jurisdiction of the courts of the State of Michigan with respect to any claims, defenses, counterclaims, crossclaims or third party claims. The parties further consent to and agree not to challenge venue in any court of the State of Michigan with respect to any proceeding on or concerning this Lease. For purposes of this section, courts of the State of Michigan shall include the United States District Courts located in Michigan.

19.12 Real Estate Broker. Landlord represents and warrants to Tenant and Tenant represents and warrants to Landlord that neither has hired or retained the services of a real estate broker for the transactions contemplated by this Lease other than Bradley Company. Landlord shall pay all sums owed to Bradley Company arising from this Lease. Landlord and Tenant will each indemnify the other from any claims, causes of actions, and expenses (including reasonable attorneys' fees) arising from a party's breach of this representation and warranty.

19.13 No Memorandum of Lease. Tenant shall not record a memorandum of this Lease.

19.14 Authorization. Both parties represent that the person executing this Lease on behalf of the respective party has all necessary authority to execute this Lease, and that when executed, this Lease will be a legally binding obligation of each party.

By signing this Lease Agreement, the parties acknowledge that they have read this document, they know its contents and they are voluntarily signing it. This Lease shall be effective on the date of the last party to sign.

Landlord:

Clark Place Commercial, LLC, a Delaware limited liability company

By: _____


Chris Beckering

Its: Authorized Representative

Date: 2022

Tenant:

NexTech High School, a Michigan nonprofit corporation

By: _____



Its: PRESIDENT

Date: 2022

Exhibit A

Landlord Improvements



Project: NexTECH High School, Suite 230 Renovations

Project Start Date: June 6, 2022 (Monday)

Project Completion Date: August 5th, 2022 (Friday), 1 week prior school start.

Project Manager: Drew Hutchinson (616) 401-3062

Scope of Work:

- **Division 2 Demo :**
 - Selective Demolition throughout suite to facilitate renovations.
- **Division 6 Carpentry/General Trades:**
 - Install new Glass Door System between existing Suites.
 - Construct new Classroom 21'-6" x 41'-2"
 - South Wall of this classroom will have glass wall system.
 - West wall of this classroom will be full height drywall with closet.
 - Classroom will have two entry doors.
 - Prime and Paint Drywalled walls
 - Add electrical outlets in appropriate locations for room.
 - Construct new 20'-4" x 21'-4" classroom.
 - New classroom will have one door to match other doors in suite.
 - New Classroom will have two windows that match other classrooms.
 - Prime and Paint Drywalled walls.
 - Add electrical outlets in appropriate locations for room.
 - Construct new 16' x 3' closet in west corridor.
 - Install Barnwood Wall finish in Hallway corridor
 - Modify Window vent in lab area.
- **Division 23 HVAC:**
 - Replace current "Duct-Sock" with spiral wound duct throughout suite.
 - Duct newly created enclosed classrooms with spiral wound duct.

550 KIRTLAND STREET, S.W. • GRAND RAPIDS, MI 49507 • TEL (616) 247-6966 • FAX (616) 247-0186 • WWW.PIONEERINC.COM

Exhibit B
Base Rent Schedule

American Seating Park
Summary of Monthly
Rents
5/17/2022

For NexTech High School

16,717

SF

**Connection
Education**

<u>Month/Year</u>	<u>18.73</u> <u>2022</u>	<u>19.19</u> <u>2023</u>	<u>19.67</u> <u>2024</u>	<u>20.17</u> <u>2025</u>	<u>20.67</u> <u>2026</u>	<u>2027</u>
January	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
February	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
March	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
April	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
May	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
June	25,451.63	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18
July	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
August	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
September	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
October	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
November	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
December	26,087.92	26,740.12	27,408.62	28,093.84	28,796.18	
	309,237.32	316,968.24	324,892.44	333,014.75	341,340.12	172,777.10

Clark Place
Commercial LLC
Summary of Monthly
Rents
5/13/2022

3,093 square ft

<u>Month/Year</u>	<u>20.00</u> <u>2022</u>	<u>20.50</u> <u>2023</u>	<u>21.01</u> <u>2024</u>	<u>21.54</u> <u>2025</u>	<u>22.08</u> <u>2026</u>	<u>22.63</u> <u>2027</u>
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Exhibit B-1

4895-3133-7765 v2 Lease Agreement for NexTech High School (2022) Final

January		5,155.00	5,283.88	5,415.97	5,551.37	5,690.16
February		5,155.00	5,283.88	5,415.97	5,551.37	5,690.16
March		5,155.00	5,283.88	5,415.97	5,551.37	5,690.16
April	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	5,832.41
May	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	5,832.41
June	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	5,832.41
July	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
August	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
September	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
October	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
November	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	
December	5,155.00	5,283.88	5,415.97	5,551.37	5,690.16	

	46,395.00	63,019.88	64,595.37	66,210.26	67,865.51	34,567.69
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	19,810	Square feet				
<u>Month/Year</u>						
January	25,451.63	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34
February	25,451.63	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34
March	25,451.63	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34
April	30,606.63	31,371.80	32,156.09	32,959.99	33,783.99	34,628.59
May	30,606.63	31,371.80	32,156.09	32,959.99	33,783.99	34,628.59
June	30,606.63	31,371.80	32,156.09	32,959.99	33,783.99	34,628.59
July	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
August	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
September	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
October	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
November	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-
December	31,242.92	32,023.99	32,824.59	33,645.21	34,486.34	-

Totals	355,632.32	379,988.11	389,487.81	399,225.01	409,205.64	207,344.79
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Exhibit C

The Leased Premises

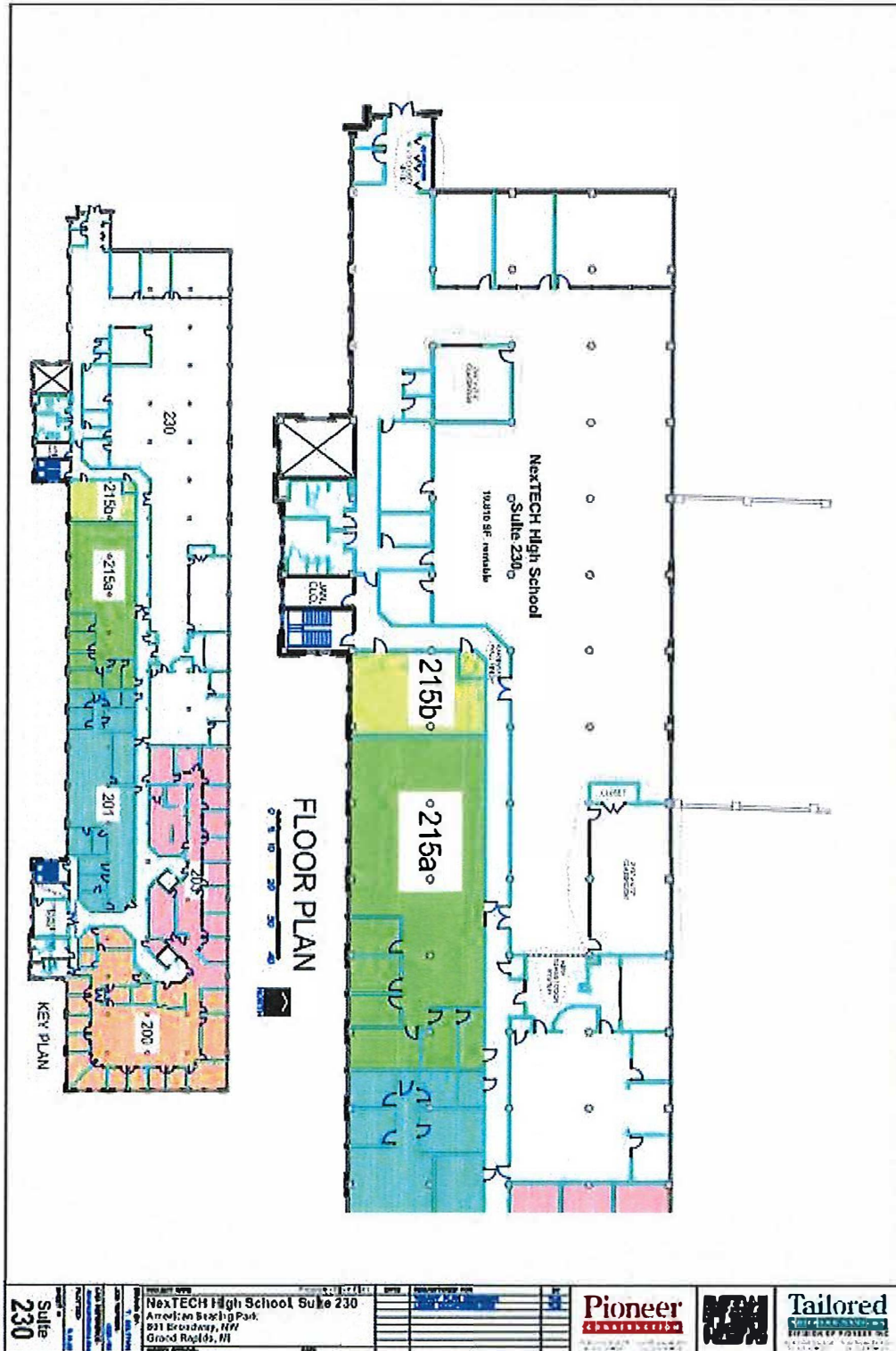


Exhibit C-1

4895-3133-7765 v2 Lease Agreement for NextTech High School (2022) Final

4895-3133-7765 v2 [51673-1]


CORRECTED
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
(517) 241-9317**

**Building Permit No. B033588
Nexus Academy of Grand Rapids
801 Broadway NW
Grand Rapids, Michigan
Kent County**

The above named building of Use Group E 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.


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

September 27, 2012

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: BLDG18-00326

801 NW BROADWAY AVE

Grand Rapids, MI 49504

COUNTY: Kent

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: 09/27/2018

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: BLDG22-01430

801 NW BROADWAY AVE

GRAND RAPIDS, MI 49504

COUNTY: KENT

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: 06/16/2023

AMENDMENT NO. 2

to the
July 1, 2022 Contract to Charter
A Public School Academy and Related Documents

Issued To

NEXTECH HIGH SCHOOL
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 2

NEXTECH HIGH SCHOOL

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2022, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NEXTECH HIGH SCHOOL (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

- 1.) Amend the Terms and Conditions of Contract by replacing the language contained within Article X, Section 10.4. Grounds and Procedures for Academy Termination of Contract and Section 10.5. Grounds and Procedures for University Termination of Contract, with the corresponding language attached as Tab 1.
- 2.) Amend Schedule 2: Amended Bylaws, by replacing the language contained within Article XIII, Section 6. Contracts Between Corporation and Related Persons, with the language attached as Tab 2.
- 3.) Amend Schedule 7, Section b: Educational Goal and Related Measures, 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: 05/31/2024

By: Corey R. Northrop, Executive Director
The Governor John Engler Center for Charter Schools
Designee of the University Board



Dated: 5/28/24

By: Andrew Christmann, Board President
NexTech High School
Designee of the Academy Board

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Tab 1

Section 10.4. Grounds and Procedures for Academy Termination of Contract. 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 to the University Board. A copy of the Academy Board's resolution approving of the Contract 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. Grounds and Procedures for University Termination of Contract. 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.

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Tab 2

Section 6. Contracts Between Corporation and Related Persons. 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.
- (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.

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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: Post-Secondary Readiness: Grades 9-11

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 $\geq 0\% \leq 20\%$ Approaching: School % CCR – State Average $< 0\% \geq -20\%$ Does Not Meet: School % CCR – State Average $< -20\%$	EBRW: Current State Average Math: Current State Average
In the event that performance against the standard falls below these required expectations, “measurable progress towards the achievement of this goal” will be defined using the following measures and targets:			
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 $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ 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 $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ 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%

Measure 2: On-Track to Graduation

The ‘on-track’ towards graduation of all students in grades nine through twelve will be assessed using the following measures and targets.

Measure	Metric	Target
The percentage of students on track to graduate	The distribution of students who have earned 4.5 or more credits during the school year or students who need less than 4.5 credits to graduate and intend to return to the academy.	60%

Notes:

Each fall, NexTech High School will provide Central Michigan University with the official fall count roster of students. This list will serve as the cohort of students to be considered for that school year’s educational goal.

After the school year is complete, NexTech High School will provide Central Michigan University with the number of credits each student, on the fall count list, earned for that school year. Students earning four-and-a-half or more credits will be considered on-track. Additionally, any early graduates and/or students who, intend to return, needing fewer than four-and-a-half credits to graduate will also be considered as on-track.

AMENDMENT NO. 3

to the
July 1, 2022 Contract to Charter
A Public School Academy and Related Documents

Issued To

NEXTECH HIGH SCHOOL
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 3

NEXTECH HIGH SCHOOL

In accordance with Article IX of the Terms and Conditions of the Contract (the “Contract”), dated July 1, 2022, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the “University Board”) to NEXTECH HIGH SCHOOL (the “Academy”), as amended, the parties agree to further amend the Contract as follows:

- 1.) Amend the Terms and Conditions of Contract by replacing the language contained within Article IV, Section 4.5. Prohibition of Identified Family Relationships, subsection (b), with the language attached as Tab 1.
- 2.) Further amend the Terms and Conditions of Contract by inserting at the end of Article XII: General Terms, the language attached as Tab 2.
- 3.) Amend Schedule 2: Amended Bylaws, by replacing the language contained within Article XIII, Section 6. Contracts Between Corporation and Related Persons and Article IX: Indemnification, with the corresponding language attached as Tab 3.
- 4.) Amend Schedule 4: Oversight, Compliance and Reporting Agreement, by inserting at the end of Article II, Section 2.2. Compliance and Reporting Duties, the language attached as Tab 4.

The changes identified in Sections 1 through 4 shall become effective upon execution by the Designee of the University Board.

- 5.) Amend Article XII, Section 12.9. Term of Contract, of the Terms and Conditions of Contract, by replacing the language contained therein with the following:

“Term of Contract. 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 until June 30, 2027, 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?

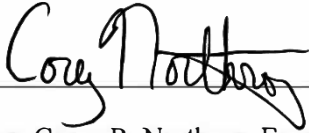
Is the Academy demonstrating good faith in following the terms of its charter and applicable law?

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.”

The changes identified in Section 5 shall have an effective date of July 1, 2025.

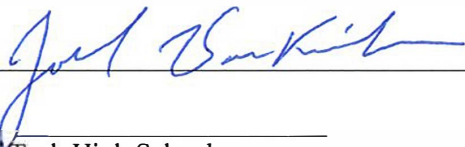
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This entire amendment is hereby approved by the University Board and the Academy Board through their authorized designees.



Dated: 05/29/2025

By: Corey R. Northrop, Executive Director
The Governor John Engler Center for Charter Schools
Designee of the University Board



Dated:

5/27/25

By: _____
NexTech High School
Designee of the Academy Board

NexTech High School
Contract Amendment No. 3

Tab 1

Terms and Conditions: Article IV, Section 4.5(b)

- (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. If an Academy Board member discloses any prohibited familial relationships in the annual disclosure, or if the University finds that an Academy Board member has failed to disclose a prohibited familial relationship, that Academy Board member shall be removed from office, in accordance with the removal provisions found in the Resolution or Schedule 2: Amended Bylaws. 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.

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Tab 2

Terms and Conditions: Article XII, Section 12.24

Section 12.24. Required Statutory Disclosures. The Academy shall ensure that the names of Central Michigan University Board of Trustees and the primary educational management organization, if applicable, must appear and be verbally provided, as applicable, on all of the following:

- (a) Unless prohibited by a local ordinance or local zoning authority, signage that is on the Academy's property and is erected, repaired, or installed on or after April 2, 2025;
- (b) Promotional material that is created, modified, or distributed on or after April 2, 2025;
- (c) The footer of the Academy's website pages; and
- (d) The student application that is required to be enrolled in the Academy.

For purposes of this section, "primary educational management organization" shall have the same meaning as defined in MCL 380.503.

NexTech High School
Contract Amendment No. 3

Tab 3

Amended Bylaws: Article VIII, Section 6

Section 6. Contracts Between Corporation and Related Persons. 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.
- (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. If an Academy Board member discloses any prohibited familial relationships in the annual disclosure, or if the University finds that an Academy Board member has failed to disclose a prohibited familial relationship, that Academy Board member shall be removed from office, in accordance with the removal provisions found in the Resolution or these Amended Bylaws. 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.

Amended Bylaws: Article IX

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. The indemnification shall not include any circumstances in which a 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 is grossly negligent or criminally liable for the indemnified act.

NexTech High School
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Tab 4

Oversight, Compliance and Reporting Agreement: Section 2.2(m)

- m. The Academy shall ensure that the names of Central Michigan University Board of Trustees and the primary educational management organization, if applicable, must appear and be verbally provided, as applicable, on all of the following:
 - i. Unless prohibited by a local ordinance or local zoning authority, signage that is on the Academy's property and is erected, repaired, or installed on or after April 2, 2025;
 - ii. Promotional material that is created, modified, or distributed on or after April 2, 2025;
 - iii. The footer of the Academy's website pages; and
 - iv. The school application that a student must submit to enroll in the Academy.

For purposes of this section, "primary educational management organization" shall have the same meaning as defined in MCL 380.503.