



CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY
AND RELATED DOCUMENTS

ISSUED TO

CHARYL STOCKWELL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

BY THE

CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

JULY 1, 2023

TABLE OF CONTENTS

<u>Contract Documents</u>	<u>Tab</u>
Resolutions Establishing the Method of Selection, Length of Term, and Number of Members of Board of Directors	A
Terms and Conditions of Contract.....	B
Contract Schedules.....	C
Schedule 1: Restated Articles of Incorporation	1
Schedule 2: Amended Bylaws	2
Schedule 3: Fiscal Agent Agreement.....	3
Schedule 4: Oversight, Compliance and Reporting Agreement	4
Schedule 5: Description of Staff Responsibilities	5
Schedule 6: Physical Plant Description	6
Schedule 7: Required Information for a Public School Academy	7
• Section a: Governance Structure	a
• Section b: Educational Goal and Related Measures	b
• Section c: Educational Programs.....	c
• Section d: Curriculum	d
• Section e: Methods of Pupil Assessment	e
• Section f: Application and Enrollment of Students	f
• Section g: School Calendar and School Day Schedule	g
• Section h: Age or Grade Range of Pupils	h
Schedule 8: Information Available to the Public and The Center	8

REAUTHORIZING RESOLUTION

REAUTHORIZATION OF PUBLIC SCHOOL ACADEMY**Charyl Stockwell Academy**

Recitals:

1. At its April 11, 2013, meeting this board authorized the issuance of a contract to charter as a public school academy to Charyl Stockwell Academy. On July 1, 2013, the contract was effective.
2. The contract of this academy expires June 30, 2023.
3. The Governor John Engler Center for Charter Schools has completed its evaluation and assessment of the operation and performance of Charyl Stockwell Academy.
4. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to Charyl Stockwell Academy. The term of the contract is recommended for a term not to exceed ten (10) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to Charyl Stockwell Academy for a term not to exceed ten (10) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between Charyl Stockwell Academy 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 Charyl Stockwell Academy is able to comply with all terms and conditions of the contract.

CMU BDT APPROVED

Date: 12/8/22Signature: 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, 2023

ISSUED BY

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

**CONFIRMING THE STATUS OF
CHARYL STOCKWELL ACADEMY**

AS A

PUBLIC SCHOOL ACADEMY

ARTICLE I DEFINITIONS.....	1
Section 1.1. Certain Definitions.....	1
Section 1.2. Captions	3
Section 1.3. Gender and Number.....	4
Section 1.4. Statutory Definitions.....	4
Section 1.5. Schedules	4
Section 1.6. Application	4
Section 1.7. Conflicting Contract Provisions.....	4
ARTICLE II RELATIONSHIP BETWEEN THE ACADEMY AND THE UNIVERSITY BOARD.....	4
Section 2.1. Constitutional Status of Central Michigan University	4
Section 2.2. Independent Status of the Academy	4
Section 2.3. Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University.....	4
Section 2.4. Academy Has No Power To Obligate or Bind the State of Michigan, the University Board or the University	5
Section 2.5. New Public School Academies Located Within the Boundaries of a Community District	5
ARTICLE III ROLE OF THE UNIVERSITY BOARD AS AUTHORIZING BODY	5
Section 3.1. University Board Resolutions	5
Section 3.2. University Board as Fiscal Agent for the Academy.....	5
Section 3.3. Oversight Responsibilities of the University Board.....	5
Section 3.4. University Board Administrative Fee	6
Section 3.5. University Board Approval of Condemnation	6
Section 3.6. Authorization to Employ or Contract	6
Section 3.7. Teacher Certification	6
Section 3.8. Administrator and Teacher Evaluation Systems.....	6
Section 3.9. Reimbursement of University Board Services.....	6
ARTICLE IV REQUIREMENT THAT THE ACADEMY ACT SOLELY AS GOVERNMENTAL ENTITY	7
Section 4.1. Limitation on Actions in Performance of Governmental Functions.	7
Section 4.2. Other Permitted Activities.	7
Section 4.3. Academy Board Members Serve In Their Individual Capacity	7
Section 4.4. Incompatible Public Offices and Conflicts of Interest Statutes	7
Section 4.5. Prohibition of Identified Family Relationships.....	8
Section 4.6. Oath of Public Office.....	8
Section 4.7. Academy Counsel.....	8
ARTICLE V CORPORATE STRUCTURE OF THE ACADEMY.....	9
Section 5.1. Nonprofit Corporation	9
Section 5.2. Articles of Incorporation.....	9

Section 5.3. Bylaws	9
ARTICLE VI OPERATING REQUIREMENTS	9
Section 6.1. Governance Structure	9
Section 6.2. Educational Goal and Related Measures	9
Section 6.3. Educational Programs	9
Section 6.4. Curriculum.....	9
Section 6.5. Methods of Pupil Assessment.....	9
Section 6.6. Application and Enrollment of Students.....	9
Section 6.7. School Calendar and School Day Schedule.....	10
Section 6.8. Age or Grade Range of Pupils	10
Section 6.9. Collective Bargaining Agreements	10
Section 6.10. Accounting Standards	10
Section 6.11. Annual Financial Statement Audit.....	10
Section 6.12. Address and Description of Physical Plant.....	10
Section 6.13. Contributions and Fund Raising	10
Section 6.14. Disqualified Organizational or Contractual Affiliations.....	10
Section 6.15. Method for Monitoring Academy's Compliance with Applicable Law and its Targeted Educational Outcomes.....	10
Section 6.16. Matriculation Agreements	11
Section 6.17. Postings of Accreditation Status	11
ARTICLE VII TUITION PROHIBITED	11
Section 7.1. Tuition Prohibited; Fees and Expenses.....	11
ARTICLE VIII COMPLIANCE WITH APPLICABLE LAWS	11
Section 8.1. Compliance with Applicable Law	11
ARTICLE IX AMENDMENT	11
Section 9.1. Amendments	11
Section 9.2. Process for Amendment Initiated by the Academy.....	11
Section 9.3. Process for Amendment Initiated by the University Board	11
Section 9.4. Final Approval of Amendments.....	12
Section 9.5. Change in Existing Law.....	12
Section 9.6. Emergency Action on Behalf of University Board.....	12
ARTICLE X CONTRACT REVOCATION, TERMINATION, AND SUSPENSION	12
Section 10.1. Statutory Grounds for Revocation	12
Section 10.2. Other Grounds for Revocation.....	12
Section 10.3. Automatic Amendment Of Contract; Automatic Termination of Contract If All Academy Sites Closed; Economic Hardship Termination.....	13
Section 10.4. Grounds and Procedures for Academy Termination of Contract.....	14
Section 10.5. Grounds and Procedures for University Termination of Contract	14

Section 10.6. University Board Procedures for Revoking Contract	14
Section 10.7. Contract Suspension	17
Section 10.8. Conservator; Appointment By University President.....	17
Section 10.9. Academy Dissolution Account	18
ARTICLE XI PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES.....	19
Section 11.1. The Academy Budget; Transmittal of Budgetary Assumptions; Budget Deficit; Enhanced Deficit Elimination Plan	19
Section 11.2. Insurance.....	20
Section 11.3. Legal Liabilities and Covenant Against Suit	20
Section 11.4. Lease or Deed for Proposed Site.....	21
Section 11.5. Certificate(s) of Use and Occupancy	21
Section 11.6. New Building Construction or Renovations.	21
Section 11.7. Criminal Background and History Checks; Disclosure of Unprofessional Conduct	21
Section 11.8. Special Education	21
Section 11.9. Information Available to the Public and the Center.....	21
Section 11.10. Deposit of Public Funds by the Academy.....	22
Section 11.11. Nonessential Elective Course	22
ARTICLE XII GENERAL TERMS.....	22
Section 12.1. Notices	22
Section 12.2. Severability	22
Section 12.3. Successors and Assigns	22
Section 12.4. Entire Contract.....	23
Section 12.5. Assignment	23
Section 12.6. Non-Waiver	23
Section 12.7. Governing Law	23
Section 12.8. Counterparts.....	23
Section 12.9. Term of Contract.....	23
Section 12.10. Indemnification of University.....	23
Section 12.11. Construction.....	24
Section 12.12. Force Majeure.....	24
Section 12.13. No Third Party Rights.....	24
Section 12.14. Non-agency.....	24
Section 12.15. University Board or the Center’s General Policies on Public School Academies Shall Apply	24
Section 12.16. Survival of Provisions.....	24
Section 12.17. Termination of Responsibilities	24
Section 12.18. Disposition of Academy Assets Upon Termination or Revocation of Contract	24
Section 12.19. Student Privacy	24

Section 12.20. Disclosure of Information to Parents and Legal Guardians, subject to Section 12.2225

Section 12.21. List of Uses for Student Directory Information; Opt Out Form; Notice to Student’s Parent or Legal Guardian26

Section 12.22. Confidential Address Restrictions26

Section 12.23. Partnership Agreement26

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 Charyl Stockwell Academy;

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 Charyl Stockwell Academy'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 Charyl Stockwell Academy 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 December 8, 2022, approving the issuance of a Contract to the Academy.
- (r) "Schedules" means the following Contract documents: Schedule 1: Restated Articles of Incorporation, Schedule 2: Amended Bylaws, Schedule 3: Fiscal Agent Agreement, Schedule 4: Oversight, Compliance and Reporting Agreement, Schedule 5: Description of Staff Responsibilities, Schedule 6: Physical Plant Description, Schedule 7: Required Information for a Public School Academy, and Schedule 8: Information Available to the Public and the Center.
- (s) "State Board" means the State Board of Education, established pursuant to Article 8, Section 3 of the 1963 Michigan Constitution and MCL 388.1001 et seq.
- (t) "State School Aid Fund" means the State School Aid Fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963, as amended.
- (u) "State School Reform/Redesign Office" means the office created within the Michigan Department of Technology Management and Budget by Executive Reorganization Order 2015-02 codified at MCL 18.445, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Reorganization Order 2017-02, codified at MCL 388.1282.
- (v) "Superintendent" means the Michigan Superintendent of Public Instruction.
- (w) "Terms and Conditions" means this document entitled "Terms and Conditions of Contract, Dated July 1, 2023, Issued by the Central Michigan University Board of Trustees Confirming the Status of Charyl Stockwell Academy 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 Charyl Stockwell Academy 9758 E. Highland Rd. Howell, MI 48843

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 ten (10) academic years and shall terminate on June 30, 2033, 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: _____
Isaiah M. Oliver, Chair

Date: _____

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

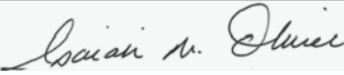
CHARYL STOCKWELL ACADEMY

By: _____
Board President

Date: June 8, 2023

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

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

By:  _____
Isaiah M. Oliver, Chair

Date: 06/09/2023

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

CHARYL STOCKWELL ACADEMY

By: _____
Board President

Date: _____

CONTRACT SCHEDULES

Schedules

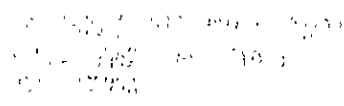
Restated Articles of Incorporation	1
Amended Bylaws	2
Fiscal Agent Agreement	3
Oversight, Compliance and Reporting Agreement.....	4
Description of Staff Responsibilities	5
Physical Plant Description	6
Required Information for a Public School Academy.....	7
Information Available to the Public and The Center	8

CONTRACT SCHEDULE 1

RESTATED ARTICLES OF INCORPORATION

511

FILED

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU			OCT 05 2017	
Date Received AUG 24 2017	ADJUSTED PURSUANT TO TELEPHONE AUTHORIZATION		ADMINISTRATOR CORPORATIONS DIVISION	
		This document is effective on the date filed, unless a subsequent effective date within 90- days after received date is stated in the document.		
Name David Price		 EFFECTIVE DATE		
Address 9758 E. Highland Road				
City	State			Zip
Howell	MI			48834-9098
		735-993		

**RESTATED ARTICLES OF INCORPORATION
For Use by Domestic Nonprofit Corporations**

OF

CHARYL STOCKWELL ACADEMY

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: Charyl Stockwell Academy.

The corporation identification number ("CID") assigned by the Bureau is: 735-993.

The corporation has used the following other names: Monroe Development Academy, Livingston Developmental Academy.

The date of filing the original Articles of Incorporation was: July 27, 1995.

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

ARTICLE I

The name of the corporation is: Charyl Stockwell Academy.

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 David Price.

The address of its registered office in Michigan is: 9758 E. Highland Road, Howell, MI 48843-9098.

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

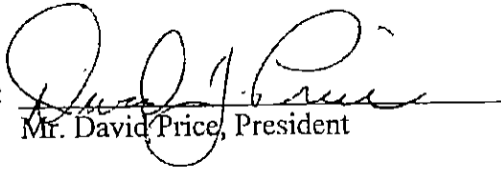
The definitions set forth in the Terms and Conditions incorporated as part of the Contract shall have the same meaning in these Restated Articles of Incorporation.

ADOPTION OF ARTICLES

These Restated Articles of Incorporation were duly adopted on the 10th day of August, 2017, in accordance with the provisions of Section 641 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 10th day of August, 2017.

By:


Mr. David Price, President

CONTRACT SCHEDULE 2

AMENDED BYLAWS

TABLE OF CONTENTS

CHARYL STOCKWELL ACADEMY

AMENDED BYLAWS

ARTICLE I – Name	1
ARTICLE II – Form of Academy	1
ARTICLE III – Offices	1
1. Principal Office	1
2. Registered Office	1
ARTICLE IV – Board of Directors.....	1
1. General Powers	1
2. Method of Selection and Appointment	1
3. Length of Term	2
4. Number of Director Positions	2
5. Qualifications of Academy Board Members	2
6. Oath of Public Office	2
7. Tenure	2
8. Removal and Suspension	2
9. Resignation	3
10. Board Vacancies	3
11. Compensation	3
ARTICLE V – Meetings	3
1. Annual and Regular Meetings	3
2. Special Meetings	3
3. Notice; Waiver	3
4. Quorum	4
5. Manner of Acting	4
6. Open Meetings Act	4
7. Presumption of Assent	4
ARTICLE VI - Committees	4
1. Committees	4
ARTICLE VII – Officers of the Board	4
1. Number	4
2. Election and Term of Office	5
3. Removal	5

4. Vacancies	5
5. President.....	5
6. Vice-President.....	5
7. Secretary	5
8. Treasurer	5
9. Assistants and Acting Officers.....	5
10. Salaries.....	6
11. Filling More Than One Office	6
ARTICLE VIII – Contracts, Loans, Checks and Deposits; Special Corporate Acts	6
1. Contracts.....	6
2. Loans.....	6
3. Checks, Drafts, etc.	6
4. Deposits	6
5. Voting of Gifted, Bequested or Transferred Securities Owned by this Corporation	6
6. Contracts Between Corporation and Related Persons.....	7
ARTICLE IX - Indemnification.....	8
ARTICLE X – Fiscal Year	9
ARTICLE XI – Amendments	9
ARTICLE XII – Terms and Conditions Definitions.....	9
CERTIFICATION	9

AMENDED BYLAWS
OF
CHARYL STOCKWELL ACADEMY

ARTICLE I
NAME

This organization shall be called Charyl Stockwell Academy (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 8th day of June, 2023.



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 Charyl Stockwell Academy ("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 Charyl Stockwell Academy.

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

Date: February 14, 2023

CONTRACT SCHEDULE 4

OVERSIGHT, COMPLIANCE
AND REPORTING AGREEMENT

SCHEDULE 4

OVERSIGHT, COMPLIANCE AND REPORTING AGREEMENT

This Oversight, Compliance, and Reporting Agreement is part of the Contract issued by the Central Michigan University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Charyl Stockwell Academy ("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 conduct systematic investigations, including research development, testing and evaluation studies, designed to develop and contribute to generalizable knowledge using Academy data including, but not limited to, personally identifiable information about the Academy’s students and staff submitted by the Academy to agencies including, but not limited to, Center for Educational Performance and Information (“CEPI”), Office of Educational Assessment and Accountability (“OEAA”) and the Michigan Department of Education (“MDE”). Pursuant to this authorization, the Center shall abide by the regulations that govern the use of student data within the Family Educational Rights and Privacy Act (FERPA - 34 CFR Part 99), the Michigan Identity Theft Protection Act of 2004, and the Privacy Act of 1974.
- j. Upon request, the Academy Board shall provide the Center with a written report, along with supporting data, assessing the Academy’s progress toward achieving the educational goal and related measures outlined in Contract Schedule 7b.
- k. Upon request, provide the Center with copies or view access to data, documents or information submitted to MDE, the Superintendent of Public Instruction, the State Board of Education, CEPI or any other state or federal agency.
- 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.

Qualifications	5-1
Administrator and Teacher Evaluation Systems	5-1
Performance Evaluation System	5-1
Teacher and Administrator Job Performance Criteria	5-1
Reporting Structure	5-1
Position Responsibilities	5-1
School Administrator(s)	5-1
Instructional Staff	5-2
Non-Instructional Staff	5-2
Educational Service Provider Agreement	5-3

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/Partner Solutions for Schools 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, 2023 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 **CHARYL STOCKWELL ACADEMY**, 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. 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, except as expressly acknowledged, in writing, by 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 Family Educational Rights and Privacy Act, 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 discipline 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 Educational Program at the Academy (the "School Leader"). The School Leader will be an employee of Partner Solutions for Schools, who may be disciplined and/or terminated by CSP in its sole discretion. The School Leader will serve as the on-site supervisor to Staff. 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 state the causes of such dissatisfaction in writing and deliver it 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. 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.

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.

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, 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), 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 agrees that it 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.

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. In the event the Academy experiences a data security breach of personally identifiable information from the Academy's education records not suitable for public release, CSP shall assist the Academy, in accordance with MCL 445.72, to take

appropriate action to assess the risk and notify affected individuals whose personal information 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 ten (10) years with the Authorizer beginning July 1, 2023 ("Effective Date") subject to earlier termination under Article VI, and ending on June 30, 2033. The term of this Agreement shall not exceed the term of the Academy's Contract.

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. The Board retains its authority to make reasonable policies relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including policies relative to the conduct of pupils while in attendance at the Academy, in an Academy vehicle, or at an Academy sponsored event.

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. All interest or investment earnings on Academy accounts shall accrue to the Academy.

Section 3. Notification Requirement. The Academy agrees to notify CSP in writing if the Academy receives a notification from its Authorizer regarding an intent to revoke the Contract. Further, in the event the Board discusses a possible non-renewal or closure of the Academy, or if the Authorizer suggests such a discussion, CSP will be notified and invited to participate in any such discussion.

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 a percentage per the schedule below of the total Aid received from the State of Michigan, pursuant to the State School Aid Act of 1979, as amended, for the particular number of students enrolled in the Academy ("Student Enrollment"). "Student Enrollment" shall be based on the Academy's final blended student count added to the number of students enrolled in the Academy's Great Start Readiness Program (if applicable).

- 1 to 599 students = 10% of State Aid

- 600 to 799 students= 9% of State Aid
- 800 to 1,000 students = 8% of State Aid
- Over 1,000 students = 7% of State Aid

The Fee, per the schedule above, may also apply to 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 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:

- (i) (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.
- (ii) 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, legal fees for Academy specific employment matters, 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.

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") and approved by the Board in the Academy's annual budget, or any revised budget 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.

1. 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.
2. CSP may also terminate this Agreement with no additional liability or responsibility upon the occurrence of the following:
 - a) 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;
 - b) The Academy requests a reduction in workforce greater than 20%;
 - c) 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;
 - d) 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;
 - e) Failure by the Academy to pay the Fee or Reimbursables Expenses;
 - f) If there is a substantial and unforeseen increase in the cost of administering services of this Agreement; or
 - g) The Academy makes decisions inconsistent with the recommendations of CSP.

The Academy has thirty (30) 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 (a) declare a breach, (b) place the Academy on notice thereof, or (c) fail 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.

Notwithstanding the foregoing, 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.

1. 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);
2. Material failure by CSP to provide the Services as required by this Agreement;
3. 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
4. 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 thirty (30) 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.

Notwithstanding the foregoing, 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 this Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal, CSP shall, without additional charge: (i) 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; (ii) 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; (iii) 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 legally required employee compensation, benefit and tax obligations related to services provided by CSP to the Academy; (iv) organize and prepare the Academy's records, both electronic and hard-copy, for transition to the new ESP, self-management or dissolution; and (v) 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, 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 addition, to the extent permitted by law, 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.

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 defense and utilize shared counsel 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.

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.

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 defense and utilize shared counsel 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.

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

Section 4. 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 5. 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 6. 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 as permitted by law, 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 enjoyed 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. Additionally, 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 Livingston 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 Livingston County, Michigan, with such variations as the parties and mediators 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 Livingston 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:	TIME SENSITIVE
	Board President
	Charyl Stockwell Academy
	9758 E. Highland Road
	Howell, MI 48843

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.

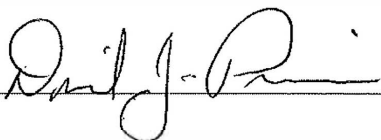
Section 17. Limitation of Liability. EXCEPT FOR AMOUNTS EXPRESSLY DUE AND OWING UNDER THIS AGREEMENT, EACH PARTY'S TOTAL LIABILITY TO THE OTHER AND ANY THIRD PARTIES UNDER OR ARISING OUT OF THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNTS PAID OR DUE AND OWING BY THE ACADEMY TO CSP HEREUNDER. THIS LIMITATION DOES NOT APPLY TO ANY AMOUNTS OWED PURSUANT TO A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT.

[Signature Page Follows]

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

The Academy:

CHARYL STOCKWELL ACADEMY, 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, if desired.
- 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 additional revenue from other sources (the "Additional Revenue"), 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 Additional Revenue shall inure to and be deemed the 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.

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.

BUSINESS/FINANCE SERVICES TO BE PROVIDED BY CS PARTNERS

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.

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

Bond Purchase Agreement (Elementary and High School Sites)..... 6-4

Mortgage (Elementary and High School Sites) 6-21

a. Elementary School Site

Site Plan 6-54

Floor Plans 6-55

Certificates of Use and Occupancy 6-58

b. Middle School Site

Site Plan 6-61

Floor Plans 6-62

Second Lease Addendum..... 6-64

First Lease Addendum 6-72

Lease Agreement 6-74

Certificate of Use and Occupancy 6-98

c. High School Site

Site Plan 6-99

Floor Plan..... 6-100

Certificate of Use and Occupancy 6-102

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 Charyl Stockwell Academy (the "Academy") is as follows:

a. Elementary School Site

Address: 9758 E. Highland Rd.
Howell, MI 48843

Description: The Site is comprised of three buildings. The first building was renovated and expanded in 2005. It has a brick exterior and contains approximately 48,000 square feet of space. It includes 23 classrooms, 21 restrooms, a lobby with a reception area, several offices, a sick room, a teacher work/copy room, conference rooms, storage areas, a library with a children’s reading room, a level library, art room, music room, team rooms and a gymnasium with a stage.

The second building is a modular building that is located on the south end of the Site. It was purchased from General Motors and installed at the Site in 2003. It contains approximately 12,313 square feet of space, which includes four large classrooms, two offices, a conference room, library, science lab, mechanical and storage rooms, two student restrooms and a staff restroom.

The third building is a modular building that is adjacent to the second building. It was purchased from Kensington Woods Schools and installed at the Site in 2004. It contains approximately 9,400 square feet of space, which includes eight classrooms, office space, a conference room, three restrooms and a janitor’s closet.

Configuration of Grade Levels: Kindergarten through Fifth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Hartland Consolidated Schools
ISD: Livingston Educational Service Agency

b. Middle School Site

Address: 1021 Karl Greimel Dr.
Brighton, MI 48116

Description: The Academy’s two-story facility at this Site is approximately 47,420 square feet and is located directly across the street from the Academy’s other Site located at

1032 Karl Greimel Dr., Brighton, MI 48116. The facility includes 13 classrooms, four multi-station restrooms, 10 individual restrooms, a media center, a reception area, administrative office space, additional office space, three conference rooms, a file room, mechanical rooms, a staff work room, and a gymnasium with a concession area, two locker rooms with restrooms, and an exercise track on the second level.

Configuration of Grade Levels: Sixth through Eighth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Brighton Area Schools
ISD: Livingston Educational Service Agency

c. High School Site

Address: 1032 Karl Greimel Dr.
Brighton, MI 48116

Description: The Academy added this Site in 2010. The 40,000 square foot facility was constructed in 2005 and is located on the corner of Orndorf Dr. and Karl Greimel Dr. The one story facility contains 21 classrooms, one lab, a media center, cafeteria/auditorium, gymnasium, eight restrooms, two resource rooms, two network rooms, two janitor closets, a reception area and administrative space. There is also a 2,680 square foot storage mezzanine located above a portion of the north side of the facility. In addition, the Site contains an ample parking area.

Configuration of Grade Levels: Ninth through Twelfth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Brighton Area Schools
ISD: Livingston Educational Service Agency

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.

\$15,925,000
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE AND REFUNDING BONDS,
SERIES 2015

BOND PURCHASE AGREEMENT

April 23, 2015

Charyl Stockwell Academy
9758 East Highland Road
Howell, MI 48843

Ladies and Gentlemen:

We, Piper Jaffray & Co. (herein called the “Underwriter”) hereby offer to enter into this Bond Purchase Agreement (this “Agreement”) with Charyl Stockwell Academy (the “Issuer”) for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 11:00 a.m., Minneapolis, Minnesota time, on April 23, 2015, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. If not so accepted, this Bond Purchase Agreement will be subject to withdrawal by the Underwriter upon notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank National Association, as trustee (the “Trustee”), to the Underwriter all (but not less than all) of the Issuer’s Public School Academy Revenue and Refunding Bonds, Series 2015, in the aggregate principal amount of \$15,925,000 (the “Bonds”), at an aggregate purchase price of \$15,202,315.00. Such purchase price represents the par amount of the Bonds (\$15,925,000), less original issue discount (\$451,905.85), less Underwriter’s discount (\$270,779.15). The Bonds shall be issued and secured under and pursuant to a Trust Indenture between the Issuer and the Trustee dated as of April 1, 2015 (the “Trust Indenture”), and under and pursuant to the Resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on March 12, 2015 (the “Bond Resolution”), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory sinking fund and extraordinary redemption as set forth in Schedule A hereto. The Underwriter agrees to make a public offering of the Bonds at the respective initial offering prices set forth in Schedule A hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to refinance certain outstanding obligations of the Issuer, to fund a debt service reserve fund and to pay certain costs of issuance of the Bonds. The Bonds will be secured by the trust estate created under the Trust Indenture, which consists, among other things, of State Aid Payments received by the Trustee and other payments due with respect thereto. The Bonds will be further secured by a Mortgage dated as of April 1, 2015 (the "Mortgage"), granting a lien on and security interest in certain of the Issuer's school facilities (the "Facilities").

2. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer's expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto (the "Official Statement"), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated April 2, 2015 (the "Preliminary Official Statement") in offering the Bonds for public sale to prospective purchasers of the Bonds.

(b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") and all other applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.

(c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.

(d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.

(e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB's Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.

3. Closing. At 11:00 a.m., Minneapolis, Minnesota time, on April 30, 2015, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the "Closing Date"), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP

identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the "Closing." The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.

4. Representations of the Issuer. In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:

(a) The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading, provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official Statement under the caption "DESCRIPTION OF THE BONDS—Book-Entry-Only System," which was furnished by DTC; and (ii) furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement as described in Section 5(c) hereof, as to which statements and information the Issuer makes no representation other than that the Issuer has no knowledge or notice that such information is inaccurate or misleading. If, at any time prior to the later of (i) receipt of notice from the Underwriter pursuant to Section 2(c) hereof that final Official Statements are no longer required to be delivered under the Rule, or (ii) the date described in Section 2(e) hereof, any event occurs with respect to the Issuer as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event. Upon the request of the Underwriter, the Issuer shall prepare and deliver to the Underwriter, at the expense of the Issuer, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or omission therein as the Underwriter may reasonably request. Any amendment of or supplement to the Official Statement to be distributed pursuant to this Section 4, Paragraph (a), shall contain a statement that the Underwriter has neither participated in the preparation thereof nor made any independent investigation of the facts contained therein and does not assume any responsibility for the sufficiency, accuracy or completeness of the information contained therein.

(b) The Issuer is duly organized and existing and in good standing as a nonprofit corporation, public school academy and public agency under the laws of the State of Michigan (the "State") and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, an Agreement Concerning Continuing Disclosure dated as of April 1, 2015, between the Issuer and the Trustee, as dissemination agent (the "Continuing

Disclosure Agreement”), the Management Agreement dated as of May 9, 2013, as amended (the “Management Agreement”) between the Issuer and CS Partners, LLC and CSP Management, Inc. (together, the “Manager”), the State School Aid Payment Agreement dated as of April 1, 2015 (the “State Aid Agreement”) between the Issuer and the Trustee and acknowledged by the Central Michigan University Board of Trustees (the “Authorizing Body”) and this Agreement (collectively, the “Issuer Documents”), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State to issue bonds to refinance certain of its outstanding obligations.

(c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.

(d) Except as may be required under Blue Sky or other securities laws of the United States or any state, there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer, including the Authorizing Body, required for the execution and delivery of the Bonds or the entering into of the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as has already been obtained.

(e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction, including the Authorizing Body, which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.

(f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter’s actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate.

(g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.

(i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.

(j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(k) The Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.

(l) The Issuer is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended, and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended.

(m) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.

(n) There are no affiliations, interrelationships and / or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in the Official Statement.

(o) The Issuer acknowledges that the Underwriter is acting as an underwriter for the Bonds and has not agreed to serve as a financial advisor to the Issuer.

5. Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such

term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended--collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. No failure of the Underwriter to give, and no delay in giving, that notice shall relieve the Issuer to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Issuer of the action, claim or proceeding, and only to the extent of that prejudice. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Underwriter or such controlling person, as the case may be, unless the retaining of such counsel has been specifically authorized by the Issuer or except as otherwise provided in the Issuer Documents.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an "Issuer Indemnified Party" and collectively the "Issuer Indemnified Parties") and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be contained therein or which is necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect; or arising out of violations by the Underwriter of representations made by it in this Agreement or violations by it of applicable securities laws; and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission, or violation, if such settlement is effected with the written consent of the Underwriter. In case any claim shall be made or action brought against an Issuer Indemnified Party or such controlling person (as aforesaid) based upon the Preliminary Official Statement, the Official Statement or this Agreement, in respect of which indemnity may be sought against the Underwriter, the Issuer or such controlling person shall promptly notify the Underwriter in writing setting forth the particulars of such claim or action and the Underwriter shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. No failure

of the Issuer to give, and no delay in giving, that notice shall relieve the Underwriter to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Underwriter of the action, claim or proceeding, and only to the extent of that prejudice. The Issuer Indemnified Party or any controlling person shall have the right to retain separate counsel, in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the party retaining such counsel unless the retaining of such counsel has been specifically authorized by the Underwriter.

(c) For the purpose of paragraphs (a) and (b) of this Section 5, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices of the Bonds set forth on the cover pages of, and under the caption "Underwriting" in, the Preliminary Official Statement and the Official Statement.

(d) If the indemnification provided for in subsection (a) of this Section is unavailable to the Underwriter (or any controlling person thereof) in respect of any losses, claims, damages or liabilities referred to therein, then the Issuer shall, in lieu of indemnifying the Underwriter, contribute to the amount paid or payable by the Underwriter as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Underwriter, respectively, from the underwriting of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Issuer shall contribute to such amount paid or payable by the Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuer and the Underwriter, respectively, in connection with the statements or omission which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefit received by the Issuer or the Underwriter, respectively, shall be deemed to be in the same proportion as the total proceeds from the underwriting of the Bonds (before deducting costs and expenses other than underwriting fees and expenses), on the one hand, bear to the total underwriting fees and expenses received by the Underwriter, on the other hand. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact related to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided, however, that in the case of an allegation or a determination that arises out of or is based upon a failure in connection with the public offering of the Bonds to register any security under the 1933 Act or to qualify any indenture under the Trust Indenture Act of 1939, the fault shall be deemed entirely that of the Issuer. The Issuer and the Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The amount paid or payable by the Underwriter as a result of the losses, claims, damages or liabilities referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by the Underwriter (or any controlling person thereof) in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute any amount in excess of the underwriting fee paid to the Underwriter under Section 8

hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who is not guilty of such fraudulent misrepresentation.

6. Conditions Precedent. The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing;

(b) at or prior to the Closing, the Underwriter shall receive the following documents:

- (i) an executed copy of the Trust Indenture;
- (ii) an executed copy of the Mortgage;
- (iii) an executed copy of the Continuing Disclosure Agreement;
- (iv) the approving opinion of bond counsel, in form reasonably acceptable to the Underwriter;
- (v) the opinion of counsel to the Issuer, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (vi) a certificate of the Authorizing Body in form satisfactory to the Underwriter;
- (vii) evidence of the proper recording, in applicable real estate records, of the Mortgage;
- (viii) a certificate of officers of the Trustee, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (ix) a certificate of the Issuer, dated the Closing Date, relating to the accuracy of the information in the Official Statement, incumbency and signature of authorized officers, execution and delivery of the Bonds and the other documents to which the Issuer is a party, no litigation and continued existence, in form reasonably acceptable to the Underwriter;

- (x) a certified copy of the resolution adopted by the Board of the Issuer authorizing the execution and delivery of the Bonds, the Trust Indenture and all related documents;
- (xi) a mortgagee's title insurance policy which shall evidence good and marketable title in the Facilities insuring the Trustee's interest granted by the Mortgage, in form reasonably satisfactory to the Underwriter;
- (xii) organizational documents of the Issuer certified by an authorized officer of the Issuer;
- (xiii) the Nonarbitrage and Tax Compliance Certificate of the Issuer;
- (xiv) a certificate, dated the Closing Date, signed by an authorized officer or officers of the Trustee, to the effect that the Trustee is a national banking association, duly organized and existing under the laws of the United States of America, and has full power and authority to conduct its activities, to execute, deliver and perform its obligations under the Trust Indenture, and to carry out the transactions contemplated thereby, and that the Trust Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee;
- (xv) an executed copy of the State Aid Agreement;
- (xvi) a certificate of the Manager, dated the Closing date, in form reasonably acceptable to Underwriter;
- (xvii) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or the Issuer's counsel or bond counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

(c) at the Closing, the Issuer Documents and all other documents related thereto shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions and there shall have been executed and delivered such opinions, certificates, proceedings, instruments and other documents as, in the opinion of bond counsel or counsel to the Underwriter, shall be necessary in connection with the transactions contemplated hereby.

If the conditions to the Underwriter's obligations contained in this Agreement are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted herein, this Agreement shall terminate and neither the Underwriter nor the Issuer shall have any further obligation hereunder except as provided in paragraph (8) below.

7. Underwriter's Right to Cancel. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if (i) between the date hereof and the Closing Date, legislation shall have been enacted by the Congress of the United States or the legislature of the State of Minnesota or the State of Michigan or legislation shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived from the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect as of such time any statement or information contained in the Preliminary Official Statement or the Official Statement or (b) is not reflected in the Preliminary Official Statement or the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, Minnesota or Michigan authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets.

8. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and

registration fees), and rating agency fees, if any, shall be the obligation of the Issuer. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds, in the approximate amount of \$184,125.09. The Underwriter's compensation in the amount of \$270,779.15 is reflected in the discounted purchase price for the Bonds.

9. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the addresses set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Piper Jaffray & Co., 800 Nicollet Mall, Minneapolis, MN 55402, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.

10. Benefit. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Minneapolis, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.

11. Representations and Covenants of the Underwriter. The Underwriter hereby represents and covenants to the Issuer that:

(a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or "blue sky" law of any jurisdiction in which such registration or qualification is required.


(b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.

(c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 5, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.

12. The Issuer acknowledges and agrees that the Underwriter has not undertaken and does not undertake to provide tax advice relating to the treatment of interest on the Bonds. No recourse shall be had against the Underwriter for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with the Bonds or otherwise relating to the tax treatment of interest on the Bonds, except for a loss, damage, liability, cost or expense directly attributable to representations made by the Underwriter recklessly or in bad faith in its certificate delivered at Closing.


Very truly yours,

PIPER JAFFRAY & CO., Underwriter

By 
Its Managing Director
Date and Time of execution:
April 23 2015, 10:00 a.m. p.m.

Accepted and Agreed to:

CHARYL STOCKWELL ACADEMY

By 
Its President
Date and Time of execution:
April 22, 2015, 6:36 a.m.

Schedule A

Maturity

The Bonds mature on the dates and in the amounts, bear interest at the annual rates and are being offered at the prices or yields, as follows:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>
2023	\$2,170,000	4.875%	100.000%
2035	5,480,000	5.50	97.013
2045	8,275,000	5.75	96.517

Redemption

Optional. The Bonds are subject to redemption at the option of the Issuer in whole or in part on any day commencing October 1, 2024 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, and in such order of maturity as the Issuer shall direct, provided that no Bond may be redeemed in part if the principal amount to be Outstanding following such partial redemption is not an Authorized Denomination.

Mandatory. The Bonds maturing on October 1, 2023, are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing October 1, 2023

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2016	\$230,000	2020	\$275,000
2017	240,000	2021	290,000
2018	250,000	2022	300,000
2019	265,000	2023*	320,000

* final maturity

The Bonds maturing on October 1, 2035 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing October 1, 2035

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$335,000	2030	\$460,000
2025	355,000	2031	485,000
2026	375,000	2032	515,000
2027	390,000	2033	540,000
2028	415,000	2034	570,000
2029	435,000	2035*	605,000

* final maturity

The Bonds maturing on October 1, 2045 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing October 1, 2045

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2036	\$635,000	2041	\$840,000
2037	675,000	2042	890,000
2038	710,000	2043	935,000
2039	750,000	2044	995,000
2040	795,000	2045*	1,050,000

* final maturity

Purchase in Lieu of Redemption

The Bonds are subject to purchase in lieu of redemption by the Academy prior to their respective maturity dates at any time, in whole or in part, if the following conditions are satisfied:

(i) The Academy and the Bondholders negotiate and agree upon a purchase price that is communicated to the Trustee in writing, provided that the purchase price so negotiated, together with the expense of such purchase, may not exceed the redemption price of the Bonds to be purchased;

(ii) Upon written agreement as described in (i) above, the Academy shall direct the Trustee to purchase certain Bonds and will provide funds to the Trustee for deposit in the Bond Interest Fund and Bond Principal Fund in the amount necessary to pay the purchase price of the selected portion of the Bonds in excess of that required to fully satisfy the next scheduled interest and principal payments due on the Bonds, and provided there is deposited into the Expense Fund such amount as the Trustee may require to cover the accrued and anticipated fees and expenses;

(iii) The Trustee confirms that the amount provided for by the Academy pursuant to (ii) above is sufficient to warrant such purchase at the purchase price agreed to by the Academy and the Bondholders pursuant to (i) above; and

(iv) To the extent permitted by law, the Academy shall indemnify and hold harmless the Trustee, in a form and with such security as may be satisfactory to the Trustee, from and against any and all liabilities, claims, or losses arising out of, by virtue of, or in connection with, the tender of Bonds, up to the amount of the value of the Bonds tendered, except in the case of negligence, willful misconduct, or bad faith on the part of the Trustee.

As Bonds are purchased pursuant to the Indenture, such purchase of Bonds will be considered to have satisfied, in whole or in part, the redemption requirements as set forth in the Indenture. Once purchased, such Bonds shall be delivered to the Trustee and cancelled.

Mandatory Redemption Upon Determination of Taxability

The Bonds are subject to mandatory redemption prior to maturity, as a whole and not in part, on the earliest practicable date for which notice can be given following the occurrence of a Determination of Taxability, at a redemption price equal to 103% of the principal amount thereof plus accrued interest to the redemption date.

Extraordinary Redemption Upon Occurrence of Certain Events

Subject to provisions of the Indenture regarding damage, destruction and insurance, the Bonds are redeemable at the option and upon the direction of the Bondholders of at least two-thirds of the Outstanding Bonds, in whole at any time or in part on any Business Day from and to the extent of funds on deposit under this Indenture and available for this purpose at a redemption price equal to the principal amount of each Bond to be redeemed plus accrued interest to the redemption date, upon the occurrence of any of the following events:

- (i) The Facilities shall have been damaged or destroyed in whole or in part to such extent that, as expressed in a Consulting Architect's Certificate filed with the Trustee, either: (A) the Facilities cannot reasonably be restored within a period of 12 consecutive months to the condition

thereof immediately preceding such damage or destruction; (B) the Academy is thereby prevented from carrying on its normal operations for a period of 12 consecutive months; (C) the cost of restoration thereof would exceed the Net Proceeds of insurance carried thereon; or (D) the final maturity of the Bonds is within five years of the date of such damage or destruction.

- (ii) Title to, or the temporary use of, all or any substantial part of the Facilities shall have been taken under the exercise of the power of eminent domain by any governmental entity, or Person, firm or corporation acting under governmental authority or because of a defect in title.
- (iii) As a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by the Academy in good faith, the Indenture shall have become void or unenforceable or impossibility of performance in accordance with the intent and purposes of the parties as expressed in the Indenture. Redemption pursuant to this subsection (iii) shall be in whole only.

Only Net Proceeds of insurance or a condemnation award shall be used for a partial redemption of Bonds pursuant to (i) or (ii) of this paragraph.

MORTGAGE

CHARYL STOCKWELL ACADEMY
as Mortgagor

to

U.S. BANK NATIONAL ASSOCIATION
as Mortgagee

RELATING TO:

\$15,925,000
CHARYL STOCKWELL ACADEMY
Public School Academy Revenue and Refunding Bonds, Series 2015

Dated as of April 1, 2015

Prepared by, and when recorded,
return to:

James M. Crowley, Esq.
Clark Hill PCL
151 S. Old Woodward Ave., Ste. 200
Birmingham, Michigan 48009

TABLE OF CONTENTS

Page

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Section 1.01.	Payment of Secured Obligations	4
Section 1.02.	Title of Mortgagor	4
Section 1.03.	[Reserved].....	4
Section 1.04.	Maintenance; Repair; Alterations.....	4
Section 1.05.	Required Insurance	5
Section 1.06.	Delivery of Insurance Policies; Payment of Premiums	5
Section 1.07.	Insurance Proceeds	5
Section 1.08.	Assignment of Policies Upon Foreclosure	5
Section 1.09.	Expenses; Indemnification; Waiver of Offset	6
Section 1.10.	Taxes and Impositions	7
Section 1.11.	Utilities	8
Section 1.12.	Actions Affecting Mortgaged Estate	8
Section 1.13.	Actions by Mortgagee and/or Trustee To Preserve Mortgaged Estate.....	8
Section 1.14.	Survival of Warranties	9
Section 1.15.	Eminent Domain.....	9
Section 1.16.	Additional Security	9
Section 1.17.	Additional Indebtedness	9
Section 1.18.	Successors and Assigns	9
Section 1.19.	Inspections	10
Section 1.20.	Liens	10
Section 1.21.	Restrictions Affecting Title	10
Section 1.22.	Further Assurances	10
Section 1.23.	Performance of Covenants; Incorporation of Representations and Warranties.....	11
Section 1.24.	Notification of Event of Default Under Mortgage	11
Section 1.25.	[Reserved].....	11
Section 1.26.	Organization; Due Authorization	11

MORTGAGE

Charyl Stockwell Academy, Series 2015 Bonds

Section 1.27.	Liabilities; Compliance With Other Instruments.....	11
Section 1.28.	Enforceability	11
Section 1.29.	Pending Litigation	12
Section 1.30.	Compliance With Law.....	12
Section 1.31.	After-Acquired Property	12
Section 1.32.	Transfer of Interests in Mortgagor or Mortgaged Estate	12
Section 1.33.	Lease Provisions	12
Section 1.34.	Defeasance Terminates Lien.....	12

ARTICLE II

ENVIRONMENTAL MATTERS

Section 2.01.	Environmental Matters	13
---------------	-----------------------------	----

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01.	Assignment of Revenues	13
Section 3.02.	Collection Upon Default.....	13

ARTICLE IV

SECURITY AGREEMENT

Section 4.01.	Creation of Security Interest.....	14
Section 4.02.	Warranties; Representations and Covenants of Mortgagor	15

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

Section 5.01.	Events of Default	15
Section 5.02.	Acceleration Upon Default; Additional Remedies	17
Section 5.03.	[Reserved].....	19
Section 5.04.	Appointment of Receiver.....	19
Section 5.05.	Remedies Not Exclusive.....	19
Section 5.06.	Possession of Mortgaged Estate	20
Section 5.07.	Relief from Stay.....	20
Section 5.08.	Cash Collateral.....	20

MORTGAGE

Charyl Stockwell Academy, Series 2015 Bonds

ARTICLE VI
MISCELLANEOUS

Section 6.01.	Governing Law	21
Section 6.02.	Waiver of Rights	21
Section 6.03.	Limitation of Interest	22
Section 6.04.	[Reserved]	22
Section 6.05.	Notices	22
Section 6.06.	Captions	23
Section 6.07.	Invalidity of Certain Provisions; Conflicting Provisions.....	23
Section 6.08.	Subrogation.....	23
Section 6.09.	Change in Ownership	23
Section 6.10.	Assignment of Mortgagee's Interest.....	23
Section 6.11.	Time Is of the Essence.....	23
Section 6.12.	Obligations of Mortgagor	23
Section 6.13.	Immunity of Individuals	24
Section 6.14	Supplements; Amendments	24

EXHIBIT A LEGAL DESCRIPTION

EXHIBIT B PERMITTED ENCUMBRANCES

MORTGAGE

THIS MORTGAGE ("Mortgage") is made as of April 1, 2015, by and between CHARYL STOCKWELL ACADEMY, as Mortgagor ("Mortgagor") and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, in its capacity as bond trustee for the Bonds (as defined below), as Mortgagee ("Mortgagee").

PRELIMINARY STATEMENTS

A. Pursuant to the Trust Indenture, dated as of April 1, 2015 (the "Trust Indenture"), between Mortgagor and U.S. Bank National Association, as trustee under the Trust Indenture, Mortgagor is issuing its Public School Academy Revenue and Refunding Bonds, Series 2015 in the aggregate principal amount of \$15,925,000 (the "Bonds") for the purposes set forth in the Trust Indenture. All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Trust Indenture.

B. Pursuant to the Trust Indenture, certain state school aid payments have been pledged and assigned by Mortgagor to Mortgagee for the payment of the principal of and interest on the Bonds.

C. The Bonds are secured by the Trust Estate (as defined in the Trust Indenture), including a lien on and security interest in the Mortgaged Estate (defined below) pursuant to this Mortgage, granted by Mortgagor.

GRANTING CLAUSES

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Mortgagor hereby irrevocably grants a security interest in, mortgages, warrants, grants, bargains, sells, transfers, conveys and assigns to Trustee and to its assigns forever, IN TRUST, WITH POWER OF SALE AND RIGHT OF ENTRY, for the benefit and security of Mortgagee, under and subject to the terms and conditions hereinafter set forth, all of Mortgagor's estate, right, title and interests in, to and under any and all of the following property now owned, together with all cash and noncash proceeds thereof, which may be referred to herein as the "Mortgaged Estate:"

LAND

The real property located in the County of Livingston, State of Michigan (the "State"), described in Exhibit A attached hereto and by this reference incorporated herein (the "Land");

IMPROVEMENTS

Any and all buildings, structures, fixtures and improvements existing or to be constructed on the Land, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to such buildings and improvements (collectively, the "Improvements" and, together with the Land, the "Real Property");

RENTS, REVENUES AND DERIVATIVE INTERESTS

All rents, issues, profits and royalties derived from the Real Property and the operation thereof (collectively the "Revenues"); all estate, right, title and interest of Mortgagor in and to all leases or subleases covering the Real Property or any portion thereof now or hereafter existing or entered into, including, without limitation, all cash or security deposits, advance rentals and deposits or payments of similar nature; all right, title and interest of Mortgagor in and to all options to purchase or lease the Real Property or any portion thereof or interest therein, and any greater estate therein now owned; all interests, estate or other claims, both in law and in equity, which Mortgagor now has in the Real Property or any portion thereof or interest therein; all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, all right, title and interest of Mortgagor, now owned, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Real Property and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Real Property (all of the foregoing in this paragraph being, collectively, the "Derivative Interests" and, together with the Real Property, the "Project");

INTANGIBLES

All of Mortgagor's interest in all existing and future accounts, contract rights, general intangibles, files, books of account, plans, specifications, agreements, permits, licenses and certificates necessary or desirable in connection with the acquisition, ownership, leasing, construction, operation, servicing or management of the Project, whether now existing or entered into or obtained after the date hereof, all existing and future names under or by which the Project or any portion thereof may at any time be operated or known (the "Intangibles");

CLAIMS AND AWARDS

All the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in the Project or Intangibles and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Project or Intangibles including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages; and

PROCEEDS

All of the rents, revenues, issues, profits, products and proceeds of any and all of the foregoing.

A security interest is granted by this Mortgage in that portion of the Mortgaged Estate which constitutes personalty pursuant to and as set forth in Article IV hereof.

TO HAVE AND TO HOLD the Mortgaged Estate hereby granted or mortgaged or intended to be granted or mortgaged, unto Trustee, and its successors in trust, heirs and assigns, upon the terms, provisions and conditions set forth herein in fee simple forever.

PROVIDED, HOWEVER, that these presents are upon the condition that, if the Secured Obligations (as hereinafter defined) hereby shall be paid when due, and if Mortgagor shall keep, perform and observe all and singular the obligations, covenants, agreements and provisions in this Mortgage expressed to be kept, performed by and observed by or on the part of Mortgagor, then this Mortgage and the estate and rights hereby granted shall cease, determine and be void, but otherwise shall be and remain in full force and effect.

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

(i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;

(ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;

(iii) Payment of all of the principal of and interest on any future advances under the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and

(iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby;

The indebtedness and the obligations secured by this Mortgage which are described in (i) through (iv) above may be referred to herein as the "Secured Obligations."

It is the intention of the parties hereto that the Mortgaged Estate shall secure all of the Secured Obligations presently or hereafter owed, and that the priority of the security interest created by this Mortgage for all such Secured Obligations shall be controlled by the time of proper recording of this Mortgage. In addition, this Mortgage shall also secure unpaid balances of advances made with respect to the Mortgaged Estate for the payment of taxes, assessments, insurance premiums, costs or any other advances incurred for the protection of the Mortgaged Estate, together with interest thereon until paid, all as contemplated in this Mortgage, all of which shall constitute a part of the Secured Obligations. This paragraph shall serve as notice to all persons who may seek or obtain a lien on the Mortgaged Estate subsequent to the date of recording of this Mortgage, that until this Mortgage is released, any debt owed by Mortgagor under the Trust Indenture, including advances made subsequent to the recording of this Mortgage, shall be secured with the priority afforded this Mortgage as recorded.

IT IS HEREBY COVENANTED, DECLARED AND AGREED that the Mortgaged Estate is to be held and disposed of by Trustee, upon and subject to the provisions of this Mortgage.

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby represents, warrants, covenants and agrees:

Section 1.01. Payment of Secured Obligations. Mortgagor hereby grants this Mortgage to secure the payment and performance when due of the Secured Obligations. The consideration received by Mortgagor to execute and deliver this Mortgage and the liens and security interests created herein is sufficient and will provide a direct economic benefit to Mortgagor.

Section 1.02. Title of Mortgagor. Mortgagor has, subject to the matters set forth as exceptions in the loan policy of title insurance to be provided to Mortgagee in connection with this Mortgage as well as those exceptions provided in the attached Exhibit B (the “Permitted Encumbrances”), in its own right, good, marketable and indefeasible title in fee simple to the Mortgaged Estate, which is free from encumbrance superior to the encumbrance of this Mortgage, and has full right, power and authority to execute and deliver this Mortgage and to make the conveyances and grant the interests and security contemplated hereby. This Mortgage constitutes a valid first lien upon and security interest in the Mortgaged Estate, subject only to the Permitted Encumbrances.

Section 1.03. [Reserved]

Section 1.04. Maintenance; Repair; Alterations. Mortgagor shall: (i) keep the Mortgaged Estate in good condition and repair, subject to reasonable and ordinary wear and tear; not remove, demolish or substantially alter (except such alterations as may be required by applicable laws, ordinances or regulations or as permitted under the Trust Indenture) any of the Improvements; (ii) complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Land and promptly restore in like manner any Improvement which may be damaged or destroyed thereon, subject to the provisions of Section 1.07 hereof, and pay when due all claims for labor performed and materials furnished therefor; (iii) comply with all applicable laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Estate or any part thereof or requiring any alterations or improvements; (iv) not commit or permit any waste or deterioration of the Mortgaged Estate; (v) keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; (vi) comply with the provisions of any lease, if this Mortgage is on a leasehold; (vii) use the Mortgaged Estate and continue to cause the Mortgaged Estate to be used as permitted under applicable law; and (viii) not commit, suffer or permit any act to be done in or upon the Mortgaged Estate in violation of any applicable law, ordinance or regulation.

Section 1.05. Required Insurance. Mortgagor shall provide, maintain and keep at all times in force those policies of insurance required in the Trust Indenture.

Section 1.06. Delivery of Insurance Policies; Payment of Premiums.

(a) All policies of insurance shall be issued by companies and in amounts as required by the provisions of the Trust Indenture.

(b) In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee evidence of the policies of insurance required by the Trust Indenture, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums, together with interest thereon, shall be secured by this Mortgage.

(c) Upon occurrence of an Event of Default, Mortgagee shall apply any sums or amounts received pursuant hereto, or as Revenues or income of the Mortgaged Estate or otherwise, as required under the Trust Indenture. The receipt, use or application of any such sums by Mortgagee hereunder shall not be construed to affect the maturity of any Secured Obligation or any of the rights or powers of Mortgagee under the terms of the Trust Indenture or any of the obligations of Mortgagor under the Trust Indenture. Notwithstanding the application of such sums to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the remaining payment thereof.

Section 1.07. Insurance Proceeds. After the occurrence of any casualty to the Mortgaged Estate or any part thereof, Mortgagor shall give prompt written notice thereof to Mortgagee and each insurer and promptly submit a claim to such insurer(s) for payment of insurance proceeds. Proceeds of all insurance awards ("Insurance Proceeds") shall be held and disbursed as provided in the Trust Indenture. Notwithstanding the application of Insurance Proceeds to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the payment thereof.

Except as provided below, nothing contained in this Mortgage shall be deemed to excuse Mortgagor from repairing or maintaining the Mortgaged Estate as provided in Section 1.04 hereof. The application or release by Mortgagee of any Insurance Proceeds shall not cure or waive any Event of Default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

Section 1.08. Assignment of Policies Upon Foreclosure. In the event of the foreclosure of this Mortgage, or other transfer of title to the Mortgaged Estate, or any part thereof, by nonjudicial foreclosure sale or deed in lieu of foreclosure, the purchaser of the Mortgaged Estate, or such part thereof, shall succeed to all of Mortgagor's rights, including any rights to unexpired insurance and unearned or returnable premiums, in and to all insurance policies required by Section 1.05 hereof, subject to limitations on assignment of blanket policies, and limited to such rights as relate to the Mortgaged Estate or such part thereof. If Mortgagee acquires title to the Mortgaged Estate, or any part thereof, in any manner, it shall thereupon (as between Mortgagor and Mortgagee) become the sole and absolute owner of the insurance

policies, and all proceeds payable thereunder with respect to the Mortgaged Estate, or such part thereof, required by Section 1.05 hereof, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Mortgaged Estate, or such part thereof, if any.

Section 1.09. Expenses; Indemnification; Waiver of Offset.

(a) Mortgagor shall pay or reimburse Mortgagee for all reasonable expenses incurred by Mortgagee before and after the date of this Mortgage with respect to any and all transactions contemplated by this Mortgage including without limitation, the preparation of any document reasonably required hereunder or any amendment, modification, restatement or supplement to this Mortgage, the delivery of any consent, non-disturbance agreement or similar document in connection with this Mortgage or the enforcement of any of Mortgagee's rights. Such expenses shall include, without limitation, all reasonable title and conveyancing charges, recording and filing fees and taxes, mortgage taxes, intangible personal property taxes, escrow fees, revenue and tax stamp expenses, privilege taxes, use taxes, insurance premiums (including title insurance premiums), title search and title rundown charges, brokerage commissions, finders' fees, placement fees, court costs, surveyors', photographers', appraisers', architects', engineers', consulting professionals', accountants', and attorneys' fees and disbursements.

(b) If (i) any sale (or prerequisite to a sale), action or proceeding shall be commenced by Mortgagee (including but not limited to any sale of the Mortgaged Estate, or any action to foreclose this Mortgage or to collect the Secured Obligations), or any action or proceeding is commenced to which Mortgagee is made a party, or in which it becomes necessary to defend or uphold the rights granted by this Mortgage (including, without limitation, any proceeding or other action relating to the bankruptcy, insolvency or reorganization of Mortgagor or any other person or entity obligated hereunder), or in which Mortgagee is served with any legal process, discovery notice or subpoena, and (ii) in each of the foregoing instances such action or proceeding in any manner relates to or arises out of this Mortgage or issuance of the Bonds or acceptance of a guaranty from a guarantor of the Secured Obligations or any of the transactions contemplated by this Mortgage and such action or proceeding does not relate to or arise out of the gross negligence, breach of trust or willful misconduct of Mortgagee as applicable, then Mortgagor will immediately reimburse or pay to Mortgagee all of the expenses which have been or may be incurred by Mortgagee with respect to the foregoing (including reasonable counsel fees and disbursements), together with interest thereon, and any such sum and the interest thereon shall be included in the Secured Obligations and have the full benefit of this Mortgage, prior to any right, or title to, interest in or claim upon the Mortgaged Estate attaching or accruing to this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to sell the Mortgaged Estate, to foreclose this Mortgage, or to recover or collect the Secured Obligations, the provisions of law respecting the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.

(c) To the extent permitted by law, Mortgagor shall indemnify and hold harmless Mortgagee and affiliates, and directors, officers, agents and employees and affiliates for,

from and against all claims, damages, losses and liabilities (including, without limitation, reasonable attorneys' fees and expenses) arising out of or based upon any matter related to this Mortgage, the Mortgaged Estate or the occupancy, ownership, maintenance or management of the Mortgaged Estate by Mortgagor, including, without limitation, any claims based on the alleged acts or omissions of any employee or agent of Mortgagor except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee or its affiliates, directors, officers, agents or employees. This indemnification shall be in addition to any other liability which Mortgagor may otherwise have to Mortgagee.

(d) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Estate, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee.

(e) All sums payable by Mortgagor under this Mortgage shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the Secured Obligations of Mortgagor hereunder shall in no way be released, discharged or otherwise affected by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Mortgaged Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Mortgaged Estate or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagor, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagor, or by any court, in any such proceeding; or (v) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. To the extent permitted by law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Secured Obligation. Notwithstanding the above, Mortgagor may maintain a separate suit regarding such matters.

Section 1.10. Taxes and Impositions.

(a) In accordance with the terms of the Trust Indenture, Mortgagor agrees to pay, prior to delinquency, all real and personal property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, which are assessed or imposed upon the Mortgaged Estate or any part thereof, or become due and payable, and which create, may create or appear to create a lien upon the Mortgaged Estate, or any part thereof, or upon any personal property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental and nongovernmental charges of like nature are hereinafter referred to as "Impositions").

(b) Subject to the applicable State law provisions, Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings in accordance with the terms of the Trust Indenture.

(c) Mortgagor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Mortgaged Estate as a single lien.

Section 1.11. Utilities. Mortgagor shall pay when due all utility charges which are incurred for the benefit of the Mortgaged Estate or any part thereof or which may become a charge or lien against the Mortgaged Estate for gas, electricity, water or sewer services furnished to the Mortgaged Estate and all other taxes, assessments or charges of a similar nature, whether public or private, affecting the Mortgaged Estate or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 1.12. Actions Affecting Mortgaged Estate. Mortgagor shall appear in and contest any action or proceeding purporting to affect the title of Mortgagor in the Mortgaged Estate or any part thereof or security hereof or the rights or powers of Mortgagee; and Mortgagor shall pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Mortgagee may appear.

Section 1.13. Actions by Mortgagee To Preserve Mortgaged Estate. Should Mortgagor fail to make any payment or to do any act as and in the manner provided in this Mortgage, Mortgagee, in its sole discretion, and without notice to, or demand upon, Mortgagor and without releasing Mortgagor from any Secured Obligation, may make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), Mortgagee shall have, and is hereby given the right, but not the obligation: (i) to enter upon and take possession of the Mortgaged Estate; (ii) to make additions, alterations, repairs and improvements to the Mortgaged Estate which it may consider necessary or proper to keep the Mortgaged Estate in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Mortgagee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of Mortgagee may affect or appears to affect the security of this Mortgage or be prior or superior hereto; and (v) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Any such costs and expenses incurred by Mortgagee and any such amounts paid by Mortgagee shall be secured hereby with the same priority afforded this Mortgage as recorded. Mortgagor shall immediately upon demand therefor by Mortgagee pay all of the foregoing costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and reasonable attorneys' fees provided, however, that Mortgagor shall not be liable to pay for any such costs or expenses incurred by Mortgagee due to the gross negligence, willful misconduct or breach of trust of Mortgagee or its affiliates, directors, officers, agents or employees.

Section 1.14. Survival of Warranties. Mortgagor shall fully and faithfully satisfy and perform the Secured Obligations. All representations, warranties and covenants of Mortgagor contained herein shall remain continuing obligations, warranties and representations of Mortgagor during any time when any portion of the obligations secured by this Mortgage remain outstanding.

Section 1.15. Eminent Domain. Should the Mortgaged Estate, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner (“Condemnation”), or should Mortgagor receive any notice or other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee. Mortgagee may participate in any such Condemnation proceedings, and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceedings and shall consult with Mortgagee and its attorneys and experts, and cooperate with it in the carrying on or defense of any such proceedings. All proceeds of Condemnation awards or proceeds of sale in lieu of Condemnation with respect to the Mortgaged Estate and all judgments, decrees and awards for injury or damage to the Mortgaged Estate or any part thereof or interest therein shall be paid to Mortgagor or Mortgagee as provided in Section 7.04 of the Trust Indenture, and if to Mortgagee, shall be applied first to all reasonable costs and expenses incurred by Mortgagee in obtaining the proceeds. The balance of proceeds (referred to in the Trust Indenture as “Net Proceeds”), if any, shall be applied as directed by Mortgagor in accordance with the provisions of the Trust Indenture.

Mortgagor hereby assigns and transfers to Mortgagee, and agrees to execute such further assignments of, all such proceeds, judgments, decrees and awards as Mortgagee may request. Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances for, and to appeal from, any such judgment, decree or award. Mortgagor hereby authorizes, directs and empowers Mortgagee, at its option and with notice to Mortgagor, on Mortgagor’s behalf, or on behalf of the successors or assigns of Mortgagor, to adjust, compromise, claim, collect and receive such proceeds and to give proper receipts and acquittances therefor. Mortgagee shall not be, in any event or circumstance, liable or responsible for failure to collect or exercise diligence in the collection of any proceeds, judgments, decrees or awards unless such failure is due to Mortgagee’s negligence, willful misconduct or breach of trust.

Section 1.16. Additional Security. In the event Mortgagee at any time holds additional security for any of the Secured Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before, concurrently with or after any sale is made hereunder.

Section 1.17. Additional Indebtedness. Except as provided in the Trust Indenture and except for the Permitted Encumbrances, Mortgagor shall not further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the Uniform Commercial Code in effect in the State, the “UCC”).

Section 1.18. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors,

successors and assigns. The covenants and agreements of Mortgagor contained herein shall apply to and be binding upon any successor owner of the Mortgaged Estate or any part thereof.

Section 1.19. Inspections. Mortgagee, or its agents, representatives or workmen, are authorized to enter upon notice of two Business Days to Mortgagor at any reasonable time upon or in any part of the Mortgaged Estate for the purpose of inspecting the same and all books, records and documents relating thereto, and for the purpose of performing any of the acts it is authorized to perform under the terms of the Trust Indenture.

Section 1.20. Liens. Mortgagor shall pay and promptly discharge, at Mortgagor's sole cost and expense, all liens, encumbrances and charges upon the Mortgaged Estate, or any part thereof or interest therein other than the Permitted Encumbrances. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall thereafter diligently and in good faith proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either, by paying the amount claimed to be due, or by procuring the discharge of such lien, either, by depositing in court a bond in the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law. Any cost incurred by Mortgagee in connection with any such payment or discharge shall be secured hereby and shall be immediately due and payable without notice or demand.

Section 1.21. Restrictions Affecting Title. Mortgagor shall perform when due all obligations required to be performed by Mortgagor by the provisions of any agreement affecting title to the Mortgaged Estate or any part thereof.

Section 1.22. Further Assurances. Mortgagor shall, upon the execution and delivery hereof and thereafter from time to time, take such actions as Mortgagee may request to cause this Mortgage, each supplement and amendment to such instrument and financing statements with respect thereto and each instrument of further assurance (collectively, the "Recordable Documents") to be filed, registered and recorded as may be required by law and maintain the first lien or security interest, as applicable, hereof upon the Trust Estate and protect the validity of the Recordable Documents. Mortgagor shall take all action and do all things which it is authorized by law to take and do, and cooperate with Mortgagee as Mortgagee deems necessary or desirable, to insure the release of all encumbrances against the Mortgaged Estate, except the Permitted Encumbrances, existing prior to the date hereof.

So long as any Secured Obligations shall remain unpaid, Mortgagor shall execute, acknowledge, where appropriate, and deliver from time to time promptly at the request of Mortgagee all such instruments and documents as in the opinion of Mortgagee are necessary or desirable to preserve the first priority lien created by this Mortgage. If Mortgagor shall fail or refuse to execute, acknowledge, where appropriate, and deliver such instruments and documents to preserve the first priority lien created by this Mortgage within 10 Business Days following a written request by Mortgagee, Mortgagor irrevocably constitutes and appoints Mortgagee as its attorney-in-fact to execute and deliver such instruments, it being stipulated that such power of attorney is coupled with an interest and is irrevocable and binding.

Section 1.23. Performance of Covenants; Incorporation of Representations and Warranties. Mortgagor shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Trust Indenture and in all of its proceedings pertaining to this Mortgage. The covenants, representations and warranties of Mortgagor set forth in the Trust Indenture are incorporated by reference into this Mortgage as if stated in full in this Mortgage and such representations and warranties as incorporated herein shall be deemed to have been made as of the date of this Mortgage and shall survive the execution and delivery of this Mortgage.

Section 1.24. Notification of Event of Default Under Mortgage. Mortgagor agrees to notify Mortgagee immediately in writing of any default by Mortgagor in the performance or observance of any covenant, agreement, representation, warranty or obligation of Mortgagor set forth in this Mortgage. Mortgagor shall also notify Mortgagee in writing of any event or condition which with the lapse of time or the giving of notice would constitute an Event of Default.

Section 1.25. [Reserved].

Section 1.26. Organization; Due Authorization. Mortgagor is a public school academy duly organized, validly existing and in good standing under the laws of the State and has the requisite power, authority and legal right to carry on the business conducted by it and to engage in the transactions contemplated by the Trust Indenture. The execution and delivery of the Trust Indenture and this Mortgage and the performance and observance of the respective provisions thereof have all been authorized by all necessary actions of Mortgagor.

Section 1.27. Liabilities; Compliance With Other Instruments. Mortgagor has no liabilities regarding the Mortgaged Estate except those hereunder and those otherwise contemplated or permitted by this Mortgage and the Trust Indenture, none of which are delinquent. Mortgagor is not in default (i) in the payment of any taxes levied or assessed against it or its assets, (ii) under any applicable statute, rule, order or regulation of any governmental authority, (iii) under this Mortgage or the Trust Indenture, or (iv) under any other agreement to which it is a party or by which it or any of its properties are bound.

Neither the execution and delivery of this Mortgage or the Trust Indenture, nor the consummation of the transactions herein or therein contemplated nor compliance with the terms and provisions hereof or thereof, conflicts with or results or will result in a breach of any of the terms, conditions or provisions of the articles of incorporation of Mortgagor, any law, order, rule, regulation, writ, injunction or decree of any court or governmental authority, or any agreement or instrument to which Mortgagor is a party or by which it or any of its properties are bound, or constitutes or will constitute a default thereunder, or result or will result in the creation or imposition of any lien of any nature whatsoever upon any of its property or assets pursuant to the terms of any such agreement or instrument except the liens created or permitted by the Trust Indenture.

Section 1.28. Enforceability. This Mortgage and the Trust Indenture have been duly executed and delivered by Mortgagor and constitute valid and binding obligations of Mortgagor enforceable in accordance with their respective terms, except as the enforceability (but not the

validity thereof) may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally.

Section 1.29. Pending Litigation. There are no proceedings pending or, to the knowledge of Mortgagor, threatened, against or affecting Mortgagor or any part of the Mortgaged Estate in any court or before any governmental authority or arbitration board or tribunal which if adversely determined would materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Mortgagor or the right or ability of Mortgagor to enter into this Mortgage or the Trust Indenture, and if any such proceedings are subsequently initiated or threatened then Mortgagor will promptly provide written notice to Mortgagee. Mortgagor is not in default with respect to any order of any court or governmental authority or arbitration board or tribunal.

Section 1.30. Compliance With Law. Mortgagor is in substantial compliance with all laws, ordinances, governmental rules or regulations to which it is subject, including, without limitation, the Occupational Safety and Health Act of 1970, the Employee Retirement Income Security Act of 1974 and all laws, ordinances, governmental rules or regulations relating to environmental protection the violation of which would materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Mortgagor.

Section 1.31. After-Acquired Property. The Mortgage Estate shall include the right, title and interest of Mortgagor in and to all improvements, additions and appurtenances to, the Mortgaged Estate, hereafter acquired by or released to Mortgagor. As required, the Mortgagor shall execute and deliver to Mortgagee any further assurances, mortgages, grants, conveyances or assignments as Mortgagee may reasonably require to subject such property to the lien of this Mortgage.

Section 1.32. Transfer of Interests in Mortgagor or Mortgaged Estate. Except in accordance with the terms and restrictions of the Trust Indenture, and except for the Permitted Encumbrances, Mortgagor shall not, by operation of law or otherwise, sell, convey, alienate, transfer, grant, bargain, mortgage, encumber or assign ownership or control of all or any interest in Mortgagor or any part of the Mortgaged Estate or any interest therein, without the prior written consent of Mortgagee.

Section 1.33. Lease Provisions. Any lease of all or any part of the Mortgaged Estate by Mortgagor permitted under this Mortgage and the Trust Indenture shall contain a provision obligating such lessee to enter into a subordination, attornment and nondisturbance agreement with Mortgagee, in form and substance satisfactory to Mortgagee.

Section 1.34. Defeasance Terminates Lien. Upon defeasance of all Outstanding Bonds in accordance with the Trust Indenture, the lien of this Mortgage upon the Mortgaged Estate shall cease, and Mortgagee and Trustee shall execute and deliver to Mortgagor at Mortgagor's sole cost and expense all documents necessary to effect such a release.

ARTICLE II

ENVIRONMENTAL MATTERS

Section 2.01. Environmental Matters. Mortgagor hereby incorporates and reaffirms those covenants and representations contained in Sections 7.06, 7.07 and 7.08 of the Trust Indenture (including its covenant to provide certain environmental indemnifications) as an integral part of this Mortgage; provided, however, it is the intent of the parties that the environmental indemnifications contained herein are separate and independent obligations of Mortgagor which shall survive any release, foreclosure or other satisfaction of this Mortgage, and such indemnifications shall not be subject to any anti-deficiency defense.

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01. Assignment of Revenues. Mortgagor hereby absolutely assigns and transfers to Mortgagee all the Revenues of the Mortgaged Estate and hereby gives to and confers upon Mortgagee the right, power and authority to collect such Revenues. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee, at any time and from time to time, to take possession and control of the Mortgaged Estate and to demand, receive and enforce payment, to give receipts, releases and satisfaction, and to sue, in the name of Mortgagor or Mortgagee, for all such Revenues and apply the same to the Secured Obligations; provided, however, that Mortgagor shall have a license to possess and control the Mortgaged Estate and to collect such Revenues (but not more than one month in advance) which is revocable at any time upon an Event of Default by Mortgagor under the Trust Indenture. The assignment of the Revenues of the Mortgaged Estate in this Article III is intended to be an absolute assignment from Mortgagor to Mortgagee and not merely the passing of a security interest.

While the assignment made in this Mortgage is present, direct and continuing, the execution and delivery hereof shall not in any way impair or diminish the obligations of Mortgagor under the provisions of any lease nor shall any of the obligations contained in any lease be imposed upon Mortgagee.

Section 3.02. Collection Upon Default. Upon any Event of Default under this Mortgage or the Trust Indenture, Mortgagee may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations (i) enter upon and take possession of the Mortgaged Estate, or any part thereof, and in its own name sue for or otherwise collect such Revenues, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any Secured Obligations, and in such order as Mortgagee may determine, and (ii) prepare and submit any applications or other documentation as necessary in order to permit Mortgagee to collect the Revenues of the Mortgaged Estate. The collection of such Revenues, or the entering upon and taking possession of the Mortgaged Estate shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

Mortgagee shall not be liable to Mortgagor, anyone claiming under or through Mortgagor or anyone having an interest in the Mortgaged Estate by reason of anything done or left undone by Mortgagee hereunder, except to the extent of Mortgagee's gross negligence or willful misconduct.

ARTICLE IV

SECURITY AGREEMENT

Section 4.01. Creation of Security Interest. With respect to any portion of the Mortgaged Estate which now constitutes fixtures governed by the UCC, this Mortgage shall constitute a security agreement between Mortgagor as the debtor and Mortgagee as the secured party, and Mortgagor hereby grants to Mortgagee a security interest in such portion of the Mortgaged Estate (such portion being the "Fixtures"). Cumulative of all other rights of Mortgagee hereunder, Mortgagee shall have all of the rights conferred upon secured parties by the UCC. Mortgagor will execute and deliver to Mortgagee all financing statements that may from time to time be required by Mortgagee to establish and maintain the validity and priority of the security interest of Mortgagee, or any modification thereof, and all costs and expenses of any searches required by Mortgagee. Mortgagee may exercise any or all of the remedies of a secured party available to it under the UCC with respect to such property, and it is expressly agreed that if upon an Event of Default Mortgagee should proceed to dispose of such property in accordance with the provisions of the UCC, 10 days' notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the UCC requiring such notice; provided, however, that Mortgagee may at its option dispose of such property in accordance with Mortgagee's rights and remedies with respect to the real property pursuant to the provisions of this Mortgage, in lieu of proceeding under the UCC.

Mortgagor shall give advance notice in writing to Mortgagee of any proposed change in Mortgagor's name, identity, or business form or structure and will execute and deliver to Mortgagee, prior to or concurrently with the occurrence of any such change, all additional financing statements that Mortgagee may reasonably require to establish and maintain the validity and priority of Mortgagee's security interest with respect to any of the Mortgaged Estate described or referred to herein.

Some of the items of the Mortgaged Estate described herein are goods that are or are to become fixtures related to the Real Property, and it is intended that as to those goods, this Mortgage shall be effective as a financing statement filed as a fixture filing from the date of its filing for record in the real estate records of the county in which the Mortgaged Estate is situated. Information concerning the security interest created by this instrument may be obtained from Mortgagee, as secured party, at the address of Mortgagee stated in Section 6.05 of this Mortgage. The mailing address of Mortgagor, as debtor, is as stated in Section 6.05 of this Mortgage.

Section 4.02. Warranties; Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents and covenants, with respect to the Fixtures, as follows:

(a) except for the security interest granted hereby, Mortgagor is, and as to any of the Fixtures to be acquired after the date hereof will be, the sole owner of the Fixtures,

free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for purchase money liens and Permitted Encumbrances. Mortgagor will notify Mortgagee of, and will defend the Fixtures against, all prohibited claims and demands of all persons at any time claiming the same or any interest therein;

(b) Mortgagor will not lease, sell, convey or in any manner transfer the Fixtures (except Fixtures transferred in the ordinary course of business and replaced by Fixtures of a similar nature and having at least the same value as the Fixtures replaced, and except for Permitted Encumbrances as defined in the Trust Indenture) without the prior written consent of Mortgagee;

(c) the Fixtures are not used or bought for personal, family or household purposes;

(d) the Fixtures will be kept on or at the Project and Mortgagor will not remove the Fixtures from the Project without the prior written consent of Mortgagee, except such portions or items of personal property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with new items of equal or greater quality; and

(e) all covenants and obligations of Mortgagor contained herein relating to the Mortgaged Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

Section 5.01. Events of Default. Any one or more of the following events shall be deemed an event of default hereunder (each, an “Event of Default”):

(a) the occurrence of a default or an Event of Default by Mortgagor under the Trust Indenture (other than this Mortgage) subject to any applicable notice or cure periods provided therein;

(b) failure by Mortgagor to punctually perform or observe any covenant or agreement contained in this Mortgage (other than the monetary obligations described in paragraph (a) above) and such failure shall not have been cured within 30 days (or such longer period as permitted under the Trust Indenture) after written notice from Mortgagee of such failure;

(c) if Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent within the meaning of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the “Bankruptcy Code”), or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any

present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;

(d) if a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Mortgagor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Mortgagor or of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Mortgagor and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);

(e) if a writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Estate, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on the Mortgaged Estate or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 60 days after its entry or levy;

(f) if, during the term of the Bonds secured by this Mortgage, Mortgagor shall without the prior written approval of Mortgagee (unless permitted as provided herein) sell, convey, alienate, mortgage or encumber the Mortgaged Estate or any part thereof or any interest therein, or shall be divested of its title or any interest therein, in any manner, whether voluntarily or involuntarily, or if there is any merger, consolidation or dissolution affecting Mortgagor, or if there is a transfer of a majority interest in Mortgagor in a series of transactions or as a single transaction, unless any of the foregoing are permitted by the Trust Indenture;

(g) any assignment by Mortgagor of the whole or any part of the Revenues, issues or profits arising from the Mortgaged Estate (including, without limitation, the Revenues) to any person without the consent of Mortgagee (unless permitted as provided herein) or if, without such consent, Mortgagor shall otherwise further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the UCC) unless permitted by the Trust Indenture; or

(h) if at any time any representation, warranty or statement made by Mortgagor in the Trust Indenture or any certificate delivered by Mortgagor shall be incorrect or misleading in any material respect, or any material misrepresentation shall at any time be made to Mortgagee by Mortgagor.

Section 5.02. Acceleration Upon Default; Additional Remedies. Subject to the cure provisions of this Section 5.02, upon the occurrence of an Event of Default (which default is not cured within any applicable cure period) Mortgagee may, at Mortgagee's sole option exercised in Mortgagee's sole discretion, pursue any one or more of the following remedies:

(a) Declare all or any portion of the Secured Obligations to be due and payable, and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind except as otherwise provided herein;

(b) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon and take possession of the Mortgaged Estate or any part thereof and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Estate, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Estate, take any action described in Article II, III or IV hereof, sue for or otherwise collect the Revenues thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any Secured Obligations, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Estate, the taking of any action described in Article II, III or IV hereof, the collection of such Revenues and the application thereof as aforesaid, shall not cure or waive any default or notice of default or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Estate or the collection, receipt and application of Revenues, issues or profits, Mortgagee shall be entitled to exercise every right provided for the Trust Indenture or by law upon occurrence of any Event of Default, including the right to exercise the power of sale herein conferred;

(c) Commence an action to foreclose this Mortgage (either judicially or non-judicially), appoint a receiver, specifically enforce any of the covenants hereof, or sell the Mortgaged Estate pursuant to the power of sale herein conferred and in a manner provided under Michigan law;

(d) Exercise any or all of the remedies available to a secured party under the UCC, including, but not limited to:

(i) Either personally or by means of a court appointed receiver, commissioner or other officer, take possession of all or any of the Fixtures and exclude therefrom Mortgagor and all others claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect of the Fixtures or any part thereof. In the event Mortgagee demands or attempts to take possession of the Fixtures in the exercise of any rights under the Trust Indenture, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Mortgagee;

(ii) Without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to the security interest granted hereunder and, in exercising any such powers or authority, to pay all expenses incurred in connection therewith;

(iii) Require Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver such Fixtures to Mortgagee, or an agent or representative designated by it. Mortgagee, and its agents and representatives, shall have the right to enter upon any or all of Mortgagor's premises and property to exercise Mortgagee's rights hereunder;

(iv) Sell, lease or otherwise dispose of the Fixtures at public sale, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as Mortgagee may determine. Mortgagee may be a purchaser at any such sale; and

(v) Unless the Fixtures are perishable or threaten to decline speedily in value or are of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least 10 days' prior written notice of the time and place of any public sale of the Fixtures or other intended disposition thereof. Such notice may be mailed to Mortgagor at the address set forth in Section 6.05 of herein and shall be deemed to be given on the date of mailing thereof; and

(vi) Any sale made pursuant to the provisions of this subsection shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of all or a portion of the remainder of the Mortgaged Estate under power of sale as provided herein upon giving the same notice with respect to the sale of the Personal Property hereunder as is required for such sale of the remainder of the Mortgaged Estate under power of sale, and such sale shall be deemed to be pursuant to a security agreement covering both real and personal property under the UCC.

(e) Exercise any other rights or remedies which may now or hereafter be available to Mortgagee under this Mortgage or the Trust Indenture or pursuant to applicable law or in equity; or

(f) If held by Mortgagee, surrender the insurance policies maintained pursuant to Section 1.05, collect the unearned insurance premiums and apply such sums as a credit on the Secured Obligations in such priority and proportion as Mortgagee in its sole discretion shall deem proper, and in connection therewith, Mortgagor hereby appoints Mortgagee as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Mortgagee to collect such insurance premiums.

THIS MORTGAGE CONTAINS A POWER OF SALE AND UPON THE OCCURRENCE OF AN EVENT OF DEFAULT MAY BE FORECLOSED BY ADVERTISEMENT. IN FORECLOSURE BY ADVERTISEMENT AND THE SALE OF THE MORTGAGED ESTATE IN CONNECTION THEREWITH, NO HEARING IS REQUIRED AND THE ONLY NOTICE REQUIRED IS THE PUBLICATION OF NOTICE IN A LOCAL NEWSPAPER AND THE POSTING OF A COPY OF THE NOTICE ON THE PREMISES. THE MORTGAGOR HERBY WAIVES ALL RIGHTS UNDER THE CONSTITUTION AND LAWS OF THE UNITED STATES AND THE STATE TO A HEARING PRIOR TO SALE IN CONNECTION WITH FORECLOSURE OF THIS MORTGAGE BY ADVERTISEMENT AND ALL NOTICE REQUIREMENTS EXCEPT AS SET FORTH IN THE MICHIGAN STATUTE PROVIDING FOR FORECLOSURE BY ADVERTISEMENT.

Section 5.03. [Reserved].

Section 5.04. Appointment of Receiver. If an Event of Default (which is not cured within any applicable cure period) shall have occurred, Mortgagee, as a matter of right and without notice to Mortgagor or anyone claiming under Mortgagor, and without regard to the value of the Mortgaged Estate or the interest of Mortgagor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Estate and Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases in accordance with Michigan law and all the powers and duties of Mortgagee in case of entry as provided in Section 5.02(b) and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Estate unless such receivership is sooner terminated. Mortgagee shall, in addition to and not in limitation of any of the foregoing or any other remedies provided in this Mortgage or otherwise available under applicable law, have all of the rights provided under the laws of the State.

Section 5.05. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any Secured Obligation hereby and to exercise all rights and powers under this Mortgage or under the Trust Indenture or other agreement or any laws now or hereafter in force. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by the Trust Indenture to Mortgagee, or to which Mortgagee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee. Mortgagee may pursue inconsistent remedies.

The acceptance by Mortgagee of any sum after the same is due shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums hereby secured or to declare a default as herein provided. The acceptance by Mortgagee of any sum in an amount less than the sum then due shall be deemed an acceptance on account only and upon

condition that it shall not constitute a waiver of the obligation of Mortgagor to pay the entire sum then due, and failure of Mortgagor to pay such entire sum then due shall be and continue to be an Event of Default notwithstanding such acceptance of such amount on account, as aforesaid. Mortgagee or Trustee shall be, at all times thereafter and until the entire sum then due shall have been paid, and notwithstanding the acceptance by Mortgagee thereafter of further sums on account, or otherwise, entitled to exercise all rights in this instrument conferred upon it, and the right to proceed with a sale under any notice of default, or an election to sell, or the right to exercise any other rights or remedies hereunder, shall in no way be impaired, whether any of such amounts are received prior or subsequent to such proceeding, election or exercise. Consent by Mortgagee to any action or inaction of Mortgagor which is subject to consent or approval of Mortgagee hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions or inactions.

Section 5.06. Possession of Mortgaged Estate. In the event of a trustee's sale or foreclosure sale hereunder and after the time of such sale, and Mortgagor occupies the portion of the Mortgaged Estate so sold, or any part thereof, Mortgagor shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either tenant or landlord, at a reasonable rental per day based upon the value of the portion of the Mortgaged Estate so occupied, such rental to be due and payable daily to the purchaser. An action of unlawful detainer shall lie if the tenant holds over after a demand in writing for possession of such Mortgaged Estate and premises; and this agreement and a trustee's deed shall constitute a lease and agreement under which the tenant's possession arose and continued. Nothing contained in this Mortgage shall be construed to constitute Mortgagee as a "mortgagee in possession" in the absence of its taking actual possession of the Mortgaged Estate pursuant to the powers granted herein.

Section 5.07. Relief from Stay. In the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code, subject to court approval, Mortgagee shall thereupon be entitled and Mortgagor irrevocably consents to relief from any stay imposed by Section 362 of the Bankruptcy Code on or against the exercise of the rights and remedies otherwise available to Mortgagee as provided in the Trust Indenture and Mortgagor hereby irrevocably waives its rights to object to such relief. In the event Mortgagor shall commence a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code, Mortgagor hereby agrees that no injunctive relief against Mortgagee shall be sought under Section 105 or other provisions of the Bankruptcy Code by Mortgagor or other person or entity claiming through Mortgagor, nor shall any extension be sought of the stay provided by Section 362 of the Bankruptcy Code.

Section 5.08. Cash Collateral. To the fullest extent allowed by applicable law, Mortgagor hereby acknowledges and agrees that in the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (i) that all of the Revenues are, and shall for purposes be deemed to be, "proceeds, product, offspring, rents, or profits" of the Project covered by the lien of the Mortgage, as such quoted terms are used in Section 552(b) of the Bankruptcy Code; (ii) that in no event shall Mortgagor assert, claim or contend that any portion of the Revenues are, or should be deemed to be, "accounts" or "accounts receivable" within the meaning of the

Bankruptcy Code and/or applicable state law; (iii) that the Revenues are and shall be deemed to be in any such bankruptcy proceeding “cash collateral” of Mortgagee as that term is defined in Section 363 of the Bankruptcy Code; and (iv) that Mortgagee has valid, effective, perfected, enforceable and matured rights in and to the Revenues without any further action required on the part of Mortgagee to enforce or perfect its rights in and to such cash collateral, including, without limitation, providing notice to Mortgagor under Section 546(b) of the Bankruptcy Code.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Governing Law. This Mortgage shall be governed by the internal laws of the State without giving effect to its conflicts of law principles. In the event that any provision or clause of this Mortgage conflicts with applicable laws, such conflicts shall not affect other provisions of this Mortgage which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought and in accordance with the applicable provisions of the Trust Indenture. If any conflict shall arise between the terms of this Mortgage and the Trust Indenture, the terms of the Trust Indenture shall govern.

Section 6.02. Waiver of Rights. To the extent permitted by law, Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted (i) providing for any appraisalment before sale of any portion of the Mortgaged Estate, or (ii) in any way extending the time for the enforcement of the collection of the Secured Obligations or creating or extending a period of redemption from any sale made in collecting the Secured Obligations. To the full extent Mortgagor may do so under the laws of the State, Mortgagor agrees that Mortgagor will not at any time insist upon, plea, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisalment, valuation, stay, extension, redemption or homestead exemption, and Mortgagor, for Mortgagor, Mortgagor’s representatives, successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Estate, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisalment, stay of execution, homestead exemption, notice of election to mature or declare due the whole of the Secured Obligations and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Mortgagor, Mortgagor’s heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Mortgagor expressly waives and relinquishes any and all rights, remedies and defenses that Mortgagor may have or be able to assert by reason of the laws of the State pertaining to the rights, remedies and defenses of sureties. The waivers and agreements contained in this section and elsewhere in this Mortgage are given by Mortgagor knowingly and voluntarily and upon advice of counsel.

Section 6.03. Limitation of Interest. All agreements between Mortgagor and Mortgagee, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid,

to Mortgagee for the use, forbearance, or detention of the money to be held pursuant to the Trust Indenture or otherwise, or for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever fulfillment of any provision hereof at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by law, then, *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Mortgagee or holders of the Bonds shall ever receive as interest under the Bonds or this Mortgage or otherwise anything of value which would exceed interest at the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing under the Bonds or on account of other Secured Obligations and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Bonds and such other Secured Obligations, such excess shall be refunded to Mortgagor. All sums paid or agreed to be paid to Mortgagee for the use, forbearance, or detention of the Secured Obligations shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such obligations until payment in full so that the rate of interest on account of Secured Obligations is uniform throughout the term thereof. The terms and provisions of this paragraph shall control all agreements between Mortgagor and Mortgagee.

Section 6.04. [Reserved]

Section 6.05. Notices. Unless otherwise required by law, whenever Mortgagee or Mortgagor shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing and shall be deemed to have been given: (a) upon receipt if sent by hand delivery; (b) one day after deposit with overnight courier; or (c) two days after deposit in the case of certified mail, postage prepaid, addressed to the following mailing addresses:

If to Mortgagor:	Charyl Stockwell Academy 9758 E. Highland Road Howell, MI 48843 Attention: Principal Telephone: (810) 632-2200 Facsimile: (810) 632-2201
If to Mortgagee:	U.S. Bank National Association Corporate Trust Services (EP-MN-WS3C) 60 Livingston Avenue St. Paul, MN 55107 Attention: Corporate Trust Department Telephone: (651) 466-6307 Facsimile: (651) 466-7429

Any party may at any time change its address for such notices by delivering to the other parties hereto, as aforesaid, a notice of such change.

Section 6.06. Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

Section 6.07. Invalidity of Certain Provisions; Conflicting Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the Secured Obligations, or if the lien is invalid or unenforceable as to any part of the Mortgaged Estate, the unsecured or partially secured portion of the Secured Obligations shall be completely paid prior to the payment of the remaining and secured portion of the Secured Obligations, and all payments made on such obligations, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the Secured Obligations which is not secured or fully secured by the lien of this Mortgage.

Section 6.08. Subrogation. To the extent that proceeds of the Bonds or advances under this Mortgage are used to pay any outstanding lien, charge or prior encumbrance against the Mortgaged Estate, such proceeds or advances have been or will be advanced by Mortgagee at Mortgagor's request, and Mortgagee shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released of record.

Section 6.09. Change in Ownership. If the ownership of the Mortgaged Estate or any part thereof or interest therein becomes vested in a person other than Mortgagor owning the same on the date hereof, Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest with reference to this Mortgage and the Secured Obligations in the same manner as with Mortgagor without in any way vitiating or discharging Mortgagor's liability hereunder or upon the Secured Obligations. No sale of the Mortgaged Estate, and no forbearance on the part of Mortgagee, and no extension of the time for the payment of the Secured Obligations, given by Mortgagee, shall operate to release, discharge, modify, change or affect the original liability, if any, of Mortgagor or the liability of any guarantors or sureties of Mortgagor, either in whole or in part; provided that Mortgagor may be released from its original liability under this Mortgage upon transfer of the entire Mortgaged Estate with the written consent of Mortgagee and as permitted under the Trust Indenture.

Section 6.10. Assignment of Mortgagee's Interest. It is expressly agreed that any and all terms of this Mortgage, the Trust Indenture and all other agreements made or executed by Mortgagor or others in favor of Mortgagee, and all rights, powers, privileges, options and remedies conferred upon Mortgagee herein and therein, shall inure to and be for the benefit of, and may be exercised by, Mortgagee and its successors and assigns, and the words "Mortgagee" shall also mean and include the successor or successors and the assign or assigns of Mortgagee and its successors and assigns. Mortgagor hereby specifically grants unto Mortgagee the right and privilege, at Mortgagee's option, but subject nevertheless to the provisions of the Trust Indenture, to transfer and assign to any third person all or any part of Mortgagee's rights to receive funds or payments hereunder.

Section 6.11. Time Is of the Essence. Time is of the essence under this Mortgage and the Trust Indenture.

Section 6.12. Obligations of Mortgagor. The obligations of Mortgagor to make payments hereunder and under the Trust Indenture and to perform and observe all agreements on its part contained herein and therein shall be absolute and unconditional. Until this Mortgage is terminated or payment in full of all Bonds is made or is provided for in accordance with the Trust Indenture, Mortgagor (i) will not suspend or discontinue any payments under the Trust Indenture or neglect to perform any of its duties required thereunder or hereunder; (ii) will perform and observe all of its obligations set forth in the Trust Indenture, this Mortgage and the Bonds; and (iii) except as provided herein will not terminate the Trust Indenture or this Mortgage for any cause.

Section 6.13. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereon or under the Trust Indenture, this Mortgage or the Bonds or upon any obligation, covenant or agreement herein against any past, present or future officer, director, trustee, member, employee or agent of Mortgagor, whether directly or indirectly and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Bonds.

Section 6.14. Supplements; Amendments. This Mortgage may be supplemented or amended by written agreement between Mortgagor and Mortgagee in accordance with the applicable provisions of the Trust Indenture.

Section 6.15 Power of Attorney. Mortgagee may act as attorney-in-fact or otherwise on behalf of Mortgagor pursuant to Sections 1.22, 3.01 and 5.02(f) of this Mortgage. This power of attorney is coupled with an interest, is durable and is not affected by subsequent disability or incapacity of the principal or lapse of time.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed on the day and year set forth in the acknowledgment attached hereto and effective on the date first written above.

CHARYL STOCKWELL ACADEMY

By: 
David Price

Its: President

STATE OF MICHIGAN

)

) ss:

COUNTY OF LIVINGSTON)

Personally came before me on April 28, 2015, the above named David Price, President of Charyl Stockwell Academy, to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of Charyl Stockwell Academy.



Name:

Notary Public, State of Michigan

My commission expires: 6/3/17

Acting in County of: Livingston

KELLEY A. BUKO
Notary Public, State of Michigan
County of Livingston
My Commission Expires 06-03-2017
Acting in the County of _____

MORTGAGE
Charyl Stockwell Academy, Series 2015 Bonds

EXHIBIT A

LEGAL DESCRIPTION

The land referred to in this Commitment is located in the Township of Hartland, County of Livingston, State of Michigan, and described as follows:

Part of the East 1/2 of the Northeast 1/4 of Section 29, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan, described as: Commencing at the Northeast corner of said Section 29; thence South 02 degrees 11 minutes 10 seconds East along the East line of said Section 29, 424.00 feet to the Point of Beginning of the parcel to be described; thence continuing South 02 degrees 11 minutes 10 seconds East along said East line, 726.00 feet; thence South 86 degrees 10 minutes 17 seconds West 600.25 feet; thence North 02 degrees 11 minutes 10 seconds West 726.00 feet; thence North 86 degrees 10 minutes 17 seconds East, 600.25 feet to the Point of Beginning. Including the non-exclusive use of a 66 foot wide Private Road Easement for ingress and egress and public utilities as described below.

66-FOOTWIDE PRIVATE ROAD EASEMENT FOR INGRESS AND EGRESS AND PUBLIC UTILITIES:

Part of the East 1/2 of the Northeast 1/4 of Section 29, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan, described as: Commencing at the Northeast corner of said Section 29; thence South 02 degrees 11 minutes 10 seconds East along the East line of said Section 29, 48.26 feet to the Point of Beginning of the Easement to be described; thence continuing South 02 degrees 11 minutes 10 seconds East along said East line, 375.74 feet; thence South 86 degrees 10 minutes 17 seconds West 66.07 feet; thence North 02 degrees 11 minutes 10 seconds West 361.08 feet to the Southerly Right-of-Way line of M-59 Highway; thence North 86 degrees 28 minutes 18 seconds East along said Right of Way line, 16.14 feet; thence along said Right of Way line, North 03 degrees 31 minutes 42 seconds West 15.00 feet; thence North 86 degrees 28 minutes 18 seconds East along said Right of Way line, 50.27 feet to the Point of Beginning.

Commonly known as: 9758 Highland Rd, Howell, MI 48843

The land referred to in this Commitment is located in the City of Brighton, County of Livingston, State of Michigan, and described as follows:

Unit 2, Summit Pointe Commercial Campus, a condominium, according to the Master Deed recorded in Liber 3099, Page 92, Livingston County Records, and any amendments thereto, and designated as Livingston County Condominium Subdivision Plan No. 229, together with rights in general common elements and limited common elements as set forth in the above Master Deed and as described in Act 59 of the Public Acts of 1978, as amended.

Commonly known as: 1032 Karl Greimel Dr, Brighton, MI 48116.

EXHIBIT B

PERMITTED EXCEPTIONS
AS DISCLOSED IN TITLE INSURANCE POLICY



MICHIGAN DEPARTMENT OF STATE

Uniform Commercial Code Section
P.O. Box 30197
Lansing, Michigan 48909-7697
www.michigan.gov/sosucc

Filing Acknowledgement

May 13, 2015

Job Number

U20150513-0551

Initial Filing Number

2015066362-7

Filing Description

Initial Financing Statement

Document Filing Number

2015066362-7

Date/Time of Filing

05/13/2015 11:16 AM

Debtors

Charyl Stockwell Academy
9758 East Highland Road
Howell MI 48843

Secured Parties

U.S. Bank National
Association, Global Corporate
Trust Services
40 Pearl Street NW, Suite 838
Grand Rapids MI 49503

The Michigan Secretary of State, Uniform Commercial Code office has filed the attached documents. The filing date and time are shown on each document. A filing number is also affixed and can be used to reference this document in the future.

Ruth Johnson
Secretary of State

Document Number:
2015066362-7

Filing Date and Time:
5/13/2015 11:16:17 AM

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

*(This document was
filed electronically.)*

A. NAME & PHONE OF CONTACT AT FILER (optional) Lori Muir	
B. E-MAIL CONTACT AT FILER (optional)	
C. SEND ACKNOWLEDGMENT TO: (Name and Address)	
Clark Hill PLC 151 South Old Woodward Suite 200 Birmingham	MI 48009

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor Information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Charyl Stockwell Academy				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
9758 East Highland Road	Howell	MI	48843	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME U.S. Bank National Association, Global Corporate Trust Services				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
40 Pearl Street NW, Suite 838	Grand Rapids	MI	49503	USA

4. COLLATERAL: This financing statement covers the following collateral:

The •Mortgaged Estate• as defined in that certain Mortgage, dated as of April 1, 2015, executed by the Debtor in favor of the Secured Party, including, but not limited to, all of Debtor™s estate, right, title and interests in, to and under any and all of the following property now owned, together with all cash and noncash proceeds thereof: land, improvement, rents, revenues and derivative interests, intangibles, claims and awards and proceeds of the foregoing.

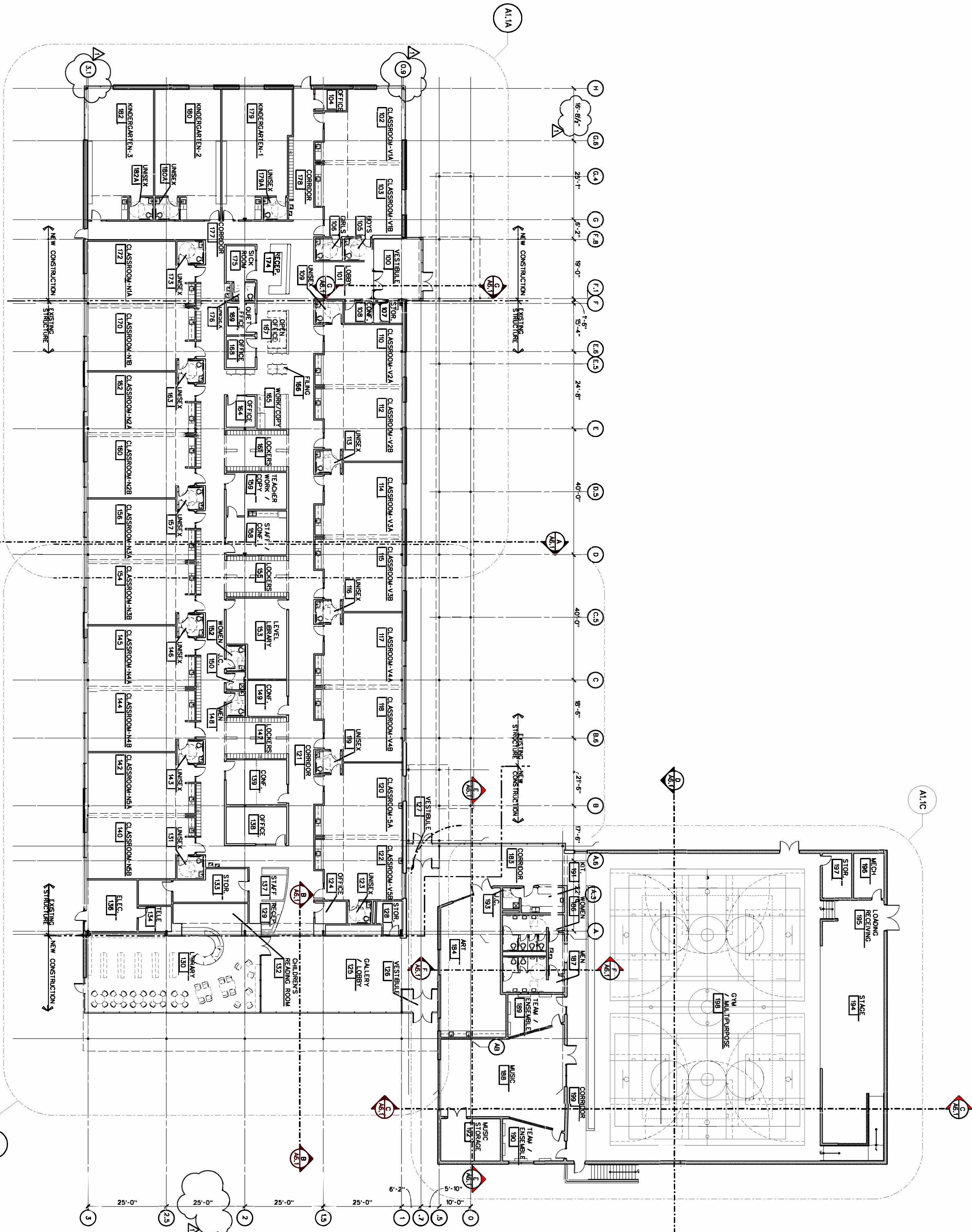
5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor	
8. OPTIONAL FILER REFERENCE DATA:	

Elementary School Site

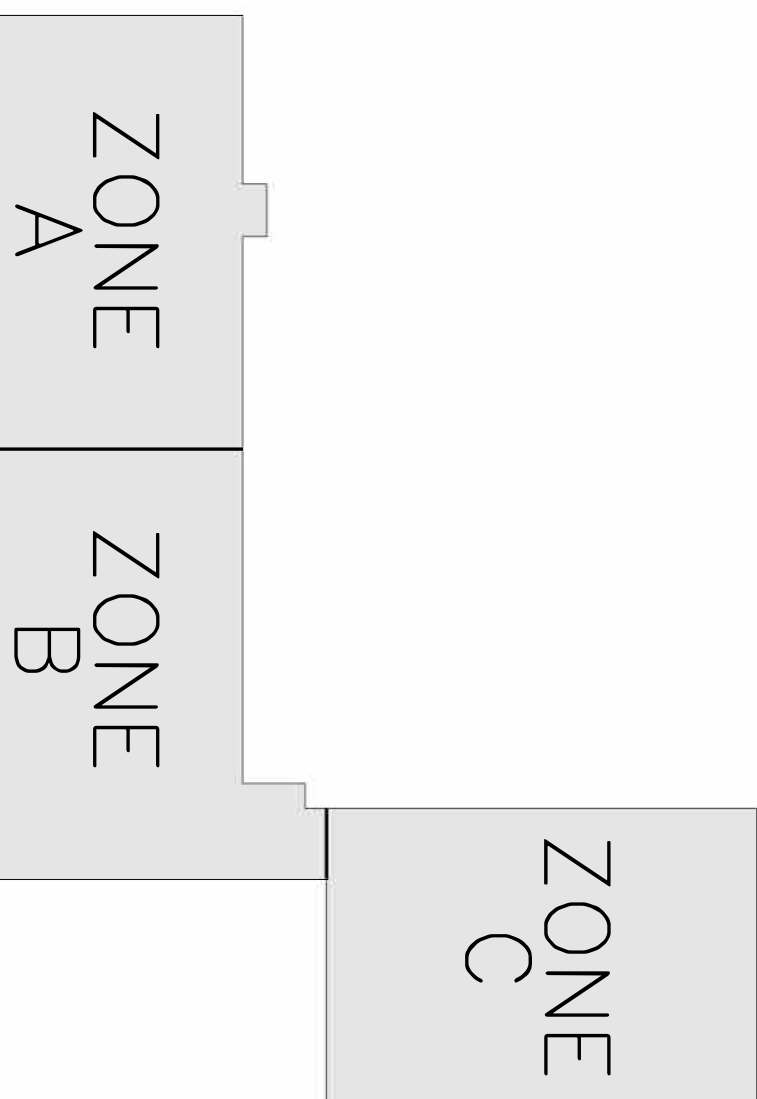
Modifications	06 June 2005
Blas	27 May 2005
Permits	17 May 2005
Progress Print	27 April 2005
Design	SV
Drawn	DL
IA Project Number	241211

OVERALL
FLOOR PLAN

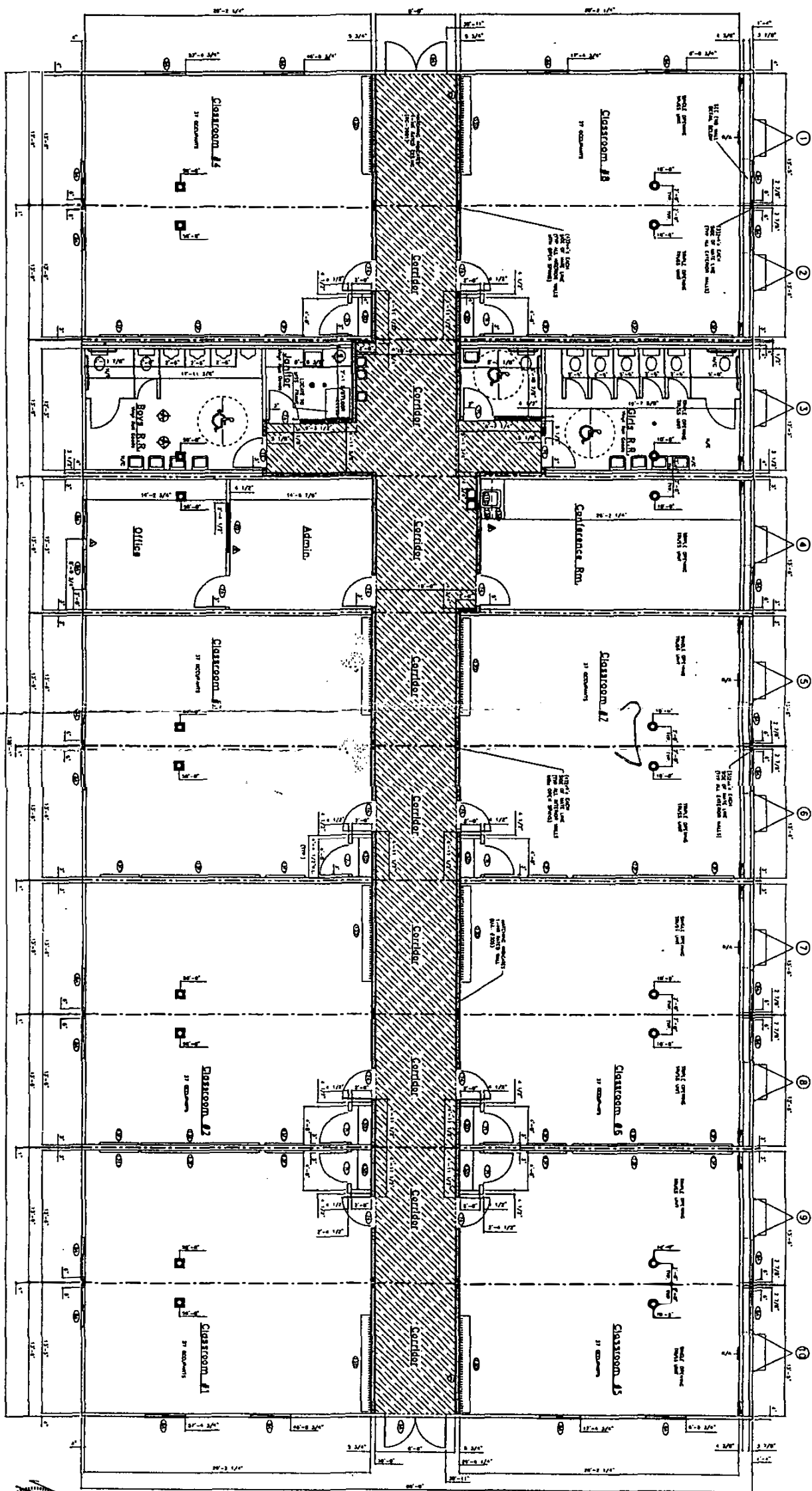
A0.1



OVERALL FLOOR PLAN
SCALE: 1/8" = 1'-0"



KEY PLAN
SCALE: N.T.S.



Aug 31, 2006 2:13PM

No 4222 P. 2/2

RECEIVED 08-31-06 BY: L.A.

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

**Building Permit No. LB021939
Charyl Stockwell Academy
9758 E Highland Road
Howell, Michigan
Livingston County**

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

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



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

August 30, 2006

CORRECTED COPY

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Building Permit No. LB020241
Charyl Stockwell Academy
9758 East Highland Road
Howell, Michigan
Livingston County

The above named building of Use Group E and Construction Type 5B is approved for use and occupancy.

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



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

December 16, 2004

CORRECTED COPY

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Consumer and Industry Services
Bureau of Construction Codes & Fire Safety/Building Division
P. O. Box 30254
Lansing, MI 48909
(517) 241-9317

Permit No. LB018023
Charyl Stockwell Academy
9758 E. Highland Road
Howell, Michigan
Livingston County

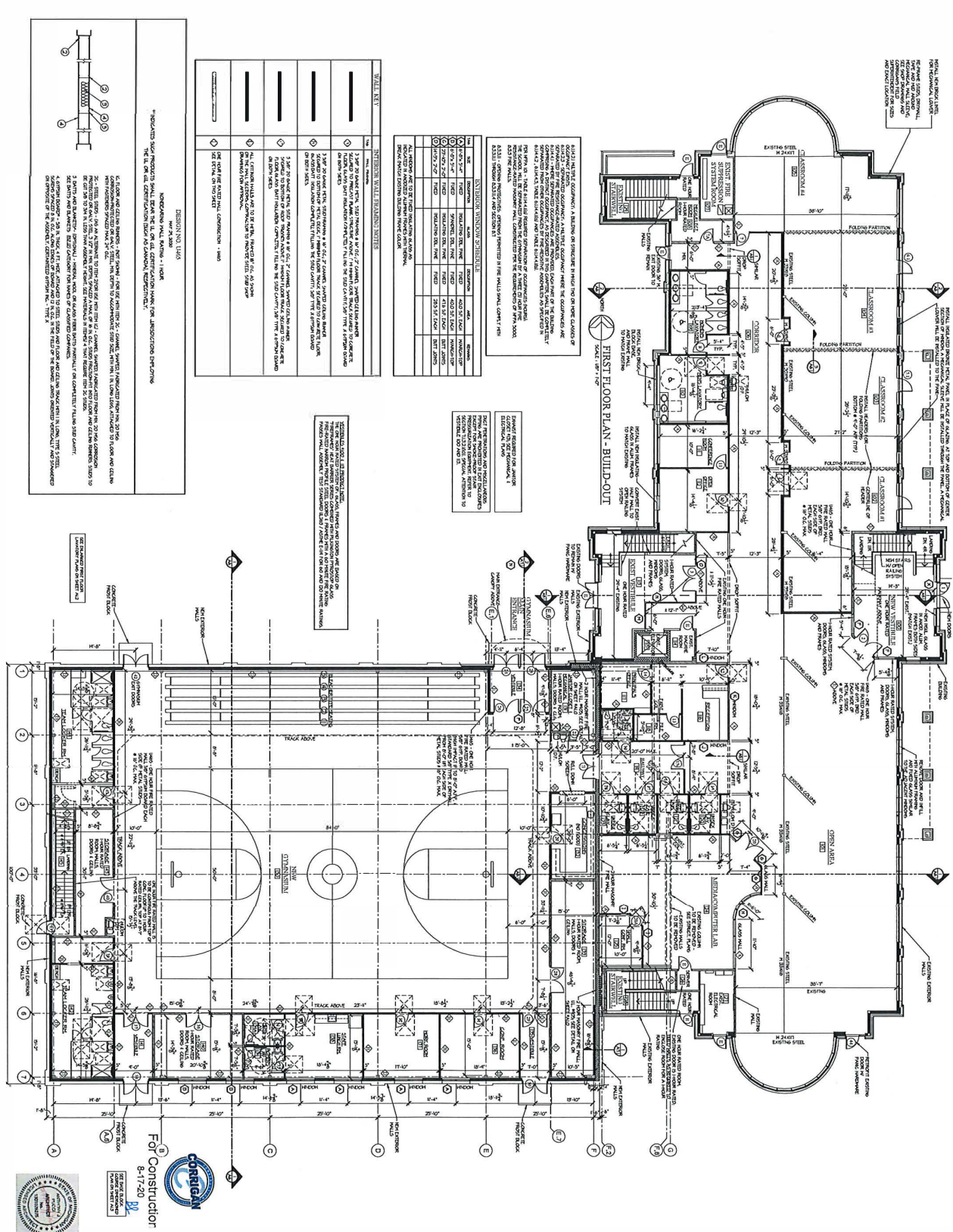
The above named building of Use Group E and Construction Type 5B is approved for use and occupancy.

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


Larry Lehman, Chief
Building Division

November 19, 2003

Middle School Site



SECOND LEASE ADDENDUM

Landlord: STONE RIDGE OFFICE, L.L.C., 775 N. Second Street, Brighton, MI 48116

Tenant: CHARYL STOCKWELL ACADEMY, 9758 E. Highland Rd., Howell, MI 48843

Premises: 1021 Karl Greimel Drive, Brighton, MI 48116

This Second Lease Addendum is incorporated fully into the Lease between the parties dated September 25, 2019, wherein Landlord and Tenant entered into a written Lease for the above referenced premises, as amended by a First Lease Addendum. The Landlord and Tenant wish to amend the Lease with the following addendum. Landlord and Tenant agree as follows:

1. Paragraph 3(a) shall be deleted, in its entirety, and will be replaced with the following:

a. The term of this Lease (the "Term") shall commence on the later occurring of: (i) July 1, 2021; or (ii) the day that Landlord tenders possession of the Premises to Tenant with the Landlord's Work Substantially Complete, which shall be no later than July 1, 2021, as set forth in Paragraph 7(b), below. The Term shall expire on June 30, 2031 (the "Expiration Date"), unless earlier terminated or extended as provided for herein. Landlord will provide and Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that Landlord's Work has been Substantially Completed.

2. Paragraph 3(b) shall be deleted, in its entirety, and will be replaced with the following:

b. Tenant is a party to a Charter School Contract with Central Michigan University for the operation of a school (the "Charter School Contract"). If for any reason whatsoever the Charter School Contract is terminated, revoked, or is not renewed or extended, prior to the expiration of the Term hereof, then this Lease shall terminate simultaneously with such termination, non-renewal or non-extension, as the case may be, and neither Party shall have any right or cause of action against the other Party by reason of such termination. Notwithstanding the foregoing, in the event of a termination of the Charter School Contract for reasons other than cause, Tenant shall be permitted to attempt to secure another charter for a limited period of time (if, and only if, the Charter School Contract is terminated at the end of a school year), which charter will permit Tenant to operate a charter school in the same manner as chartered under the Charter School Contract, and in the event Tenant should procure such a charter timely, enabling it to continue full operations at the beginning of the following school year, this Lease shall be automatically revived and reinstituted. In the event that the Tenant is required to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and the Charter Contract, and such reconstitution causes an amendment to or termination of this Lease Agreement, the parties agree that this Lease Agreement

shall be amended or terminated to implement the Academy reconstitution, with no cost or penalty to the Tenant, and the Landlord shall have no recourse against the Tenant or the University Board for implementing such site closure or reconstitution.

3. Exhibit A shall be deleted, in its entirety, and will be replaced with the following:

Unit 3, SUMMIT POINTE COMMERCIAL CAMPUS, a Condominium according to the Master Deed recorded in Liber 3099, Page 92, Livingston County Records, and designated as Livingston County Condominium Subdivision Plan No. 229, together with rights in general common elements and limited common elements as set forth in the above described Master Deed and Amendments thereto and as disclosed by Act 59 of the Public Acts of 1978, as amended.

Commonly known as: 1021 Karl Greimel Drive, Brighton, Michigan 48116
Tax ID No. 4718-25-202-006

4. Paragraph 7 shall be deleted, in its entirety, and replaced with the following:

7. Construction of Premises. The Rights of the Parties with regard to the construction of the Premises shall be as follows:

- a. Tenant shall bear no expense for construction of the Premises through obtaining a Certificate of Occupancy, including but not limited to, obtaining approval from the Michigan Department of Licensing and Regulatory Affairs ("LARA") for construction and occupancy of the Premises for Tenant's Education Permitted Use, in accordance with the Approved Design attached hereto as **Exhibit B**.
- b. Landlord must tender possession of the Premises to Tenant, constructed with 47,420 square feet of usable space as more particularly described on **Exhibit B**, attached hereto (the "Landlord's Work"), no later than July 1, 2021, with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed.. In the event Landlord cannot provide the Premises to Tenant in this condition on or before July 1, 2021, Tenant may elect to terminate this Lease by written notice delivered to Landlord on or before 5:00 p.m., local time, on or before the third business day following the completion deadline outlined above.
- c. Landlord agrees to use its best efforts to have Landlord's Work substantially completed by its contractor(s) on or before July 1, 2021.
- d. Landlord's Work shall be done in compliance with all applicable local, state and federal laws, rules regulations and ordinances including, without limitation, all laws, rules, regulations and ordinances pertaining to school building construction, being the Michigan Revised School Code, MCL 380.1 et seq., including, but not limited to

380.1264, as amended, the School Building Construction Act, MCL 388.851 et seq., as amended, the Stille-Derossett-Hale Single State Construction Code Act, MCL 125.1501 et seq., as amended, and the Michigan Building Code, as amended.

e. Landlord warrants Landlord's Work for one (1) year from the date of Substantial Completion. Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed, and provided further that Tenant will not be required to accept possession prior to July 1, 2021. Tenant shall be responsible for any and all maintenance required by the manufacturer of the respective products within the Premises during this warranty period.

5. Paragraph 4(a), including subparagraphs, of the Lease shall be deleted in its entirety, and replaced with the following:

Base Rent. Beginning on July 1, 2021, Tenant agrees to pay to Landlord base rent ("Base Rent") in the amount of \$11.17/square foot for the calendar year ending June 30, 2022. The total rent for the first calendar year is \$529,681.40. The Base Rent shall increase for each subsequent year at a rate of 2% for the Lease Term.

Year 2	\$540,275.02	Year 6	\$584,811.05
Year 3	\$551,080.52	Year 7	\$596,507.27
Year 4	\$562,102.13	Year 8	\$608,437.41
Year 5	\$573,344.17	Year 9	\$620,606.15
	Year 10	\$633,018.27	

Rent shall be paid in equal monthly installments payable in advance on the first day of each month. If commencement of the Term is after July 1, 2021, Tenant shall not be responsible for any payments hereunder until the date of possession by Tenant of the Premises.

Notwithstanding the foregoing, Tenant shall be requested to make a one-time payment of \$250,000 on or before 6/30/2021 ("Prepayment"). If the Prepayment is made, it shall be applied to the Base Rent owing for the calendar year ending June 30, 2022, resulting in a remaining Base Rent balance for that year of \$279,681.40. The Prepayment shall have no effect on the Base Rent for the remaining years of the Lease set forth above.

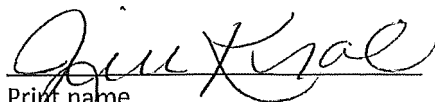
6. Except as hereafter modified in writing all prior terms and conditions of the Lease dated September 25, 2019, and any subsequent addendums/amendments thereto, not inconsistent with this Addendum to Lease, shall remain in full force and effect. Any and all terms used in this

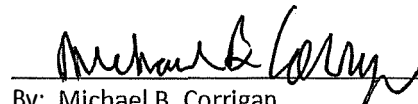
Addendum and defined in the Lease or amendments thereto shall be defined as set forth therein, unless otherwise defined herein.

IN WITNESS WHEREOF, the parties hereto have duly executed this lease as of the day and year first above written.

Signed in the presence of:

STONE RIDGE OFFICE, L.L.C. (Landlord)

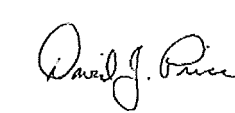

Print name
Jill Krol


By: Michael B. Corrigan
Its: Member

Signed in the presence of:

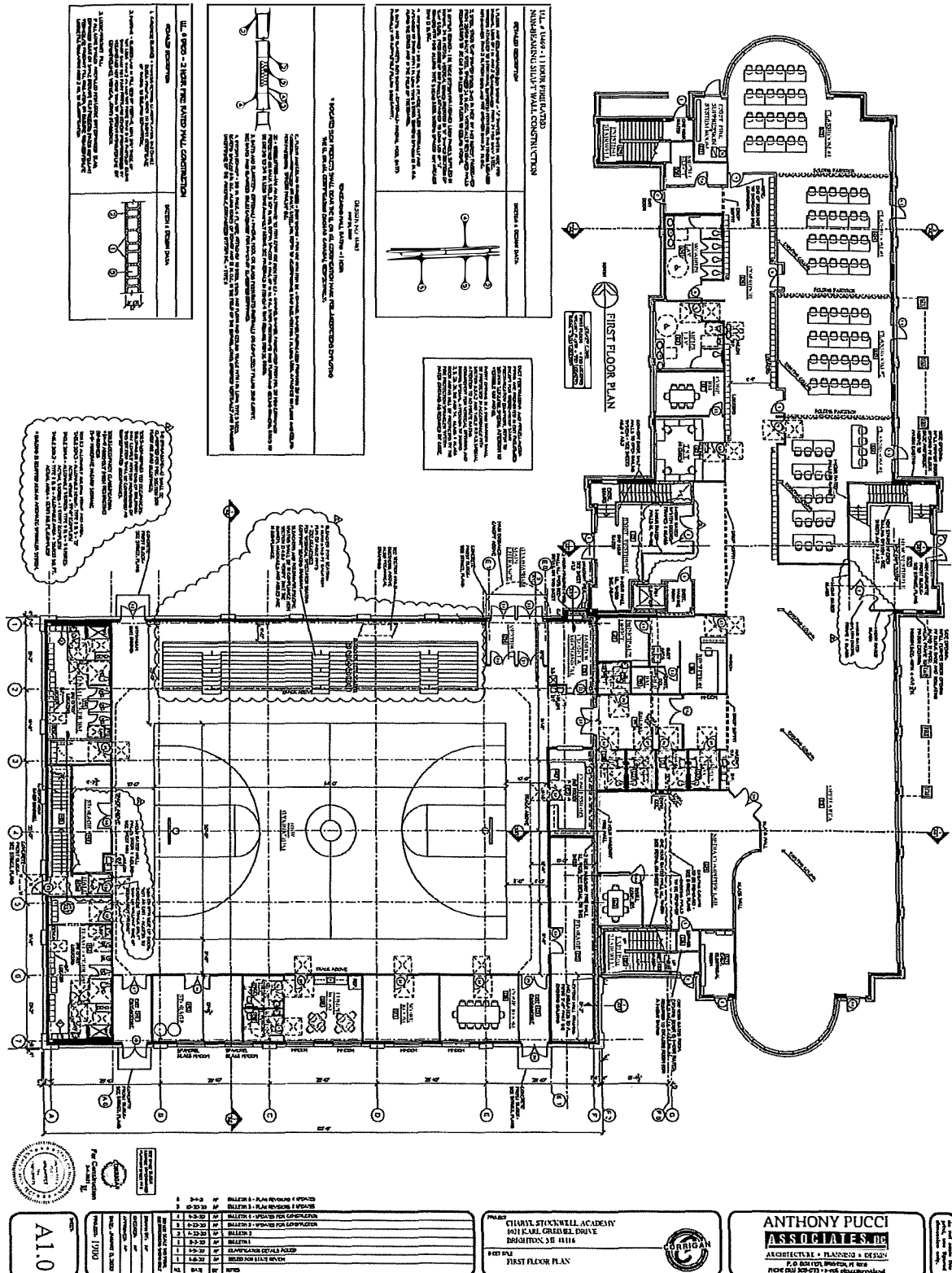
CHARYL STOCKWELL ACADEMY (Tenant)

Print name

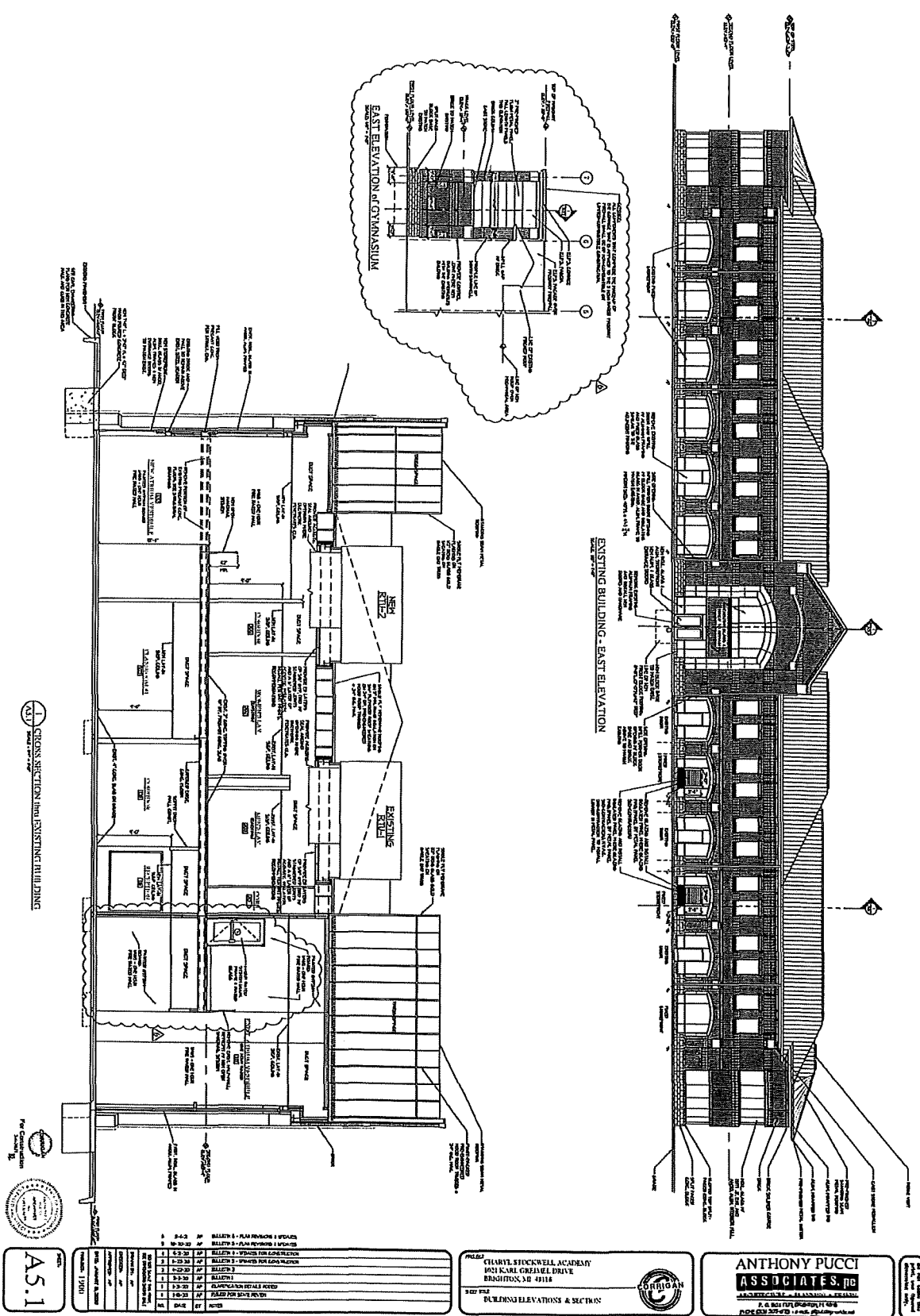

By: David J. Price
Its: President

Digitally signed by David Price
Date: 2021.05.19 12:03:54
-04'00'
Adobe Acrobat version:
2017.011.30194

Exhibit B







FIRST LEASE ADDENDUM

Landlord: **STONE RIDGE OFFICE, L.L.C., 775 N. Second Street, Brighton, MI 48116**

Tenant: **CHARYL STOCKWELL ACADEMY, 9758 E. Highland Rd., Howell, MI 48843**

Premises: **1021 Karl Greimel Drive, Brighton, MI 48116**

This First Lease Addendum is incorporated fully into the Lease between the parties dated September 25, 2019, wherein Landlord and Tenant entered into a written Lease for the above referenced premises. The Landlord and Tenant wish to amend the Lease with the following addendum. Landlord and Tenant agree as follows:

1. **Description of Leased Premises.** The Leased Premises is changed from 41,200 square feet to 47,420 square feet.

2. **Rent.**

Base Rent. Beginning on June 1, 2021, Tenant agrees to pay to Landlord base rent ("Base Rent") in the amount of \$11.17/square foot for the calendar year ending June 30, 2022. The total rent for the first calendar year is \$529,681.40. The Base Rent shall increase for each subsequent year at a rate of 2% for the Lease Term.

Year 2	\$540,275.02	Year 6	\$584,811.05	Year 10	\$633,018.27
Year 3	\$551,080.52	Year 7	\$596,507.27		
Year 4	\$562,102.13	Year 8	\$608,437.41		
Year 5	\$573,344.17	Year 9	\$620,606.15		

Rent shall be paid in equal monthly installments payable in advance on the first day of each month. If commencement of the Term is after June 1, 2021, Tenant shall not be responsible for any payments hereunder until the date of possession by Tenant of the Premises.

3. Except as hereafter modified in writing all prior terms and conditions of the Lease dated September 25, 2019, and any subsequent addendums/amendments thereto, not inconsistent with this Addendum to Lease, shall remain in full force and effect. Any and all terms used in this Addendum and defined in the Lease or amendments thereto shall be defined as set forth therein, unless otherwise defined herein.


INTENTIONALLY LEFT BLANK
SIGNATURES ARE ON THE FOLLOWING PAGES

IN WITNESS WHEREOF, the parties hereto have duly executed this lease as of the day and year first above written.

Signed in the presence of:

STONE RIDGE OFFICE, L.L.C. (Landlord)

Print name

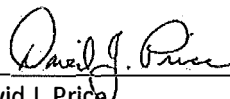

By: ~~Michael B. Corrigan~~ Vincent DeAngelis
Its: ~~Member~~ Representative

Signed in the presence of:

CHARYL STOCKWELL ACADEMY (Tenant)

David iJ. Price

Print name


By: David J. Price
Its: President

LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease") is made this 25th day of Sept, 2019 between **Stone Ridge Office, L.L.C.**, a Michigan limited liability company ("Landlord"), having its address at 775 N. Second Street, Brighton Michigan, 48116, and **Charyl Stockwell Academy**, a Michigan nonprofit corporation, and public school academy ("Tenant"), having its address at 9758 E. Highland Rd, Howell, Michigan, 48843. Landlord and Tenant shall each be referred to herein as a "Party" and collectively as the "Parties".

RECITALS:

- A. Landlord is the owner of a building located in the City of Brighton, 1021 Karl Greimel Drive, Brighton, Michigan, (referred to herein as the "Premises").
- B. Tenant requires certain design and construction modifications to the premises.
- C. Landlord desires to lease to Tenant and Tenant desires to lease from Landlord the Premises for the operation of a public school academy, once the design and construction modifications by Landlord are complete.

AGREEMENT:

In consideration of the facts set forth in the Recitals above and the mutual promises contained herein, Landlord and Tenant agree as follows:

- c. Landlord obtaining an agreement for the construction of the Landlord's Work, for a price and on terms and conditions satisfactory to the Landlord, in its sole discretion;

Tenant acknowledges and agrees that in the event that any of the foregoing events or agreements should fail to occur to Landlord's satisfaction by the dates set forth above, the Landlord, in its sole discretion, may terminate this Lease Agreement, rendering it null and void, and of no further effect. In the event the Landlord does not terminate this Lease by August 1, 2019, Landlord, or its contractor or agent, shall commence Landlord's Work immediately thereafter, including, but not limited to, permitting, engineering, and architecture services involved with Landlord's Work, and shall commence construction of Landlord's Work by November 1, 2019.

- 1. **Lease of Premises.** Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, upon the terms and conditions set forth herein.
- 2. **Description of Leased Premises.** The Leased Premises is described as follows:

41,200 square feet of 1021 Karl Greimel Drive, Brighton, Michigan

3. **Term.**

a. The term of this Lease (the "Term") shall commence on the latter of: (i) June 1, 2020; or (ii) the day that Landlord tenders possession of the Premises to Tenant with the Landlord's Work Substantially Complete, which shall be no later than August 1, 2020, as set forth in Paragraph 7(b), below. The Term shall expire on June 30, 2030 (the "Expiration Date"), unless earlier terminated or extended as provided for herein. Landlord will provide and Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed.

b. Tenant is a party to a Charter School Contract with Central Michigan University for the operation of a school (the "Charter School Contract"). If for any reason whatsoever the Charter School Contract is terminated, revoked, or is not renewed or extended, prior to the expiration of the Term hereof, then this Lease shall terminate simultaneously with such termination, non-renewal or non-extension, as the case may be, and neither Party shall have any right or cause of action against the other Party by reason of such termination. Notwithstanding the foregoing, in the event of a termination of the Charter School Contract for reasons other than cause, Tenant shall be permitted to attempt to secure another charter for a limited period of time (if, and only if, the Charter School Contract is terminated at the end of a school year), which charter will permit Tenant to operate a charter school in the same manner as chartered under the Charter School Contract, and in the event Tenant should procure such a charter timely, enabling it to continue full operations at the beginning of the following school year, this Lease shall be automatically revived and reinstituted.

4. **Rent**

a. **Base Rent.** Beginning on July 1, 2020, Tenant agrees to pay to Landlord base rent ("Base Rent") in the amount of \$11.86/square foot for the calendar year ending June 30, 2021. The total rent for the first calendar year is \$488,632. The Base Rent shall increase for each subsequent year at a rate of 2% for the Lease Term.. Rent shall be paid in equal monthly installments payable in advance on the first day of each month. From the commencement of the Term as defined in 3(a) above until July 1, 2020, Tenant will not be responsible for any payment of Base Rent, Additional Rent or any taxes and assessments, nor any interest or penalties accrued thereon on or related to the Premises as defined in 4(b) below. However, if commencement of the Term is after July 1, 2020, Tenant shall not be responsible for any payments hereunder until the date of possession by Tenant of the Premises.

The Base Rent shall be subject to adjustment as follows:

i. The agreed Base Rent, reflected above, is based on a school building with 41,200 square feet of usable space, the design of which has been approved by Tenant ("Approved Design"), as set forth in the plans of Anthony Pucci &

Associates, dated _____, which Approved Design is incorporated herein by this reference. In the event that the overall usable square footage changes through Landlord's Work, as documented to Tenant, the Base Rent shall be adjusted by the square footage multiplier above.

ii. In the event that Tenant decides that changes are needed to the Approved Design of the Building, such change from the Approved Design shall only be permitted in the event that the Parties mutually agree to an amendment to this Agreement, inclusive of an increase in Base Rent.

b. **Additional Rent.** The Base Rent shall be net to Landlord and, as such, Tenant shall pay Landlord, when the bill rendered to Landlord is presented to Tenant showing the actual expense owed by Landlord, for the following expenses related to the Premises: (a) taxes and assessments which may be levied or assessed against the Premises or any portion thereof; (b) utility costs relating to the Premises (unless paid directly by Tenant to the utility suppliers); and (c) operating costs relating to the Premises as defined in Paragraph 10 of this Lease. In addition, Tenant shall be liable for any and all costs and expenses incurred by the Landlord which are the result of the acts or omissions of Tenant or any of its employees, agents, or invitees arising out of Tenant's use of the Premises.

c. **Rent.** The term "Rent" shall mean all amounts payable under this Lease including Base Rent and Additional Rent. Rent shall be payable to the Landlord by Tenant monthly, without previous demand therefore and without deduction, setoff, adjustment or abatement of any nature. If the Term begins or ends on a date which is other than the first or last day of a calendar month, respectively, then Base Rent and Additional Rent for such partial month shall be prorated based on the number of days of such month included within the Term. All amounts due from Tenant hereunder shall be paid in lawful money of the United States to Landlord at its address set forth on the first page hereof, or to such other person or at such other place as Landlord from time to time may designate. Any Base Rent or Additional Rent due to Landlord not received within ten (10) business days of its due date will incur a late charge equal to five (5%) percent of amount past due - this penalty shall be considered Additional Rent.

5. **Use of the Premises.** Tenant shall have the right to use the Premises only for any and all lawful educational purposes and all activities associated with such operation of an educational facility (an "Education Permitted Use").

6. **Governmental Approvals and Compliance with Law.**

a. During the Term, Tenant at all times shall comply with conditions and requirements of permits and approvals for such occupancy and operation, including but not limited to the Charter School Contract, except those related to Landlord's Work as referenced in Paragraph 7 below, which shall be Landlord's sole responsibility.

b. Except as otherwise provided in this Lease, Tenant covenants and agrees that during the Term, Tenant shall promptly comply with all applicable laws, ordinances, orders, rules, regulations and requirements of the federal, state, county, city and municipal governments or any of their departments, bureaus, boards, commissions and officials thereof and fire insurance regulations with respect to the Premises, or the use or occupancy thereof, whether said compliance shall be ordered or directed to or against Landlord or Tenant or both. Upon written request by Tenant, Landlord shall provide reasonable cooperation, at Tenant's cost, in Tenant's compliance with the foregoing obligations under this Paragraph 6.

c. Tenant shall have the right during the Term, at its sole cost and expense, after prior notice to Landlord, to contest by appropriate legal proceedings which shall be conducted diligently and in good faith in the name of Tenant and without cost or expense to Landlord, the validity or applicability of any law, ordinance, order, rule or regulation of the nature herein above referred to in this Paragraph 6, and Tenant shall have the right to delay observance thereof and compliance therewith until such contest is finally determined and is no longer subject to appeal, provided that observance and compliance therewith pending the prosecution of such proceeding is a) permissible by law, and b) does not subject Landlord to any civil or criminal liability or fine. Landlord agrees timely to execute and deliver any appropriate documents or other instruments which may be necessary or proper to permit Tenant to so contest the validity or application of any such law, ordinance, order, rule, or regulation and to cooperate reasonably with Tenant in such contest. Nothing in this section shall be construed to permit Tenant to sue in the name of Landlord, or to require Landlord to sue on Tenant's behalf, or participate in Tenant's lawsuit as a named party. In the event that Landlord is involuntarily added as a necessary party to a proceeding involving Tenant under this section, Tenant shall bear the cost and expense of Landlord's legal defense.

7. Construction of Premises. The Rights of the Parties with regard to the construction of the Premises shall be as follows:

a. Tenant shall bear no expense for construction of the Premises through obtaining a Certificate of Occupancy, including but not limited to, obtaining approval from the Michigan Department of Licensing and Regulatory Affairs ("LARA") for construction and occupancy of the Premises for Tenant's Education Permitted Use, in accordance with the Approved Design attached hereto as **Exhibit B**.

b. Landlord must tender possession of the Premises to Tenant, constructed with 41,200 square feet of usable space as more particularly described on **Exhibit B**, attached hereto (the "Landlord's Work"), no later than August 1, 2020, with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed.. In the event Landlord cannot provide the Premises to Tenant in this condition on or before August 1, 2020, Tenant may elect to terminate this Lease by written notice delivered to Landlord on or before 5:00 p.m., local time, on or before the third business day following the completion deadline outlined above.

c. Despite the August 1, 2020 date set forth above, Landlord agrees to use its best efforts to have Landlord's Work substantially completed by its contractor(s) on or before June 1, 2020.

d. Landlord's Work shall be done in compliance with all applicable local, state and federal laws, rules regulations and ordinances including, without limitation, all laws, rules, regulations and ordinances pertaining to school building construction, being the Michigan Revised School Code, MCL 380.1 et seq., including, but not limited to 380.1264, as amended, the School Building Construction Act, MCL 388.851 et seq., as amended, the Stille-Derossett-Hale Single State Construction Code Act, MCL 125.1501 et seq., as amended, and the Michigan Building Code, as amended.

e. Landlord warrants Landlord's Work for one (1) year from the date of Substantial Completion. Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed., and provided further that Tenant will not be required to accept possession prior to June 1, 2020. Tenant shall be responsible for any and all maintenance required by the manufacturer of the respective products within the Premises during this warranty period.

8. Alterations.

a. **Alterations by Tenant.** Except for Tenant's work which is approved by Landlord, Tenant shall make no changes, alterations, additions or improvements in or to the Premises of any nature (including, without limitation, the installation or attachment of climate regulating systems, air conditioning, cooling, heating or sprinkler systems, or television or radio antennae, satellite dishes, heavy equipment, apparatus or fixtures) without Landlord's prior written consent, which consent shall not be unreasonably withheld. Tenant shall, at Tenant's expense, have the right to install exterior signage subject to Landlord's consent, which shall not be unreasonably withheld. Notwithstanding the foregoing, provided that Tenant is not in default under this Lease, Landlord's consent shall not be required for any non-structural alterations if all of the following conditions apply: (i) the alterations or improvements are entirely contained within the Premises and will not have an adverse effect on the Premises; (ii) the alterations or improvements will have no effect on the foundation, load bearing walls or structural elements of the Premises; (iii) there will be no adverse effect on any of the heating, ventilation, air conditioning, sprinkler and fire suppression, mechanical, electrical and plumbing and sewerage systems servicing the Premises; and (iv) the total cost of such alterations or improvements do not exceed Ten Thousand and 00/100 (\$10,000.00) Dollars. Alterations and improvements shall not be subdivided for purposes of circumventing the dollar value limitation in this Paragraph. Tenant shall be responsible for obtaining all governmental permits or approvals required for any alterations performed by Tenant.

b. **Alterations by Landlord.** Landlord shall, before making any changes, alterations, additions, installations or improvements, at its sole expense, obtain all

licenses, permits, approvals and certificates required by any governmental or quasi-governmental bodies and (upon completion) certificates of final approval thereof and shall deliver promptly duplicates of all such permits, approvals and certificates to Tenant upon request. Landlord hereby agrees to carry and will cause Landlord's contractors and sub-contractors carry any such workman's compensation, general liability, personal and property damage insurance as Tenant may reasonably require. Unless otherwise agreed in writing, all such changes, alterations, additions, or improvements, when made, installed in or attached to the Premises, shall belong to and become the property of Landlord and shall be surrendered with the Premises and as part thereof upon the expiration or sooner termination of this Lease. Except that upon Tenant's Purchase of the Premises in accordance with Paragraph 26 hereof, all such changes, alterations, additions, or improvements, when made, installed in or attached to the Premises shall be deemed a part of the sale.

9. Taxes and Assessments.

a. Tenant shall pay all taxes and special assessments which are assessed against the Premises during the Term (excluding those excepted by 3(a) above) , including, but not limited to, ad valorem taxes, personal property taxes, school taxes, and special improvement district levies, and all water charges and other governmental impositions (collectively, the "Impositions") affecting or pertaining to the Premises. Impositions that may be permitted by law to be paid in installments may be paid in installments as and when such installments become due. Tenant shall pay such Impositions when Landlord provides Tenant with the invoice, and prior to the date upon which a penalty for non-payment or late payment of the Impositions may be assessed (the "penalty date"). In the event Tenant does not pay such Impositions when due under this Lease and provide evidence of payment prior to the penalty date, Landlord, after giving three (3) days' notice to Tenant, may pay them and any interest and penalties due thereon and charge such payment to Tenant as Additional Rent.

b. Provided that Landlord does not elect to contest any Imposition, including without limitation, any appeal of the assessed value of the Premises, Tenant shall have the right during the Term, at its sole cost and expense, after giving notice to Landlord, and with permission of Landlord, prior to an applicable penalty date to contest by appropriate legal proceedings which shall be conducted diligently and in good faith in the name of Landlord or Tenant, or both, and without cost or expense to Landlord, the validity or amount of any Imposition, in which event Tenant may defer the payment thereof until such contest is finally determined and is no longer subject to appeal, provided that the delay of making such payment will not subject Landlord to any civil or criminal liability or fine. Landlord agrees timely to execute and deliver any appropriate documents or other instruments which may be necessary or proper to permit Tenant to so contest the validity or amount of such Imposition.

c. Landlord agrees to cooperate in reasonable and lawful ways with efforts by Tenant, undertaken at Tenant's sole cost and expense, to seek and obtain exemption from ad valorem taxes upon the Premises, but no such efforts shall have or be likely to have any adverse impact on the tax exempt status of the Landlord's other property or of the Landlord's business.

10. Utilities and Operating Expenses.

a. Tenant shall pay when due all charges for electricity, gas, water, sewer, heat, telecommunication services, cable, exterior lighting, lawn and landscaping and all operating expenses of or concerning the operation of the Premises or for carrying out the obligations of Tenant under this Lease. If Tenant fails to pay any such charges and expenses when due, Landlord may make payment of such charges and expenses, at its sole option, and charge Tenant therefore as Additional Rent. The obligation of Tenant to pay for such utilities shall commence as of the date on which possession of the Premises is delivered to Tenant without regard to any free rental period or formal commencement date of this Lease.

b. The Parties acknowledge that the Premises, once constructed, shall be serviced by utilities, including water, sanitary sewer, gas and electricity. Tenant shall have the right to use the utility services which exist on the Premises. Once the Premises are constructed and utilities are operational, Landlord shall not be liable for any failure of or interruption in water supply or electric current or any service by any utility, for injury to persons, including death, or damage to property resulting from steam, gas, electricity, water, rain or snow which may flow or leak from any part of the Premises or from any pipes, appliances or plumbing works from the street or subsurface or from any other place, or for interference with light or other easements, however caused, except if due to the affirmative negligence of the Landlord or its contractor(s).

c. If the existing services are required to be modified or replaced for any reason by any utility company or authorized agency, governmental or otherwise, in connection with Tenant's occupancy of the Premises, then Landlord shall comply with the same at its own cost and expense. Notwithstanding the foregoing, in the event that the existing services are required to be modified or replaced for reasons caused by the Tenant, then Tenant shall solely pay for the cost of the modified or replaced utilities.

11. Condition of Premises; Care of Premises. Once Tenant is provided with a Certificate of Occupancy for the Educational Permitted Use, by taking possession of the Premises Tenant accepts the Premises in its "as is" condition and with all faults, and the Premises are deemed in good order, condition, and repair.

a. Tenant's Obligations for Maintenance and Repair. Except to the extent covered by the warranty set forth in Paragraph 7(e), above, Tenant shall, at its sole cost and expense:

i. keep and maintain the Premises and the adjoining sidewalks, walkways, curbs and passageways:

(1) in a clean, sanitary and safe condition, free from unlawful obstructions, including, but not limited to snow, ice and trash removal; and

(2) in accordance with applicable laws of the State of Michigan, all directions, rules and regulations of the health officer, fire marshal, building inspector, or other property officials of the governmental agencies having jurisdiction, at the sole cost and expense of Tenant.

ii. keep and maintain the Premises, every part thereof and any and all appurtenances thereto in as good condition and repair as they were upon commencement of the Term of this Lease, normal wear and tear, insured casualty and condemnation excepted, other than as set forth in Paragraph (b). This maintenance obligation, other than as set forth in Paragraph (b), shall include making all necessary maintenance and repairs to the Premises, interior and exterior, structural and non-structural, ordinary and extraordinary, and foreseen and unforeseen including but not limited to maintenance and repair of the following:

(1) reasonable preventative maintenance of the following within the Premises:

(a) all plumbing, storm sewers, sprinkler system, including free flow and clearance of blockages up to the main sewer line, grease and hair traps, hot water heater and tank;

(b) all HVAC systems, including, but not limited to: air conditioning equipment, heating equipment, and exhaust fan systems; and

(c) hot water heater and tank, electrical, mechanical.

(2) small pothole repair (any hole 3 feet in diameter in any direction);

(3) repair of all glass, whether windows, plate glass, store front, or otherwise;

(4) the exterior and interior portion, hardware and mechanisms of all doors, overhead doors, walls, floors, ceilings and finishes, including painting as necessary;

(5) door checks;

(6) fire extinguishers, fire alarm and security systems;

- (7) light bulb replacement, interior and exterior, including parking area, if applicable;
- (8) fixtures;
- (9) electrical systems, whether exterior or interior.
- (10) Lawn maintenance, landscaping and fertilizer;
- (11) Snow and ice removal;

iii. install and maintain fire extinguishers and other fire protection devices as may be required from time to time by any agency having jurisdiction over the Premises and the insurance underwriters insuring the Building in which the Premises are located.

iv. comply with all requirements of law, ordinance and otherwise, affecting the Premises.

v. comply with any and all requirements of the insurance underwriters insuring the Premises.

b. Landlord's Obligations for Maintenance and Repair. Landlord shall, at its sole expense, keep and maintain those portions of the Premises set forth below, in as good order, condition and repair as they were upon commencement of the Term of this Lease, normal wear and tear, insured casualty and condemnation excepted. This maintenance obligation shall be limited to making the necessary maintenance and repairs, interior and exterior, structural and non-structural, ordinary and extraordinary, and foreseen and unforeseen as follows:

- i. foundation;
- ii. roof;
- iii. exterior load-bearing walls of Premises (including any exterior window repairs and replacements);
- iv. any major repairs on parking lots and sidewalks on the premises (including pothole repair with a diameter of greater than 3 feet in any direction, striping, and parking lot sealant treatment); and
- v. repair of plumbing, electrical, mechanical, heating and air conditioning (HVAC), storm sewer and sprinkler systems and any capital improvements related to the Premises during the Term of this Lease.

c. Tenant shall be responsible for any repairs or maintenance of any of the aforementioned systems as required by Landlord when the repairs and/or maintenance required are due to Tenant's action or failure to perform such reasonable preventative maintenance per this Lease, normal wear and tear excepted.

d. Landlord Right to Inspect and Repair.

- i. Landlord or Landlord's agent shall have the right to enter into the Premises at all reasonable times to inspect the Premises; and in the event Landlord determines that the Premises are in need of repairs it shall have the

right to require Tenant to commence and complete said repairs, if such repairs are the responsibility of the Tenant as set forth above.

ii. If Tenant refuses or neglects to commence and/or complete the repairs required by subparagraph (1) of this Section promptly and adequately, Landlord may, but shall not be required to, make and complete said repairs, and Tenant shall pay the cost thereof to Landlord upon demand, as additional Rent.

e. Provisions Governing Repairs.

i. The term "repairs", as used in this Paragraph 11 shall include all necessary replacements, renewals, alterations, additions, and betterments.

ii. For any of the construction and/or maintenance required by this section, in an amount less than that set forth in MCL 380.1267, as amended or adjusted, Corrigan Construction LLC shall have the right of first refusal as to performance of the construction and/or maintenance.

iii. Prior to performing non-emergency repairs costing more than or equal to the amount set forth in Paragraph (2), above, Tenant shall deliver to Landlord written plans and specifications for all such work and obtain the written approval of Landlord as to the materials to be used and the manner of making such repairs, which approval shall not be unreasonably withheld. All repairs shall be made by Tenant in a good and workmanlike manner and in compliance with all applicable permits and authorizations and building and zoning laws and with all other laws, rules, regulations, and ordinances governing such work. All repairs made by Tenant shall be equal in quality and class to the original work. Tenant will perform all necessary shoring of foundations and walls and every other act or thing for the safety and preservation of the Premises which may be necessary by reason of any repairs, alterations, excavation or other building operation upon the Premises or any adjoining property or street, alley or passageway.

iv. Tenant shall keep the Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by or for Tenant, and agrees to bond against or discharge any construction lien within ten (10) days after written request by Landlord.

(1) Tenant shall reimburse Landlord for any and all costs and expenses which may be incurred by Landlord by reason of the filing of any such liens and/or the removal of same, such reimbursement to be made within ten (10) days after receipt by Tenant from Landlord of a statement setting forth the amount of such costs and expenses.

(2) The failure of Tenant to pay any such amount to Landlord within said ten (10) day period shall carry with it the same consequences as failure to pay any installment of Rent.

f. Tenant Waiver of Right to Repair at Landlord Expense. Tenant hereby waives the right to make repairs at the expense of Landlord pursuant to any law in effect at the time of the execution of this Lease or thereafter enacted, and assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance, and management of the Premises, as otherwise set forth in this Paragraph 11.

g. Condition at Surrender of Premises. At the time of the expiration of the Term, Tenant shall surrender the Premises, including all systems covering the same in good condition, reasonable wear and tear, loss by fire or other unavoidable casualty excepted.

12. Insurance. The following insurance obligations shall apply to the Premises during the Term of this Lease:

a. Tenant shall, at Tenant's sole cost, provide and keep in force during the Term of this Lease commercial general liability insurance insuring Tenant's use and occupancy of the Premises, and covering personal and bodily injury, death, and damage to others' property of not less than Five Million (\$5,000,000.00) Dollars for any one occurrence including Tenant's personal property. Such policy or policies shall include cross liability and severability of interests clauses, and be written on an occurrence, and not claims-made, basis. The insurance obtained by Tenant will also provide loss of rents coverage sufficient, as reasonably determined by Landlord, to cover the net rental and all other charges which are the obligation of Tenant under this Lease for a twelve (12) month period from the date of any casualty or loss. Each of these policies shall name Landlord, each secured lender, and any other party reasonably designated by Landlord as an additional insured ("Additional Insured"). The commercial general liability insurance carried by Landlord or other Additional Insured(s) pursuant to the terms of this Lease shall be non-contributing and Tenant's commercial general liability insurance shall be primary to any such insurance carried by Landlord or other Additional Insured(s).

b. Tenant shall obtain all risk insurance (including standard extended coverage endorsement perils, leakage from fire protective devices, and other water damage) covering the full replacement cost (no co-insurance) of the Premises and all improvements that are a part of them.

c. Insurance provided by Tenant shall be carried by an insurance company or companies licensed to do business in Michigan, have a rating of not less than A - and a Financial Class Size of not less than VIII by A.M. Best Company, and be on terms approved by Landlord. Duplicate original copies of said policies shall be delivered to Landlord. Notwithstanding the foregoing, in no event shall the manner, forms, companies, amounts, or length of terms be less than that required by a first mortgagee according to the terms and provisions of said first mortgage.

d. Each such policy shall include: (i) a provision that the policy shall not be changed or canceled without at least thirty (30) days' prior written notice to the Landlord and any Additional Insured(s); and (ii) a provision that any forfeiture of the policy due to an act of the Tenant shall not affect the validity insofar as the Landlord is concerned.

13. Indemnification.

a. Indemnification by Tenant. To the fullest extent permitted by law, Tenant shall pay, protect, indemnify and save harmless Landlord from and against all liabilities, damages, costs, expenses (including reasonable attorneys' fees and disbursements), causes of action, suits, claims, demands or judgments of any nature whatsoever which may be imposed upon or incurred by or asserted against Landlord by reason of (a) any acts or omissions by Tenant or its agents, invitees, licensees, contractors or employees arising out of Tenant's occupancy of the Premises, (b) any failure by Tenant to perform or comply with any of the terms of this Lease, or of any contracts, agreements, restrictions, or applicable laws affecting the Premises or any part thereof, or (c) a breach of any representation or warranty of Tenant hereunder.

b. Indemnification by Landlord. Landlord shall pay, protect, indemnify and save harmless Tenant from and against all liabilities, damages, costs, expenses (including reasonable attorney's fees and disbursements), causes of action, suits, claims, demands or judgments of any nature whatsoever which may be imposed upon or incurred by or asserted against Tenant by reason of (a) any acts or omissions by Landlord or its agents, invitees, licensees, contractors or employees arising out of Landlord's ownership of the Premises, (b) any failure by Landlord to perform or comply with any of the terms of this Lease, or (c) a breach of any representation or warranty of Landlord hereunder.

c. Survival of Indemnity. The indemnity obligations contained in this Paragraph 13 shall survive the expiration or earlier termination of this Lease.

14. Restoration and Repair.

a. In case of any damage to or destruction of the Premises or any part thereof (a "loss"), Tenant shall give immediate written notice thereof to Landlord. Landlord, at its sole option, may, by written notice to Tenant, terminate this Lease if: (i) the cost to repair such damage or destruction exceeds Two Hundred Thousand and No/100 Dollars (\$200,000.00) or will take more than one hundred twenty (120) days or more to restore the Premises to habitability, or (ii) the loss occurs in the last six (6) weeks of the Term of this Lease, or (iii) the time to repair or replace such damage or destruction will take longer than the remaining balance of the then Term of this Lease, or (iv) the loss is uninsured. If Landlord does not terminate this Lease as provided in the preceding sentence, then Landlord shall repair, restore, or rebuild the Premises or the part thereof

so damaged, as nearly as possible to the value, condition and character the same was in immediately prior to such loss (such repair, restoration, rebuilding, together with any temporary repairs and properly protecting pending completion of the work being herein called "restoration"), subject, to all applicable laws and approvals pertaining to the construction, restoration, use and operation as a school, and such plans shall be mutually agreed to by the Parties. If the restoration costs exceed the available insurance proceeds, either a) Tenant may pay the excess costs, at its sole option, or b) Landlord may terminate the Lease.

b. If all or any portion of the Premises is rendered unusable by such casualty, Rent payable hereunder shall be abated in proportion to the part of the Premises which is unusable by Tenant for the period from the date of such damage to the date when the damage shall have been repaired. The occurrence of loss shall not entitle or permit Tenant to surrender or terminate this Lease or relieve Tenant from its liability to pay in full the Rent and other sums and charges payable by Tenant hereunder or from any of its other obligations under this Lease. Notwithstanding the foregoing, if more than fifty (50%) percent of the Premises is unusable by Tenant due to such casualty and/or it will take more than one hundred twenty (120) days or more to restore the Premises, then in that event Tenant, at its option, may terminate this Lease upon written notice to Landlord and shall have no further obligation or liability to Landlord hereunder.

15. Eminent Domain.

a. If all or any part of the Premises shall be taken by any governmental authority under power of eminent domain, or by private purchase in lieu thereof, all damages awarded for such taking shall belong to and be the property of the Landlord, whether such damages shall be awarded as compensation for the taking of or diminution in value to the leasehold or the fee of the Premises and Tenant hereby irrevocably assigns to Landlord any award or payment to which Tenant may become entitled as a result thereof, provided, however, that the Tenant shall be entitled to receive from such governmental authority compensation for its fixtures and personal property so taken.

b. In the event that only a part of the Premises are so taken, and the part not so taken cannot be completed as an architectural unit for the use described in Paragraph 5, either Landlord or Tenant shall have the option to terminate this Lease by giving written notice of termination to Landlord within sixty (60) days after the taking.

c. If only a part of the Premises shall be so taken such that the part not so taken can be completed as an architectural unit for the use described in Paragraph 5, the taking shall be considered as the occurrence of a "loss" and governed by Paragraph 14.

16. Assignment; Permitted Lease.

- a. Tenant shall not assign, transfer, or sublet the Premises or any part thereof or any interest in this Lease without first obtaining the written consent of the Landlord, which approval shall not be unreasonably withheld.
- b. Notwithstanding the above, consent shall not be required for an assignment to any entity controlling, controlled by, or under common control with or which acquires or succeeds to ownership of substantially all of Tenant's assets.
- c. In addition to the above, Tenant may sublease the Premises for the Educational Permitted Use, subject to the conditions provided in Paragraph 5 of this Lease (a "Permitted Lease") with Landlord's consent, which consent shall not be unreasonably withheld. Any Permitted Lease shall be subject to the terms of this Lease.

17. Default; Remedies.

- a. Tenant shall be in default of this Lease upon occurrence of any of the following events:
 - i. Failure by Tenant to pay Rent within ten (10) business days from the day it becomes due and payable and failure to pay amount past due with penalties within five (5) business days after delivery when mailed first class to Tenant's last known address, when written notice from Landlord notifying Tenant of failure to pay within those ten (10) business days.
 - ii. Failure by Tenant to perform or observe any other of the terms, conditions or covenants of this Lease to be observed or performed by Tenant for more than thirty (30) days after written notice of such default shall have been received by Tenant; provided, however, if the default alleged is of such a nature that it will reasonably require more than thirty (30) days to cure, then Tenant shall have that period of time reasonably necessary to cure the same.
 - iii. Tenant's becoming insolvent, as that term is defined by any federal or state law or regulation (the "Insolvency Laws"); the appointment of a receiver or custodian for all or a substantial portion of Tenant's property or assets; the institution of a foreclosure action upon all or a substantial portion of Tenant's real or personal property; the filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws; the filing of an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is either not dismissed within sixty (60) days of filing, or results in the issuance of an order for relief against the debtor, whichever is later; or

Tenant's making or consenting to an assignment for the benefit of creditors or a common law composition of creditors, or if the Tenant's leasehold interest herein shall be levied on execution (collectively an "Event of Bankruptcy").

b. In the event of default, Landlord may, in addition to any other remedy permitted by law, re-enter into and repossess the Premises and all other property leased hereunder and remove the Tenant and every other occupant, and may re-let the Premises or any part thereof for any term, either shorter, longer, or the same, at a higher, lower, or the same Rent, making such alterations as may be necessary, without working a termination of this Lease, provided, however, that Landlord at its option may in any of such events, terminate this Lease effective on the date specified in written notice from Landlord to Tenant.

c. If the Landlord shall, on any such default by the Tenant, obtain possession of the Premises by re-entry, summary proceedings, or otherwise, the Tenant shall pay to Landlord all expenses incurred in obtaining possession of the Premises, including reasonable attorney fees, all expenses and commissions which may be paid in and about the letting of the same, and all other damages resulting from Tenant's default.

d. No termination of this Lease pursuant to this Paragraph or repossession of the Premises or any part thereof or of any other property leased hereunder shall relieve Tenant of its liabilities and obligations under this Lease, all of which shall survive any such termination or repossession and, if the Premises or any part thereof shall not have been re-let, Tenant shall pay to Landlord as and for liquidated and agreed current damages the then present value of the Rent and other sums and charges to be paid by Tenant until what would have been the end of the Term in the absence of such termination or repossession. If the Premises shall have been re-let, Tenant shall pay the Landlord, as and for liquidated and agreed current damages for Tenant's default, the present value or the equivalent of the amount of the Rent and such other sums and other charges as would be payable under this Lease by Tenant if this Lease were still in effect, less the present value of the net proceeds, if any, of the re-letting effected pursuant to the provisions hereof, after deducting all of Landlord's expenses in connection with such re-letting, including, without limitation, all repossession costs, brokerage and management commissions, operating expenses, legal expenses, reasonable attorneys' fees, alteration costs and expenses of preparation of such re-letting. Exercise of any remedy hereunder by Landlord shall not exclude the right to exercise any other remedy hereunder.

e. Remedies Not Exclusive; Waiver

- i. Each and every of the rights, remedies and benefits provided by this Lease are cumulative, and are not exclusive of any other of said rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.
- ii. One or more waivers of any covenant or condition by Landlord will not be construed as a waiver of a further or subsequent breach of the same covenant or condition, and the consent or approval by Landlord to or of any act by Tenant requiring Landlord's consent or approval will not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

18. **Inspection.** Landlord shall have the right to enter upon the Premises after 24-hour notice (with the exception of an emergency situation) to inspect for compliance with the terms of this Lease. Tenant shall have the right to have an agent present while Landlord's representative is in the Premises.

19. **Environmental Matters.**

a. Tenant shall not use or store any Hazardous Materials (as defined in Paragraph 19(d)) on the Premises, except in compliance with Environmental Laws (as defined in Paragraph 19(d)).

b. Landlord represents that, as of the date of this Lease, its only knowledge with respect to the presence of Hazardous Materials on the Premises is based upon and limited to information contained in reports prepared by Innovative Environmental Solutions, Inc., 9948 E. Grand River Ave., Brighton, Michigan 48116, and/or other contractors, copies of which have been provided to Tenant (the "Environmental Reports"). Landlord has provided a copy of said Environmental Reports to Tenant prior to Tenant's execution of this Lease and has certified such Environmental Reports to Tenant. Landlord makes no warranties or representations of any nature whatsoever regarding the accuracy or applicability of the Environmental Reports themselves or any work, services, and testing or analysis described in the Environmental Reports.

c. For purposes of this Lease, Environmental Laws shall mean all federal, state and local health, safety and environmental laws, including, but not limited to, the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.) ("Clean Water Act"), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.) ("RCRA"), the Safe Drinking Water Act (42 U.S.C. §§ 300f-j-26), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §§ 9601 et seq.) ("CERCLA"), the Emergency Planning and Community Right to Know Act (42 U.S.C. §§

11001 et seq.) ("EPCRA"), the Occupational Health and Safety Act of 1970 (429 U.S.C. §§ 651 et seq.) ("OSHA"), the Michigan Natural Resources and Environmental Protection Act (MCL § 324.101 et seq.), the Michigan Occupational Health and Safety Act ("MIOSHA") (MCL § 408.1001 et seq.), the administrative rules and regulations promulgated under such statutes, or any other similar federal, state or local law or administrative rule or regulation of similar effect.

d. For purposes of this Lease, "Hazardous Materials" shall mean (i) any hazardous or regulated substance as defined by Environmental Laws (ii) any other pollutant, contaminant, hazardous substance, solid waste, hazardous material, radioactive substance, toxic substance, noxious substance, hazardous waste, particulate matter, airborne or otherwise, chemical waste, medical waste, crude oil or any fraction thereof, radioactive waste, petroleum or petroleum-derived substance or waste, asbestos, PCBs, radon gas, all forms of natural gas, or any hazardous or toxic constituent of any of the foregoing, whether such substance is in liquid, solid or gaseous form, or (iii) any such substance the release, discharge or spill of which requires activity to achieve compliance with Environmental Laws.

e. To the extent directly related to the conduct of Tenant, Tenant's use of the Premises, or the operation of its business thereon, Tenant shall defend, indemnify and hold Landlord harmless, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (1) the presence, disposal or release of any Hazardous Materials by Tenant on, over, under, from or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons or animals on the Premises in violation of Environmental Laws and caused by Tenant; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials existing on the Premises in violation of Environmental Laws and caused by Tenant; (3) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials existing on the Premises in violation of Environmental Laws and caused by Tenant; and/or (4) any violation of laws, orders, regulations, requirements or demands of government authorities which are based upon or in any way related to such Hazardous Materials existing on the Premises in violation of Environmental Laws and caused by Tenant including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses.

f. Tenant shall promptly notify Landlord as soon as it knows of or suspects that any Hazardous Material has been released or that there is a threatened release on the Premises and it shall take such action at its sole expense and with due diligence, as is necessary to ensure timely compliance with all Environmental Laws.

g. The provisions of this Paragraph 19 shall be in addition to any and all obligations and liabilities of Tenant and Landlord may have to each other at common law, and shall survive the expiration and termination of the Lease for any reason.

20. **Liens.** Tenant will not create nor permit to be created, or to remain and will promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Premises or any part thereof, or upon Tenant's leasehold interest therein, placed on the Premises or Tenant's leasehold interest therein by Tenant, its agents, contractors or employees, or as a result of their actions or inactions.

21. **Estoppel Certificate.** Landlord and Tenant shall execute and deliver to each other, within twenty (20) days of such time or times as either Landlord or Tenant may request, a certificate evidencing:

- a. whether or not this Lease is in full force and effect;
- b. whether or not this Lease has been amended or modified in any respect, and submitting copies of such amendments or modifications, if any;
- c. whether or not there are any existing defaults hereunder to the knowledge of the party executing the certificate, and specifying the nature of such default, if any, and;
- d. such other matters as may be reasonably requested by the other party. Unless such estoppel certificates are required by third persons having a bona fide interest in the information to be furnished, such as the holder of a mortgage, insurers, bonding companies, accountants and auditors of the parties, and governmental "authorities, a request for an estoppel certificate shall be made no more often than twice annually.

22. **Subordination.** Tenant agrees that Landlord may choose to make this Lease and any Lease subordinate or paramount to any mortgages, trust deeds and ground or underlying leases now or hereafter affecting the Premises and to any and all advances to be made thereunder or to be secured thereby, and to the interest and charges thereon, and all renewals, replacements and extensions thereof, provided the mortgagee, Landlord or trustee named in any such mortgages, trust deeds or leases agrees to recognize the Lease of Tenant in the event of foreclosure if Tenant is not in default. Tenant will execute promptly any instrument or certificate that Landlord may request to confirm such subordination. Notwithstanding the foregoing, Tenant's right to possession of the Premises under this Lease shall not be disturbed

by the mortgagee or other party unless Tenant breaches any of the provisions of this Lease and Tenant's right to possession is lawfully terminated.

23. **Notices.** All notices and communications required under this Lease shall be served personally or by registered or certified mail or by prepaid courier service or express mail service as long as in each case there is written evidence of the person to whom delivery was made and the date of delivery signed by the person delivering the notice, on the Landlord and on Tenant at the address indicated on page 1 hereof, or at such other address as may be designated in writing to the other party hereto by notice in accordance with this Paragraph.

24. **Quiet Enjoyment.** Landlord covenants and agrees that Tenant may peaceably and quietly enjoy the use and occupancy of the Premises, subject, however, to Tenant's fulfillment of the covenants and agreements contained in this Lease and to the rights of anyone claiming by or through Tenant.

25. **End of Term; Holding Over.**

a. Upon the termination of this Lease, Tenant shall quit and surrender the Premises and all property leased hereunder, broom clean, to Landlord without delay and in good order, condition and repair, ordinary wear and tear excepted, free and clear of all lettings and occupancies, (except those previously approved by Landlord), and free and clear of all liens and encumbrances caused by Tenant, except that part of the Premises which have been taken through eminent domain, if any, after the delivery hereof, without any payment therefor by Landlord. Any personal property owned by Tenant or other occupant of the property (except that of subtenants previously approved by Landlord), which shall remain on the Premises after the termination of this Lease, and the removal of Tenant or such other occupant from the Premises, may at the option of Landlord, be deemed to have been abandoned and may be disposed of without accountability, as Landlord may see fit, without prejudice to the rights of any such other occupant as against the Tenant.

b. If Tenant remains in possession of the Premises after the expiration of this Lease, Tenant will be deemed to be occupying the Premises as a Tenant at will, subject to all the provisions of this Lease to the extent that they can be applicable to a tenancy at will, including the monthly Rent provision contained in Paragraph 4(a).

26. **Right of First Refusal.** In consideration of Tenant's payment to Landlord in the amount of One Hundred and No/100 (\$100.00) Dollars, contemporaneous with the execution of this

Lease, Landlord shall immediately notify Tenant, in the event that Landlord receives a bona fide offer to purchase or exchange (a 1031 exchange) all or any part of the Premises which Landlord desires to accept. Landlord shall immediately notify Tenant of the terms and provisions of the offer, giving Tenant a copy thereof. Tenant shall have the prior exclusive option to buy the Premises at the same price and on the same terms and conditions as contained in such offer. Tenant shall have thirty (30) days from the receipt of such notice to notify Landlord in writing if it elects to exercise this option; provided that, Tenant has the opportunity to inspect the Premises in order to be deemed an "innocent purchaser" under applicable laws. If Tenant fails to notify Landlord within said thirty (30) days period Tenant shall be deemed to have elected not to exercise said option. If Tenant does exercise said option, Landlord shall execute a Contract of Sale for the Premises within thirty (30) days thereafter, and the transaction shall be closed as soon as reasonably practicable. Tenant's "first refusal" option shall run with the land and continue in force so long as Tenant is leasing the Premises from Landlord.

27. **No Broker.** Landlord and Tenant hereby represent and warrant that they have not dealt with any consultants, brokers, agents, finders or similar parties in connection with this transaction. Landlord and Tenant to the fullest extent permitted by law shall defend, indemnify, and hold one another and their respective affiliates harmless from and against any costs, claims, liabilities, or expenses, including reasonable attorneys' fees and costs, arising out of any breach of the foregoing representation and warranty. The representations and indemnification obligations under this Paragraph 27 will survive the termination of this Lease.

28. **Miscellaneous.**

a. References in this Lease to persons, entities, and items have been generalized for ease of reading. Therefore, references to a single person, entity, or item will also mean more than one person, entity, or thing whenever such usage is appropriate (for example, "Tenant" may include, if appropriate, a group of persons acting as a single entity, or as Tenants-in-common). Similarly, pronouns of any gender should be considered inter-changeable with pronouns of other genders.

b. Any waiver or waivers by Landlord of any of the provisions of this Lease will not constitute a waiver of any later breach of that provision, and any consent or approval given by Landlord with respect to any act, neglect or default by Tenant will not waive or make unnecessary Landlord's consent or approval with respect to any later similar act, neglect or default by Tenant.

c. Topical headings appearing in this Lease are for convenience only. They do not define, limit, or construe the contents of any paragraphs or clauses.

d. Entire Agreement. With respect to the subject matter hereof, this Lease (i) contains the entire agreement and understanding of the parties hereto, and (ii) supersedes all prior and contemporaneous agreements, negotiations, discussion, and understandings, written or oral, between the parties pertaining to the leasing of the Premises. This Lease may not be modified, amended, or terminated except in a writing signed by the party against whom enforcement is sought.

e. All provisions of this Lease are and will be binding on the heirs, executors, administrators, personal representatives, successors and assigns of Landlord and Tenant.

f. Governing Law. This Lease shall be governed and construed in accordance with the laws of the State of Michigan. Any dispute hereunder shall be reviewed in the Circuit Court for the County of Livingston.

g. If any term or provision of this Lease shall, to any extent, be invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

h. Time is of the essence in all respects under this Lease.

i. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed to be one Lease.

j. Landlord acknowledges that Tenant is a non-profit corporation and the members of its board of directors are unpaid volunteers. The members of Tenant's board of directors shall not be personally liable for the obligations of Tenant under this Lease.

k. Tenant acknowledges that Landlord has not yet closed on the purchase of the Premises. Notwithstanding anything to the contrary contained in this Lease, if, for any reason Landlord fails to obtain ownership of the Premises on or before July 1, 2019, either Party shall have the right to terminate this Lease, in which event, this Lease shall be deemed null and void and neither Party shall have any obligation or liability hereunder.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

LANDLORD

Stone Ridge Office, L.L.C.

/s/ Michael B. Corrigan

By: Michael B. Corrigan

Its: Member

TENANT:

Charyl Stockwell Academy

/s/ David J. Price

By: DAVID J. PRICE

Its: PRESIDENT

EXHIBIT A

Legal Description of the Land

Commonly known as: _____

EXHIBIT B

Preliminary Plans of Landlord's Work

The Preliminary Plans are attached hereto, which plans may be updated as mutually agreed to by the Parties.

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: BLDG20-00748

1021 KARL GREIMEL DR

BRIGHTON, MI 48116

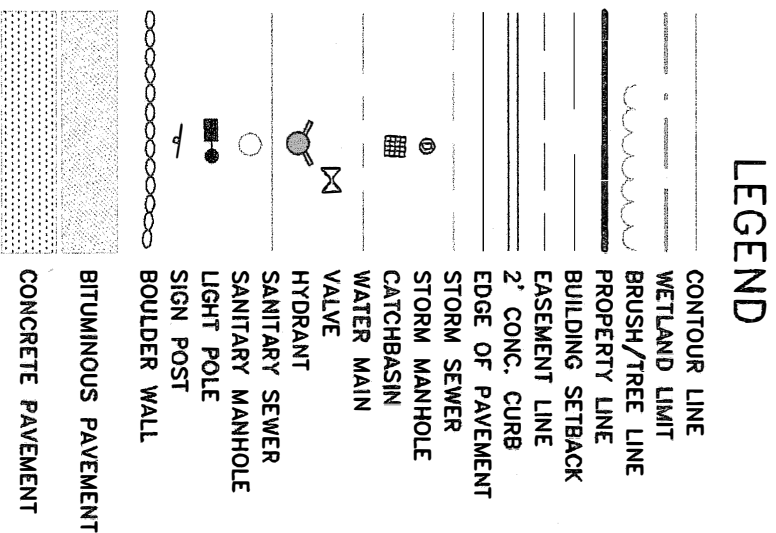
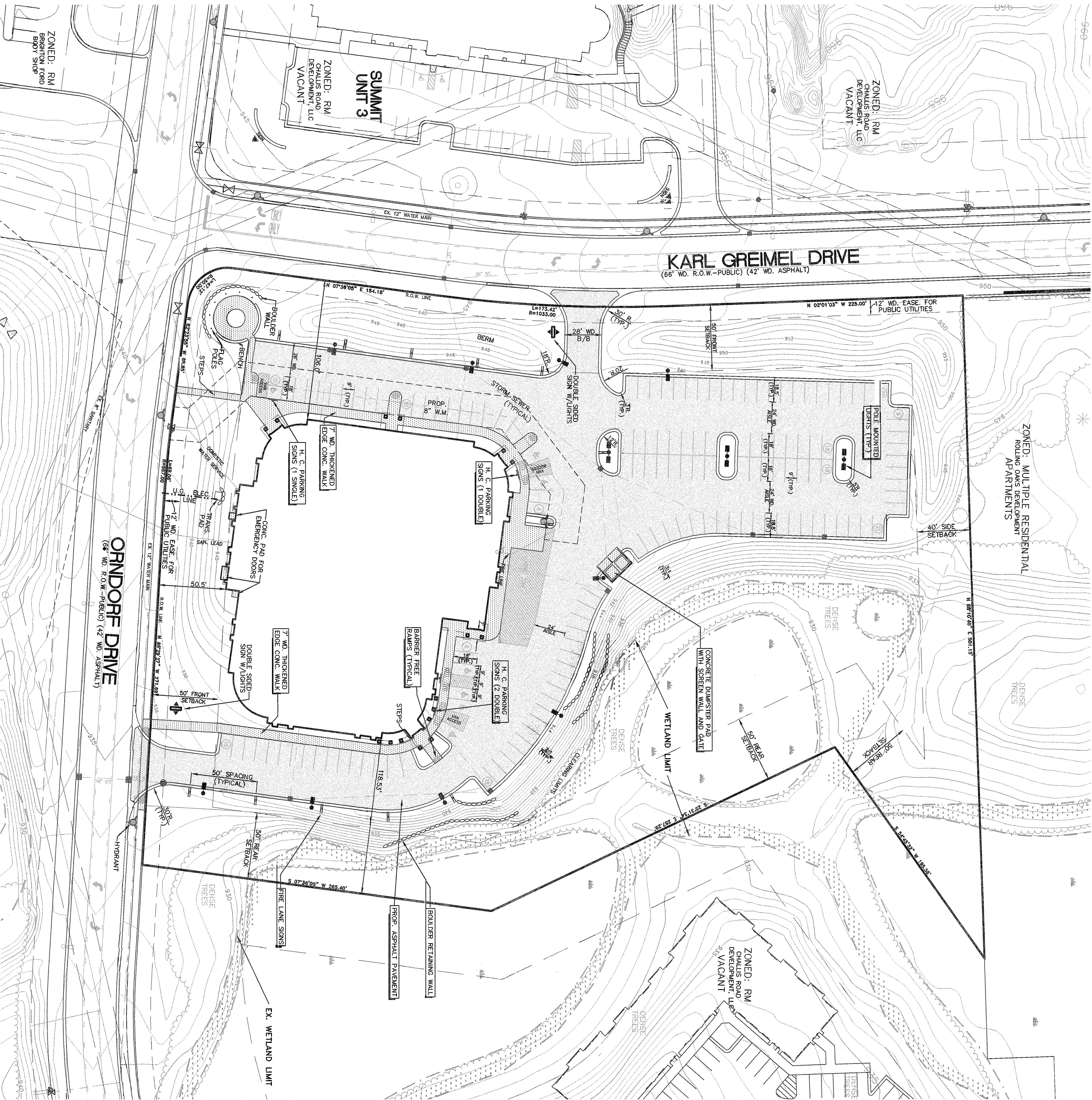
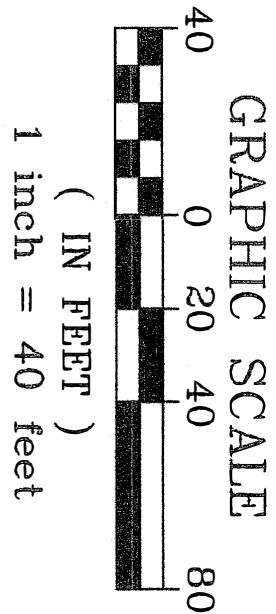
COUNTY: LIVINGSTON

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: 02/11/2022

High School Site



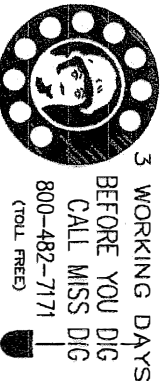
SITE DATA:

PROJECT AREA: 5.96 ac.
CURRENT ZONING: RM RESEARCH MANUFACTURING
PROPOSED USE: OFFICE/RESEARCH
BUILDING HEIGHT: 34 FEET
LOT COVERAGE: 45%
SETBACKS: FRONT 50.00' SIDE 34.34' REAR 118.53'
GROUND FLOOR AREA: 40,068 sq.ft.

PERCENT OF LOT COVERAGE OF BUILDINGS: 15%
IMPERVIOUS AREA: 117,400 SQ. FT. = 45%

BENCHMARK:

RIM OF SANITARY SEWER MANHOLE LOCATED AT THE
INTERSECTION OF ORNDORF DR. & KARL GREIMEL DR.
ELEVATION: 941.55 (USGS DATUM)



DESIGN INC.
CIVIL ENGINEERS
LAND SURVEYORS
2103 PLESS DRIVE
BRIGHTON, MICHIGAN 48114
(910) 277-9833

DESIGN:WMP	REVISION #	DATE	REVISION/DESCRIPTION
DRAFT: JHG			
CHECK: WMP			

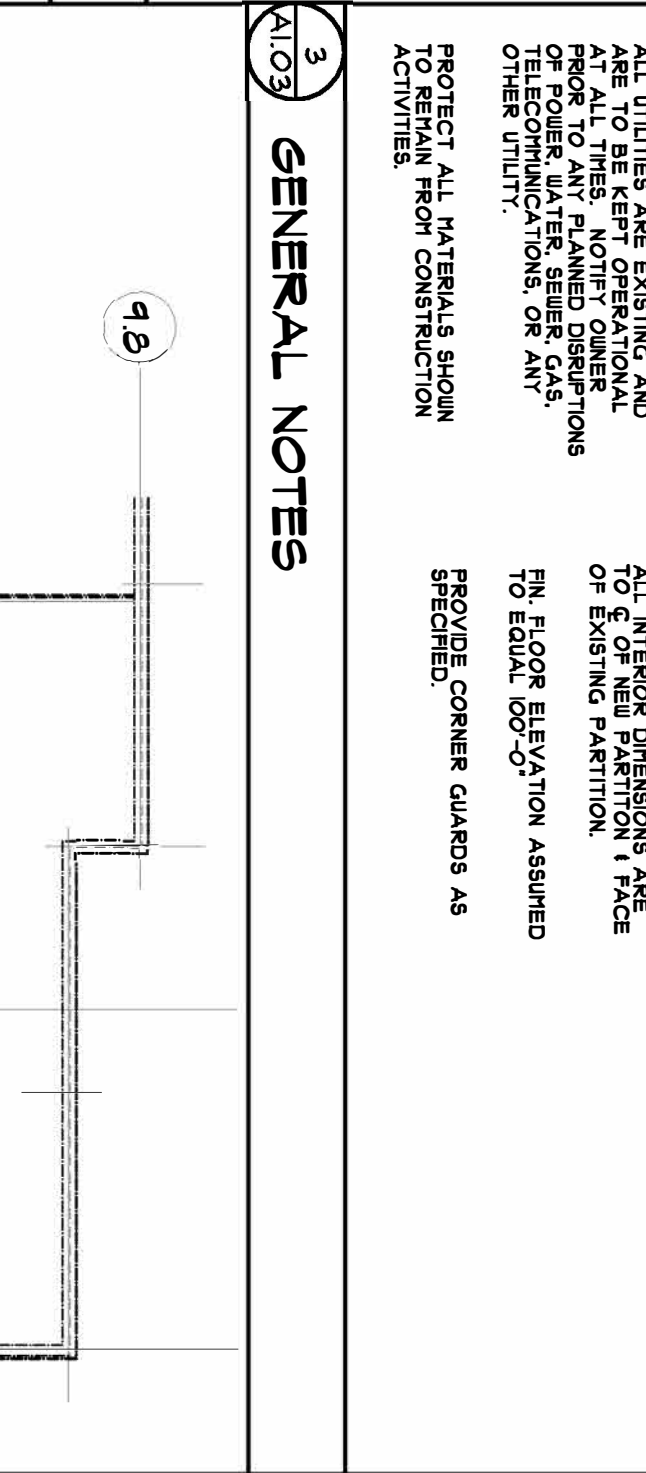
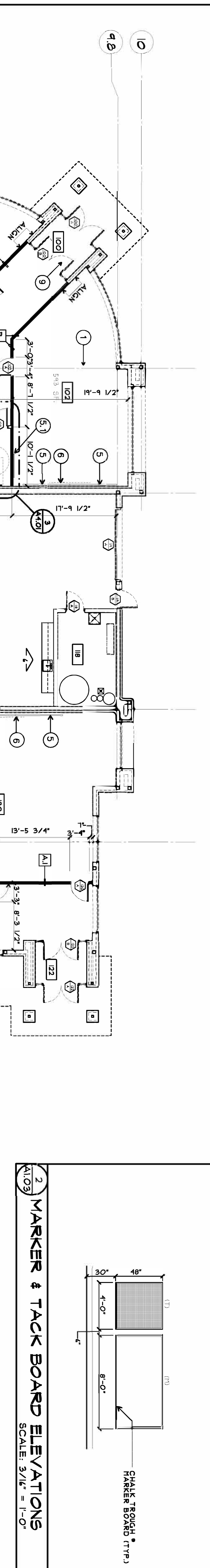
CHARYL STOCKWELL ACADEMY
BRIGHTON CAMPUS

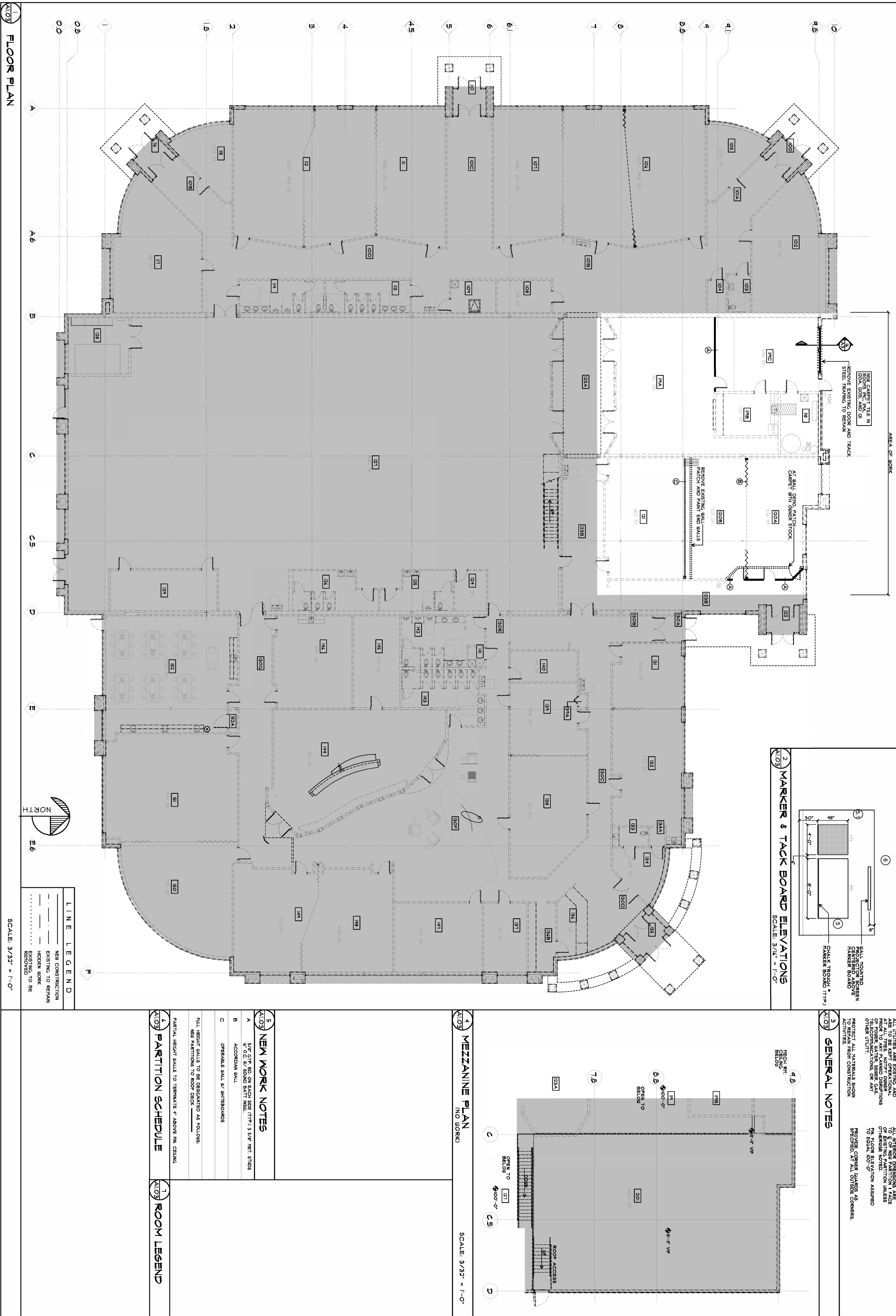
SITE PLAN

CLIENT:
CHAULIS ROAD DEVELOPMENT, LLC
775 N. SECOND STREET
BRIGHTON, MICHIGAN 48116
810-228-6323

SCALE: 1" = 40'
PROJECT NO.: 9101655
DWG NAME: 1655-SP
ISSUED: MAR 18 2010

SP





CERTIFICATE OF USE AND OCCUPANCY

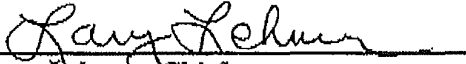
PERMANENT

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

**Building Permit: B029544
Cheryl Stockwell Prep Academy
1032 Karl Griemel Drive
Brighton, Michigan
Livingston County**

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

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


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

September 16, 2010

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: BLDG17-01327

1032 KARL GREIMEL DR

Brighton, MI 48116

COUNTY: Livingston

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: 09/27/2017

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 1: Student Achievement

The academic achievement of **all students who have been at the academy for one or more years¹** in grades 3-8 will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current, spring, grade-level national norms ² on the NWEA Growth reading and math tests administered in the spring.	Distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 50.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	50%
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 spring grade-level national norms over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The percentage of students categorized as proficient or advanced on the most recent state assessment will surpass the school's Composite Resident District (CRD) percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

¹ One or more years students (also called 1+ students) are students who are enrolled in the academy on or before count day and are still enrolled at the end of a given academic year.

² Grade level national norms are updated periodically by NWEA following comprehensive norming studies. The Center will use the most updated national norms published by NWEA and will inform the Academy when the norms are updated and how the updated norms may impact analysis and performance reporting.

Measure 2: Student Growth

The academic growth of all students in grades 3-8 at the Academy will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The median of student growth percentiles (MGP) reflecting fall-to-spring scaled score growth on the reading and math NWEA Growth tests.	MGP: Exceeds $\geq 65^{\text{th}}$ Meets $\geq 50^{\text{th}}$ Approaching $\geq 45^{\text{th}}$ Does not meet $< 45^{\text{th}}$	Reading: 50 Math: 50
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 making at least one year’s growth over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The mean student growth percentile reflecting growth on the two most recent state assessments will surpass the school’s Composite Resident District.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

This space left intentionally blank.

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.

ACADEMY'S MISSION STATEMENTS

Charyl Stockwell Academy's ("Academy") District Mission

The mission of the Academy district is to provide a safe and enriching place for children to grow from early childhood through adolescence, while providing those children with specific learning activities that allow each of them to meet and exceed academic requirements in preparation for success in college, career and life.

The Academy's Elementary School's Mission

The mission of the Academy's Elementary School is to provide a safe and enriching place for children to grow, develop and achieve, while providing learning activities that are developmentally appropriate and innovative in a wholesome setting that promotes intellectual, development and moral excellence.

The Academy's Preparatory Middle School's Mission

The mission of the Academy's Preparatory Middle School is to provide a safe and enriching place for early adolescent students to grow, develop and achieve, while providing those students with an integrated, exploratory and rigorous college preparatory education in a wholesome setting that promotes intellectual development and moral excellence.

The Academy's Preparatory High School's Mission

The mission of the Academy's Preparatory High School is to provide a safe and enriching place for adolescent students to grow, develop, and achieve while providing them with a rigorous and demanding college preparatory education in a wholesome setting that promotes intellectual development, moral excellence and international mindedness to create a peaceful world through intercultural understanding and respect.

EDUCATIONAL BELIEF STATEMENTS

The mission of the Academy incorporates the following beliefs:

- The Academy believes in the education of the "whole child." The Academy addresses each student's cognitive/intellectual, social/emotional, moral/character and physical/sensory needs as the teachers engage students in educational experiences.
- The Academy believes in providing an education for students that honors student growth and development.
- The Academy believes in using identified "best practices in education," as indicated by valid research in the field.
- The Academy believes in the importance of holding high expectations for Academy students' progress and success in cognitive/intellectual, social/emotional, moral/character and physical/sensory achievements.
- The Academy believes in continuous improvement activities as the vehicle for achieving and sustaining a standard of educational excellence.

- The Academy believes in the meaningful and purposeful involvement of all stakeholders in the education of students at the Academy.

PHILOSOPHIES

The following educational philosophies are fundamental to the mission of the Academy:

Education of the “whole child”

Education of the “whole child” at the Academy means addressing each student’s cognitive/intellectual, social/emotional, moral/character and physical/sensory needs to plan instruction and engage students in educational experiences.

Human Development Education

Human development education is the cornerstone of the Educational Programs. This approach recognizes and honors the fact that all humans go through the same basic stages of development but progress at different paces. The continuous progress/mastery learning system, utilized at the Academy, is the organizational framework that supports the human development education approach.

High Expectations

Within the human development education, the Academy plans instruction with high expectations for each student’s ability to master new learning. High expectations result from a strong belief in the unlimited potential of each student that fosters high student performance.

Internal Motivation Psychology

The Academy utilizes internal motivation psychology as the preferred method for guiding and shaping the social, moral and intellectual skills of students. Internal motivation psychology promotes and develops the intrinsic motivation of students to perform, to develop higher level thinking skills and to identify core values that serve to guide students throughout school and into adult life.

The internal motivation psychology approach includes the following four components:

- The teachers and faculty have knowledge of the human development characteristics of the students’ age group and apply the information toward the organization of the classroom environment, daily instruction and in building relationships with students.
- The teachers and faculty focus on building positive relationships. Teachers model and teach the seven caring habits and six character traits students are expected to learn and demonstrate in the academic environment. Teachers teach and apply the basic core democratic values in the classroom with regard to respect for the individual as well as responsibility for the “common good.”
- The teachers and faculty teach social protocols and procedures to bring organization and order through established routines in the learning environment. As procedures and protocols are learned, students understand the expectations for participation, interactions and navigation in the academic setting.
- The Academy Board of Directors has adopted a “no tolerance” Academy policy for major conduct violations such as violence, insubordination, weapons, drugs and harassment.

INTELLECTUAL APPROACH TO LEARNING

Students develop an understanding of concepts through higher-order thinking associated with various methods of inquiry and through metacognition. Systemic to the Academy culture and integrated in cross-disciplinary learning experiences, students use the habits of mind to build conceptual understanding of academic content and social development.

To ensure an intellectual approach to learning, the Academy utilizes the *Understanding by Design* (“UbD”) (Wiggins & McTighe, 2001) curriculum-planning framework. This backward design approach to curriculum planning organizes curriculum by beginning with large conceptual ideas, leading to enduring understandings and essential questions and is followed by assessments and instructional activities. This model ensures an interdisciplinary, thematic and differentiated approach to instruction. The backward design approach also results in a curriculum that matches the stages of human development; it is challenging, integrative, exploratory by design and taught utilizing multiple learning and teaching approaches to enhance and accommodate the diverse skills and abilities of the students.

STRONG PARTNERSHIP BETWEEN ACADEMY AND HOME

A strong partnership between the Academy and home is critical to the individual success of each student in the Academy. The Academy has established programs and practices to enhance parent involvement and reflect the specific needs of students and families including

- an active parent council that meets monthly;
- a family handbook that is distributed to all parents;
- a weekly parent newsletter detailing current happenings and information on how to be involved and how to support the students and the Academy;
- a special parent section of the Academy website that provides detailed information, specifically for parents;
- access to the district’s student database so that parents can monitor attendance, demographic information and individual student progress;
- parent/teacher conferences that are available at any time;
- comprehensive student review meetings that are scheduled on an individual basis with each family at a mutually agreed upon day and time;
- classrooms that are open to parent visits;
- volunteer opportunities available in classrooms, the Academy library, publishing center and other groups that help to support the day-to-day activities of the Academy;
- a college-bound resource area available to students and parents at the Academy’s high school;
- annual parent surveys that gather information about parent satisfaction;
- the Academy’s annual report;
- a School Improvement Team (“SIT”) that includes a parent as one of its members;
- a responsive Academy Board of Directors that includes at least one parent of an enrolled student;
- publications and presentations by the administrative leaders related to the philosophies and methods utilized at the Academy; and
- many other Academy events and activities that are planned each year that involve students, parents and families.

Parent Consortium

The purpose of the Parent Consortium is to facilitate communication, fundraising and volunteer activities among Academy parent groups to ensure alignment with the Academy mission, core philosophies and the common purpose of supporting Academy faculty and staff. Parent representatives from each of the parent groups serve on the Parent Consortium, in addition to the Academy's Executive Director, the Principal of the elementary, middle and high schools and the Director of the Student Enrichment Program.

ORGANIZATIONAL MODEL OF THE EDUCATIONAL PROGRAMS

The Academy utilizes a unique, continuous progress system that requires all students to master essential components of the Michigan Curriculum Framework ("MCF") but allows for an individual pace. Students are grouped in ungraded, multi-age learning families team taught by two teachers. Team teaching provides a collaborative and cooperative atmosphere. Teachers grow further as professionals through the sharing of knowledge. Placing two teachers, with different areas of expertise, together benefits all students. Team teaching also allows for better differentiation of students' needs.

Learning families are organized into units that cover two to three years of traditional elementary, middle school and high school curriculum. Three times a year, students may accelerate to the next unit if all learning objectives for the assigned unit/course of study have been completed. Students with special needs or students who qualify as academically gifted are supported in the classroom utilizing a delivery model of inclusion with intensive, small group intervention as needed.

The Academy strives to incorporate an active and engaging approach to learning. Students engage in experiences through multiple modalities and learning styles. Teachers strive to provide experiences where students go beyond paper and pencil assignments and demonstrate learning in a constructive way that requires higher-level thinking. The Academy also provides a balance of instructional formats throughout the school day as students engage in large group, small group and individual activities each day. The instructional practices at the secondary program encourage students to make cross-content and cross-curricular connections. Teachers also build connections between what is being taught and how it is important. Students understand the relevance of the learning and how it applies to previous knowledge and life experiences.

Multi-age Classrooms

Multi-age grouping is the practice of grouping together students of more than one age and ability. The goal is to use teaching practices that maximize the benefits of interaction and cooperation among students. Students in multi-age classrooms are expected to vary in experience, maturity and ability.

Even in traditional, single-grade classrooms, a broad range of student abilities are present in terms of basic skills and aptitude. Usually, the range in abilities of students within a single grade is greater than the artificially defined grade-level skills. Many classroom practices, within single-grade programs, do not recognize this fact.

The multi-age configurations offered at the Academy expect students to have different interests and skill levels and do not assume these differences are primarily due to age. All students in these

classrooms are expected to learn using self-pacing for two to four years within a supportive environment that encourages growth and development without fear of failure.

Multi-age groupings incorporate a continuous progress plan in which subject areas with hierarchical skills are taught in skill-level groups and divided into integrated, thematic units. A continuous progress curriculum allows students to advance when content is mastered or to repeat content in different ways to gain mastery or depth of knowledge.

A synthesis of the research¹ on nongraded or multi-age classrooms has shown the benefits of multi-age grouping are widespread. One of the advantages is older students have the opportunity to demonstrate helpfulness, leadership, patience and tolerance. At the Academy, placement into a classroom takes into account the students' physical, social, cognitive, emotional and aesthetic skills and interests. This multiple approach to placement provides many opportunities for the students to succeed. Additionally, students in multi-age classrooms experience instruction that supports a personal responsibility for learning. Teachers encourage students to help each other with the mastery and application of skills as well as to work independently. Learning occurs primarily through well-planned, cooperative, problem-solving or research experiences.

Continuous Progress/Mastery Learning Model

The continuous progress/mastery learning model provides a process allowing students to self-pace while moving through the curriculum. At the elementary school, an expectation for mastery of the essential curriculum is designated for each learning unit before students move on to the next unit. At the Academy's middle school and high school, this continuous progress/mastery learning model is framed within a two to three-year course-of-study credit system. Students move at an individualized pace through a differentiated instructional model. The continuous progress schedule is based on a three-term school year. Learning units are nongraded and multi-age in the organizational design.

Kindergarten Unit

- Students in the kindergarten unit turn five by the dates outlined in the Revised School Code for the year of enrollment.
- Students move to the Navigator unit after one full year in kindergarten.
- Students may move to the Navigator unit at the end of a term when all of the kindergarten curriculum benchmarks and entry standards for the Navigator unit are achieved.

Navigator Unit

- The Navigator unit covers, at a minimum, curriculum equivalent to first and second grade as described in the Michigan Academic Standards ("MAS").
- Students may enroll in Navigator if the student has spent one full year in kindergarten at the Academy or at another school or demonstrated competence in all the Academy kindergarten exit criteria.
- Students will spend the equivalent of two full years in the Navigator unit.

¹ Pavan, B.N., "The benefits of nongraded schools," *Educational Leadership*, October 1992, Volume 50, Number 2, pp.22-25.

- Students may leave Navigator and move to Voyager early when a beginning third grade level or above in reading and mathematics has been achieved and when all Navigator curriculum benchmarks and entry standards for the Voyager unit are completed.
- Students who complete two years in Navigator and test below 2.5 in mathematics or reading remain in the Navigator unit and are given a comprehensive evaluation to determine if an Individualized Educational Program (“IEP”) is needed. The comprehensive evaluation results in a formal referral for special education or a Teacher Support Team (“TST”) Individual Plan and a recommendation regarding entry into the Voyager unit.

Voyager Unit

- The Voyager unit covers, at a minimum, curriculum equivalent to third and fourth grade as described in the MAS.
- Students may enroll in Voyager if a student has spent two full years in Navigator at the Academy, has completed the equivalent of three years in an elementary school or another school and the Academy.
- Students will spend two full years in the Voyager unit.
- Students may leave Voyager and move to the Explorer unit early when a beginning fifth grade level or above in reading and mathematics has been achieved and when all Voyager curriculum benchmarks and entry standards for the Explorer unit are completed.
- Students who complete two years in Voyager and test below fourth grade in mathematics or reading are given a comprehensive evaluation to determine the need of an IEP. The comprehensive evaluation results in a formal referral for special education or a TST Individual Plan and a recommendation for entry into the Explorer unit.

Explorer Unit

- The Explorer unit is the culminating unit of the Academy’s elementary program. It covers, at a minimum, curriculum equivalent to fifth grade as described in the MAS.
- Students may enroll in the Explorer unit if the student has spent two full years in the Voyager unit at the Academy, has completed the equivalent of five years in an elementary school or another school and the Academy.
- Students will spend one full year in the Explorer unit.
- Students may leave the Explorer unit when a solid beginning sixth grade level or above in reading and mathematics has been achieved and when all Explorer curriculum benchmarks and entry standards for the Academy’s middle school have been completed. Students enter the Academy’s middle school in September unless a TST Individual Plan or a Special Education IEP specifies otherwise.
- Students who complete one full year in Explorer and test below a fifth grade level in mathematics and reading are given a comprehensive evaluation to determine the need of an IEP. The comprehensive evaluation results in a formal referral for special education or a TST Individual Plan and a recommendation for entry into the Academy’s middle school.

Academy’s Middle School

- The Academy’s middle school covers, at a minimum, curriculum equivalent to sixth, seventh and eighth grades as described in the MAS.

- Students may enroll in the Academy's middle school in September if the student has spent one full year in the Explorer unit at the Academy, has completed the equivalent of six years in elementary school at another school or another school and the Academy.
- Students will spend three full years in the Academy's middle school.
- An Educational Development Plan ("EDP") is a document that reflects student educational and career goals, methods to achieve these goals and student activities and achievements. An EDP is developed for all students through the Career Cruising program.
- Students may graduate early from the Academy's middle school when a beginning ninth grade level or above in reading and mathematics has been achieved and all the Academy's middle school credits have been earned.
- Students graduating from the Academy's middle school receive one of the following certificates:

Certificate of Excellence – This certificate is awarded to students who achieved mastery of the middle school curriculum by earning the required credits and have done so at an outstanding level in both effort and achievement.

Certificate of Achievement – This certificate is awarded to students who have achieved mastery of the middle school curriculum by earning the required credits.

Certificate of Participation – This certificate is awarded to students who have participated in the middle school curriculum and program.

Academy's High School

- The Academy's high school covers, at a minimum, curriculum equivalent to ninth, tenth, eleventh and twelfth grades as described in the MAS.
- Students may enroll in the Academy's high school in September if the student has spent one full year in the middle school unit at the Academy, has completed the equivalent of six years in elementary school and three years of middle school at another school or another school and the Academy.
- Students will spend four full years in the Academy's high school.
- Students may graduate early from the Academy's high school when all of the Academy's high school credits have been earned.
- Students graduating from the Academy's high school receive one of the following diplomas or certificates:

Charyl Stockwell Preparatory Academy High School Diploma – This diploma is awarded to students who achieved mastery of the high school curriculum by earning the required credits and have done so at a mastery level in both effort and achievement.

International Baccalaureate® ("IB") Diploma – This diploma is awarded to students who have achieved the requirements of IB Diploma Programme at a high level of performance, including: completing coursework in all six groups of instruction, 3 at the Standard Level ("SL") and 3 at the Higher Level ("HL"); completed IB exams in each course they completed; completed the requirements of the Theory of Knowledge ("TOK") course; completed and submitted an Extended Essay for review by IB personnel; completed the requirements of the Creativity, Activity and Service ("CAS") course.

Certificate of Completion – This certificate is awarded to students who have participated in the high school curriculum and program.

TST Model

The TST is a specialized program embedded within the classroom to serve students who have special learning challenges. TST screens all students to identify those who are at risk for learning failure. Through regular opportunities to consult with TST, classroom teachers gain specific knowledge and skills to use with the students through proactive, focused interventions. Intensive intervention delivered by a specially trained instructional faculty is provided to identify youngsters early in the Academy program to prevent failure. Teachers trained in special education provide individual support to students identified through the IEP process.

Special Education Services

When making educational placement decisions for students with disabilities, the Academy will ensure that parents are contributing members of the IEP team and together the team will make decisions that are subject to requirements regarding provision of the least restrictive environment. When determining how services will be delivered to students with disabilities, the Academy will follow all Special Education Rules as issued by the Michigan Department of Education. If a child with a current IEP enrolls in the Academy, the Academy will implement the existing IEP to the extent possible or will provide an interim IEP agreed upon by parents until a new IEP can be developed. IEPs will be developed, revised and implemented in accordance with the Individuals with Disabilities Educational Improvement Act (“IDEIA”) and state law and regulations.

The Academy will fully comply with federal laws and regulations governing children with disabilities as follows:

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.

Academically Gifted Program

The Academy is dedicated to providing academically gifted students with a challenging and optimized school experience. The Academically Gifted Program provides

- acceleration of instruction in core mathematics and literacy study;
- curriculum which moves beyond basic fact, understanding and skills to complex learning experiences that involve multiple ideas, uncertainties and abstractions which causes students to modify, combine and extend learning;
- opportunities for appropriate pacing; moving more rapidly when understanding comes quickly or at a slower, more appropriate pace to allow for a depth or breadth of investigation;
- opportunities for in-depth learning and open-ended tasks that respond to the student’s curiosity and passions;
- guidance in self-assessing one’s work.

Within the multi-age configuration at the Academy, students identified as gifted are clustered. This allows the student to learn with and from intellectual/academic peers. Clusters allow a teacher to have a significant number of students to group for learning experiences. The program is supported by faculty that has special training and experience in gifted education.

Smart Character Choices

Smart Character Choices began at the Academy in the fall of 2002 when the Academy was awarded a large grant from the U.S. Department of Education's Safe and Drug Free Schools' office to develop, research and refine an effective character education program.

The foundations of Smart Character Choices are the six character traits of

- **Kindness:** thinking and acting in ways that show care;
- **Optimism:** expecting good things today and in the future;
- **Getting Along:** contributing to and gaining from positive relationships;
- **Responsibility:** choosing to act in a way that takes care and contributes to the common good;
- **Respect:** acting in a way that shows individuals and groups are valued;
- **Work Ethic:** working hard and sustaining an effort leading to feeling good about a job well done.

Three components make Smart Character Choices unique from all other character education programs in that

- it focuses on teaching both Academy-wide and classroom procedures and routines to students;
- it includes teaching students social protocols (e.g., manners and etiquette);
- it embeds the character traits into the Smart Character Choices American History Curriculum rather than teaching in isolation, such as the 'trait of the month.'

Procedures That Lead to Routines

Teachers spend focused time, at the beginning of each school year, teaching students specific classroom procedures and Academy-wide procedures. This important component to the program is essential to creating safe and orderly classrooms.

Social Protocols (manners and etiquette)

The administration and the faculty spend time teaching social protocols to students. In the spirit of educating the "whole child," the Academy believes all students should learn the basic manners and etiquette expected in today's society.

Smart Character Choices American History Curriculum

As a part of the project, American history lessons have been written for Navigators through middle school. These lessons align with the MAS for social studies content taught at each unit level. The lessons are designed for teachers to engage students in discussions related to how character played a part in the events of history or an individual's life.

Habits of Mind ("HoM")

Embedded in the curriculum are HoM (Costa and Kallick, 2000), a composite of many skills and attitudes associated with successful living, problem-solving and effective thinking. The sixteen characteristics of intelligent behavior are

- persistence;
- managing impulsivity;
- listening with understanding and empathy;
- thinking flexibly;
- thinking about thinking (metacognition);
- striving for accuracy;
- questioning and posing problems;
- applying past knowledge to new situations;
- thinking and communicating with clarity and precision;
- gathering data through all senses;
- creating, imagining, innovating;
- responding with wonderment and awe;
- taking responsible risks;
- finding humor;
- thinking interdependently;
- remaining open to continuous learning.

At the Academy, these HoM and attitudes are essential for the success of students and it helps to practice the HoM in learning settings and in everyday life. Through the HoM, students learn to draw upon intellectual, moral and emotional resources and make informed choices to guide actions. The Academy teaches a solid core academic program but teachers and faculty also promote and encourage intelligent behaviors in the students.

Intelligent behaviors become "HoM" that begin at birth and strengthen over time with consistent encouragement and recognition at both the Academy and home. These HoM build internal motivation and a strong inner locus of control.

School Improvement Team ("SIT")

The school improvement process is a collaboration of all Academy stakeholders, including the administration, staff members from all units, a member of the Academy Board of Directors and a parent. Each unit within the Academy is represented on the SIT. The SIT meets at least one time per month to develop Academy-wide goals with achievement targets aligned with professional development activities. These goals directly move forward and support the mission, philosophies and best practices of the Academy.

Early Childhood Education Program

The Academy operates an early childhood education program. On an annual basis, the Academy shall advise the Center on the current status of its early childhood education program. If changes occur in the Academy's early childhood education program, the Academy shall file a revised Early Childhood Education Questionnaire with the Center.

Unless permitted under Applicable Law or administrative rule, the Academy shall not use the state school aid funds to establish or operate its early childhood education program. In accordance with Applicable Law and administrative rule, the Academy shall budget and account for funds and expenses associated with its early childhood education program.

Young Fives Kindergarten Program

The Young Fives Kindergarten Program will utilize a ratio of no more than ten (10) students to one (1) adult in the sizing of the classroom. The Young Fives Program will use the regular curriculum that is used in the Kindergarten Program, but will be paced at approximately 50% of the regular curriculum focusing on letter identification, phonemic awareness and numbers, as well as social-emotional learning. Students will be enrolled in the Young Fives Kindergarten either at the parent/guardian request or in the event their 5th birthday falls between September 1 and December 1. Parents have the ability to opt in or out of the Young Fives Program upon request and consultation with school administration.

ELEMENTARY/MIDDLE SCHOOL CURRICULUM

The core curriculum at the Academy provides learning experiences in reading, writing, spelling, speaking, listening, handwriting, mathematics, social studies and science. Art, music and physical education are offered across the kindergarten through eighth grade curriculum. Foreign language (Spanish) is offered as an elective across the sixth through eighth grade curriculum. Activities that promote character development, physical development, health education, career awareness and library skills are integrated into the core content curriculum areas.

The Academy is a public school, and therefore utilizes MAS as its guide for the development of the curriculum. Utilizing the MAS, the Academy identified essential benchmarks in the core content areas across the kindergarten through eighth grade curriculum.

As indicated, to ensure the Academy facilitates an intellectual approach to learning, the Academy utilizes the UbD curriculum-planning framework. This process begins with teachers developing a year-at-a-glance planning document before the beginning of each school year. Using the year-at-a-glance planning document as a guide, the curriculum is organized with the backward design approach. The curriculum begins with large conceptual ideas leading to enduring understandings and essential questions followed by assessments and instructional activities. This model ensures an interdisciplinary, thematic and differentiated approach to instruction. The backward design approach also results in a curriculum that matches the stages of human development, is challenging, integrative, exploratory by design and utilizes multiple learning and teaching approaches to enhance and accommodate the diverse skills and abilities of the students.

It is the goal of educators to provide students with a solid foundation of skills, knowledge and understanding necessary for continued growth and success. Within the safe learning environment, students will accomplish the following major outcomes by the conclusion of the eighth grade year

- recognize and demonstrate strong character traits such as respect, responsibility, getting along, kindness, work ethic and optimism;
- achieve competency in the core academic areas, as indicated by the exit outcomes for each unit along the K-8 continuum;
- demonstrate proficiency in self-evaluation, reflection, decision-making, problem-solving and goal setting;
- demonstrate intelligent behaviors reflective of the HoM.

Delivery of the Curriculum

High/Scope Model

The High/Scope Educational Research Foundation (“Foundation”) is an independent, non-profit organization that was established in 1970 by Dr. David P. Weikart. It is internationally known as a center for research, curriculum development, professional training and public advocacy. The work of the Foundation centers on the learning and development of children from infancy through adolescence. The mission is to work toward improved programs for children and families. Through research, the Foundation explores the effects of educational programs and the specific factors that make the program work. Based on that research, the foundation develops training programs for parents, caregivers, teachers, teacher-trainers, administrators and policy makers, all of whom directly and indirectly influence young people.

The approach the Foundation uses encourages students to actively initiate individual learning experiences. The teacher’s role is to create the conditions for student’s active learning, to support, guide and challenge students who are engaged in productive, problem-focused training activities. The teaching faculty at the Academy incorporates components of the High/Scope curriculum, primarily in the Kindergarten and Navigator units. The key elements the Academy has put into daily practice are:

- a classroom arrangement with clearly defined activity areas/centers, a wide range of interesting materials and well-organized, child-accessible labeled storage containers.
- a daily schedule with consistent routines, specifically the plan-do-review sequence at kindergarten. This is a sequence in which children, with the help of the teacher, initiate plans for projects or activities, work in learning centers to implement plans and then review what has been done with the teacher and fellow classmates, through oral and written presentations, a drawing, a dramatization or small-group instructional workshops.
- a scope and sequence defined by key experiences in math, language and literacy, music and movement, initiative, social relations and teacher-planned daily workshop times focusing on key content areas.
- positive interactions between teachers and students. Teachers support and extend student learning by engaging students through instructional dialogue, provide choice with various instructional activities, work to create a positive social environment and support students’ intrinsic motivation to learn.
- participation in an assessment process which includes the administration of assessments outlined in the Charter Contract (i.e. Developmental Reading Assessment® [“DRA”], , Northwest Evaluation Association™ [“NWEA™”] assessment and the state assessment), monitoring results, developing formative assessments and the creation of student work portfolios.
- active learning ingredients including appealing materials, opportunities for manipulation, choices for students, student language and adult support.

Balanced Literacy Approach

A balanced approach to literacy instruction incorporating reading, writing, listening and speaking is utilized daily. A balanced literacy program regularly provides several kinds of reading and writing opportunities throughout each day such as

- Phonemic awareness activities (i.e. *Making Great Readers Program* and *Heggerty*)
- Phonics activities (i.e. *Phonics First*);

- reading aloud;
- shared reading;
- language experience approach;
- guided reading (literature circles included at upper elementary and middle school);
- independent reading.

Teachers support students through guided reading instruction. Guided reading is the heart of a balanced literacy program because

- it gives students the opportunity to develop as individual readers while participating in a socially supported activity;
- it gives teachers the opportunity to observe individuals processing new texts;
- it gives individual readers the opportunity to develop reading strategies to read increasingly difficult texts independently;
- it gives students enjoyable, successful experiences in reading for meaning;
- it develops the abilities needed for independent reading;
- it helps students learn how to use independent reading strategies successfully.

The ultimate goal in guided reading is to help students learn how to use independent reading strategies successfully. During guided reading instruction, as well as during shared and independent reading, teachers help students learn to use and reinforce “word attack” or decoding strategies including

- look at the picture;
- skip the first word and read on;
- reread the sentence;
- use a word that makes sense;
- predict a word and check it by looking at the letters;
- go back to where the word was used before;
- look for little words inside the word;
- ask a friend for help or look in another resource (e.g., dictionary);
- look at the first and last letters and say the sounds.

Decoding words is only part of the reading process. Understanding what is being read or comprehension, is essential to becoming a good reader. At the Academy, several comprehension strategies are incorporated into instruction during guided reading, shared reading and independent reading times such as

- visualizing;
- activating schema;
- making connections;
- asking questions;
- making inferences;
- determining important ideas or themes;
- synthesizing information.

Writing is also a key element to a balanced approach to literacy instruction. Students engage in writing through all curricular areas as well as during Writer’s Workshop, a block of time devoted to writing each day. During Writer’s Workshop, students engage in writing for a variety of

purposes as well as utilize the writing process of prewriting, drafting, revising, editing and publishing. Teachers incorporate the 6 + 1 Traits of Writing into writing instruction which help students refine writing abilities by looking at the traits of good writing. These traits include ideas organization, word choice, sentence fluency, voice, conventions and presentation. Grammar and punctuation instruction are embedded into these traits as well.

Continuous assessment of student progress helps to maintain a successful balanced literacy environment. Students are assessed frequently throughout the year using a variety of literacy assessments. This enables teachers to plan appropriate literacy instruction for each student based on progress. The Academy utilizes a series of literacy assessments called the Michigan Literacy Progress Profile (“MLPP”) as well as the DRA. The writing program incorporates a series of rubrics the teachers and students use as each student progresses through the developmental stages of writing.

Balanced Approach to Mathematics Instruction

The Academy utilizes an approach to mathematics instruction that offers a balance between the teaching of basic facts and operations through application and the practice and problem-solving approach that teaches concepts through real world connections. The program incorporates the teaching of mathematical concepts, operations, computing, reasoning, problem-solving, strategic thinking and engagement in mathematics through real-world applications. Instruction in mathematics is provided in a variety of groupings (i.e. whole class, individually, in pairs and in small guided groups).

The elementary school utilizes numerous resources in the math program to strengthen problem-solving skills, reasoning and making connections to the real world. Texts, manipulative, models and other resources allow students to explore real mathematical ideas and situations in depth. Students develop flexibility and confidence in using mathematical skills and tools to solve problems and develop proficiency in evaluating solutions. Resources include, but are not limited to:

- *Big Ideas Mathematics;*
- *Math Investigations;*
- *Montessori Mathematics Works;*
- State Assessment Workbooks;
- Manipulatives;
- *Reflex Mathematics;*
- *IXL Mathematics;*

Elementary teachers find fun and practical ways to teach students the application of math concepts. Practicing math facts, playing mathematical games and other problem-solving activities help strengthen students’ ability to understand and accurately apply mathematical concepts to real-world situations. Students also participate in activities that require the application and practice of computational skills.

The Academy's middle school mathematics program is designed and structured to match the philosophies and best practices utilized at the Academy while addressing the MAS and National Mathematics Standards. Students are taught concepts based on individual skill level, which may or may not align with the students' formal "grade level" or age level. Instruction occurs in an assortment of ways, based on the needs and skills of each individual student. Student groupings are flexible, changing as needed and are based on a pre-assessment of student knowledge.

The middle school instructional delivery model has two components. One model includes direct instruction for conceptual math with daily practice of the concepts to reinforce the instruction. The second gives students opportunities to extend, reflect on, respond to, apply problem-solving techniques to and mentally solve problems using the knowledge of math concepts learned.

Teachers use assessment and intervention resources, comprehensive differentiated instruction, test preparation embedded into daily lessons and integration of technology to enhance learning. Supplemental resources include:

- *Big Ideas Mathematics*;
- *Connected Math*;
- *Math Advantage*;
- State assessment workbooks;
- manipulative;
- Mathematics Experienced-Based Approach ("MEBA")/Pentathlon Games/Equate;
- timed test practice;
- *Mental Math in Junior High* (Dale Seymour Publications);
- accumulation of teacher's ideas/activities;
- Khan Academy.

HIGH SCHOOL CURRICULUM

Graduation Requirements

The Michigan Merit Curriculum ("MMC") are met and exceeded by completing the Academy's high school graduation requirements. The Academy requires students to earn 30 academic credits and to complete at least 50 hours of community service.

Department	Credits	Clarification
English	4.0	Students take four courses of English, even if the student is advanced. Students in their Junior and Senior years will choose IB Language and Literature at either the Standard Level ("SL") or Higher Level ("HL"). These English courses include instruction and guidance for their Extended Essay ("EE").
Mathematics	4.0	Students must take four courses of math: Algebra I, Geometry, Algebra II and one other math course. One of those must be taken senior year, even if the student is advanced. Career Technical Education ("CTE") programs which incorporate Algebra II benchmarks may fulfill Algebra II requirements. Students in their Junior and Senior years will choose IB Math Studies at the SL or IB Mathematics at the SL or IB Mathematics at the HL.

Department	Credits	Clarification
Science	3.0	Biology and either Physics or Chemistry, or Agricultural Science for second science credit, and a third science credit which may be fulfilled with Computer Science or CTE. Students in their Junior and Senior years will choose from either IB Chemistry at either the SL or HL, or IB Biology at the SL or HL.
Social Studies	3.0	Students must take World History and Geography and U.S. History and Geography. Completion of Advanced Placement® (“AP®”) European History or AP World History: Modern will meet the graduation requirement for World History and Geography. Students in their Junior and Senior years will complete IB History at either the SL or HL, which include Civics and Economics.
Spanish/Foreign Language	2.0	Two years of the same foreign language are required. Colleges recommend at least two years. Courses taken during 6-12 fulfill this requirement. Students in their Junior and Senior years will complete IB Spanish or German at the SL or HL if pursuing an IB diploma.
Visual/Performing Arts	1.0	At least one year of visual arts, choir or band. Students in their Junior and Senior years will have the option to complete IB Music at the SL or IB Theater at the SL.
Physical Education/Health	1.0	0.5 Credit for each is required; extracurricular activities in organized athletics or training may be used to fulfill the 0.5 credit for Physical Education.
Electives	Varies	Examples of electives: AP Courses, Forensics, Journalism, etc.
Online Learning		Throughout the high school required course of study, students must use technology as part of a course, as the primary means or as an integrated learning experience.
Extended Essay	.5	Each student will create and present an Extended Essay during their senior year. The content of the Extended Essay will vary and relate to coursework across multiple areas of content depending on the focus of the Extended Essay. Students will begin work on their Extended Essay during their Junior year and complete it in the winter of their Senior year

The high school graduation requirements are aligned to the MAS and IB course content expectations and have been designed with the Academy’s mission of college preparation as a guide. Successful completion of these graduation requirements is necessary to earn a diploma from the Academy’s high school. Students with disabilities are assisted in meeting these graduation requirements as appropriate and as specified in the IEP.

Students with disabilities who are unable to meet these graduation requirements or for whom these requirements are deemed inappropriate may request a personal curriculum.

Course Sequence

Courses at the Academy's high school have been designed in two multi-age year cycles. The first cycle is the freshman and sophomore cycle and reflects the foundational work students to prepare for the more rigorous work of the junior and senior years, and allows for the integrated curriculum practiced by the Academy. By cycling freshman and sophomores and then juniors and seniors, both the content and the methodology are more appropriately aligned with students' academic and developmental needs.

Credit Accrual and Semesters

The Academy uses a pure block schedule in a semester calendar. Block scheduling supports the type of teaching employed by the Academy, teaching that encourages students to collaborate, discuss, plan and reflect upon their learning. Each semester course earns a student 1.0 credit toward their graduation requirements.

College Admission Recommendations

The Academy recommends students applying to competitive colleges successfully complete the following high school program, including as many AP or IB offerings in each subject as possible:

- 4 years of English;
- 4 years of mathematics;
- 4 years of science;
- 4 years of social studies;
- 2 years (minimum) of foreign language.

College Readiness Exams

The Academy requires all students beginning in their third year of middle school through their sophomore year of high school to take the PSAT™ 8/9 test or PSAT™ 10 test and all juniors to take the PSAT in October. Students take the SAT® in the spring of their junior year and may opt to take the ACT at that time as well. Students may repeat these tests by registering in advance online and by testing through one of several local high school test centers. All juniors will automatically take the SAT in March as part of the Michigan Merit Examination ("MME").

Advanced Placement and International Baccalaureate Courses

Courses in the AP Program and IB Diploma Programme are college level studies. As such, the homework requirements for these courses exceed those of non-AP or non-IB courses. To ensure success in college-level studies, students may have prerequisite course requirements before being allowed to enroll in these studies. Students who register for these classes are encouraged to take the AP or IB examinations in May. The scores are used as a measurement for placement in college courses with the possibility of receiving college credit. There is an examination fee.

Juniors and seniors may work toward an IB Diploma in addition to the Michigan Merit Diploma. In order to achieve an IB Diploma, students must complete:

- 6 IB courses
 - 3 at the Standard Level (SL)
 - 3 at the Higher Level (HL)
- Extended Essay (EE)
- Theory of Knowledge ("TOK") class

- Creativity, Activity and Service (“CAS”) requirements

Students will also need to successfully complete exams for each IB course they completed in their junior and senior years.

Honors

At the end of the first semester, students are invited to participate in Honors, based on high achievement in their courses and teacher recommendation. Students must possess a minimum 3.5 GPA to be considered for acceptance into the Honors Program. Attendance may also play a role in the decision to accept a student to Honors. Teacher recommendations are based on the characteristics of a successful Honors student:

- Writing skills that exhibit organization, clarity, and a broad vocabulary free of mechanical errors.
- Motivation to read challenging material and complete assignments on time.
- Demonstration of organization skills and the ability to plan.
- Self-directed time management skills.

The Honors Program is an opportunity for students to extend their learning in two subject areas in which they excel by completing alternative assessments of their own design. These assessments consist of three parts: research paper, presentation and question and answer session by their peers and adults.

The Honors Program is self-directed and requires a self-disciplined learner. Students propose, organize and implement a project with the help of the content area teachers and the Honors advisor. To complete a successful Honors Project, the student must place themselves in the role of teacher. Just as the teacher studies a subject area so they can inspire and teach others, the honors student researches and informs an audience about a passion of their own.

Those who successfully complete an Honors Project will have that course designated “Honors” on their transcript. That designation indicates to colleges and universities that the student took advantage of opportunities to challenge themselves. The Honors designation will also earn students an additional 0.5 quality points toward their GPA in each of the two subject areas.

Extended Essay

The Extended Essay is a research paper project in which students analyze, at an in-depth and detailed level, a research question of their choice. Students take on a critical approach to a subject and topic, with the intent of understanding it fully and from multiple perspectives. They work closely with a Coordinator, to aid them with their researching, organizing, and writing skills, and a Supervisor, who helps them grow in their content-area knowledge and analysis. Students conduct research, with a focus on applying analytical skills to primary sources. Students engage in taking research notes, compiling an annotated bibliography, composing an outline, and crafting an essay. They engage critically with the editing and revising process in order to produce a polished piece of academic writing. Finally, students present their work to an audience in the Senior Exhibition. The goal of the Extended Essay is for students to understand the process of putting together a research paper and demonstrate the learning they have achieved as a capstone to their high school experience.

Dual Enrollment

The State of Michigan allows qualifying students to take college courses during high school to extend their learning when they have exceeded high school offerings or to get a head start on college credits simultaneous with high school completion. Students who qualify for dual enrollment still need to meet the graduation requirements of CSPA and the State of Michigan to earn their high school diploma.

To be eligible for dual enrollment, students must:

- Be enrolled in a high school class in a District.
- Be a registered student in 11th or 12th grade (or if in a lower grade, be approved by the District)
- Have taken or achieved a qualifying score in all subjects of the Michigan Merit Exam, or other state approved readiness assessment. Minimum Dual Enrollment qualifying scores are indicated the chart included at the end of this resource.

Eligible courses for dual enrollment are:

- Courses not offered by CSPA,
- Academic courses within the four core content areas of mathematics, science, social studies, and ELA,
- Courses that are not offered through the AP courses in the core content areas.

Students shall receive high school credit for eligible courses upon receiving confirmed credit from the post-secondary institution.

- High School credits earned cannot also be applied as transfer credit to a college or university.

Students who choose to dual enroll in courses beyond high school graduation requirements should investigate the policies of the four-year institution(s) they may wish to attend.

Test Out Policy

The Academy will grant high school credit to any pupil who can demonstrate mastery in the subject area content expectations or guidelines for a course. Teachers establish the assessment process that measures a student's understanding of the subject area content expectations for the course. Teachers will provide all students who wish to test out of a course the learning objectives for that course, a summary of the course syllabus, and a sample written examination or a description of the final assessment required to establish mastery. The teacher ensures the assessment used to determine mastery is comparable to that required of students taking the actual course for credit.

Credit earned under this policy will be a "pass" grade and will not be included in the computation of grade point average. Students may test out of no more than two courses. Students who test out of a course have the opportunity to take more high-level courses as juniors and seniors.

Credit Recovery

Opportunities for credit recovery are provided on an as-needed basis; sometimes a student may recover credit during the school year and other times a student may need to take credit recovery during the summer.

Program Evaluation

The Academy has a rigorous and thorough means of evaluating its Educational Programs through the leadership team, the school improvement team and through the concurrent review system. The leadership teams from the elementary, middle and high school meet at least once a month and review all aspects of the program including home-Academy relationships, achievement data, instructional practices and professional development and teacher and family feedback on student learning and engagement. At these meetings, decisions about professional development, teacher support, family outreach and community engagement are made.

The school improvement team meets monthly in each Academy. Meetings focus on achievement data and the implications of the data. Additionally, each team also collects and discusses data on student and family perceptions and the impact of programs like Smart Character Choices and TST, among other survey data. Team members report back to all instructional and support staff about decisions made at these meetings and follow up with Academy leadership and staff.

The Academy employs a system of teacher mentoring and evaluation called the concurrent review. In these twice yearly meetings, lengthy conversations between each staff member and members of the leadership team find teachers reflecting on student engagement and learning and describing the application of the pedagogical practices expected in the Academy. This process allows the Academy to identify both individual weaknesses and strengths as well as gather information that results in a global view of the program and the fidelity of its implementation.

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, as well as Academy written curriculum approved by International Baccalaureate® (“IB”). The curriculum for all core subjects has been received, reviewed and approved by the Center.

Elementary

The following subjects/courses are offered at the Academy.

Course	K	1	2	3	4	5	6	7	8
English Language Arts	X	X	X	X	X	X	X	X	X
Mathematics	X	X	X	X	X	X	X	X	X
Science	X	X	X	X	X	X	X	X	X
Social Studies	X	X	X	X	X	X	X	X	X
Health	X	X	X	X	X	X	X	X	X
Physical Education	X	X	X	X	X	X	X	X	X

Secondary

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

Course Name	Grade**	Course Name	Grade**
English (<i>minimum 4</i>)		World Language (<i>minimum 2</i>)	
U.S. Literature and Composition	9, 10	German I	Any
World Literature and Composition	9, 10	German II	Any
Junior English	11	Spanish I	Any
Senior English	12	Spanish II	Any
Research Writing (.5) <i>elective</i>	12		
AP Language and Composition	Any		
AP Literature and Composition	Any		
Creative Writing (.5) <i>elective</i>	Any	Physical Education & Health (<i>minimum .5 each</i>)	
Literature of a Genre – Short Stories (.5) <i>elective</i>	Any	Fitness/Conditioning (.5) <i>elective</i>	Any
Technical Writing <i>elective</i>	Any	Physical Education (.5)	Any
		Health (.5)	Any

History's Mysteries (.5) <i>elective</i>	Any		
International Relations (.5) <i>elective</i>	Any		
Medieval European History (.5) <i>elective</i>	Any		

Secondary-IB Courses

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

Course Name	Grade**	Course Name	Grade**
English		World Language	
IB Language and Literature, Standard Level	11-12	IB Spanish, Standard Level	11-12
IB Language and Literature, Higher Level	11-12	IB Spanish, Higher Level	11-12
		IB German, Standard Level	11-12
		IB German, Higher Level	11-12
Mathematics		Visual, Performing & Applied Arts	
IB Mathematics Analysis and Approaches, Standard Level	11-12	IB Music, Standard Level	11-12
		IB Visual Arts, Standard Level	11-12
		IB Theatre, Standard Level	11-12
Science		Other	
IB Biology, Standard Level	11-12	IB Theory of Knowledge	11-12
IB Biology, Higher Level	11-12		
IB Chemistry, Standard Level	11-12		
IB Chemistry, Higher Level	11-12		
Social Studies			
IB History of the Americas, Standard Level	11-12		
IB History of the Americas, Higher Level	11-12		

*The Academy updates course offerings each school year based on the needs and interests of students as well as teacher certification. As a result, some courses are rotated and are not offered each year. All core subjects are taught every year and high school students are required to meet the requirements of the Michigan Merit Curriculum.

**If students are not required to take a course at a specific grade level, "any" is used for the grade indication.

***Virtual Courses are defined as any course(s) that are delivered using the internet.

SECTION E

METHODS OF PUPIL ASSESSMENT

METHODS OF PUPIL ASSESSMENT

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.5, the Academy shall properly administer all state-mandated academic assessments identified in the Code, as applicable, and all academic assessments identified in the Public School Academy Chartering Policies adopted by the University Board, as applicable, in accordance with the requirements detailed in the Master Calendar annually issued by the Center.

The Academy shall authorize the Center to have access to the Academy's Student/School Data Applications through the Center for Educational Performance and Information and to the electronic reporting system administered by the Michigan Department of Education to access the Academy's state assessment results, as applicable. The Academy shall ensure that those involved with the administration of these assessments are properly trained and adhere to the ethical standards and testing procedures associated with these assessments.

Academic Assessments to Be Administered:

Assessments as identified in Schedule 7b of this Contract and all state-mandated assessments.

SECTION F

APPLICATION AND ENROLLMENT OF STUDENTS

APPLICATION AND ENROLLMENT OF STUDENTS

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Sections 6.6 and 6.16, the Academy shall comply with the application and enrollment requirements identified in this Schedule.

Enrollment Limits

The Academy will offer kindergarten through twelfth grade. The maximum enrollment shall be 1,500 students across the three sites identified in Schedule 6 of the Contract. Enrollment will be distributed over the sites as follows:

Elementary School Site: No more than 875 students may be served at this Site.

Middle School Site: No more than 325 students may be served at this Site.

High School Site: No more than 525 students may be served at this Site.

At no time may the combined enrollment of the three sites exceed 1,500 students.

The Academy Board will annually adopt maximum enrollment figures prior to its application and enrollment period.

Requirements

Section 504 of the Code provides that public school academies shall not charge tuition and shall not discriminate in its pupil admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a student with a disability, or any other basis that would be illegal if used by a Michigan school district. However, a public school academy may limit admission to pupils who are within a particular range of age or grade level or on any other basis that would be legal if used by a Michigan school district and may give enrollment priority as provided below.

- Academy enrollment shall be open to all individuals who reside in Michigan. Except for a foreign exchange student who is not a United States citizen, a public school academy shall not enroll a pupil who is not a Michigan resident.
- Academy admissions may be limited to pupils within a particular age range/grade level or on any other basis that would be legal if used by a Michigan school district.
- The Academy shall allow any pupil who was enrolled in the Academy in the immediately preceding school year to enroll in the Academy unless the appropriate grade is not offered.
- No student may be denied participation in the application process due to lack of student records.
- If the Academy receives more applications for enrollment than there are spaces available, pupils shall be selected for enrollment through a random selection drawing.

The Academy may give enrollment priority to one (1) or more of the following:

- A sibling of a pupil enrolled in the Academy.
- A pupil who transfers to the Academy from another public school pursuant to a matriculation agreement between the Academy and other public school that provides for this enrollment priority, if all of the following requirements are met:
 1. Each public school that enters into the matriculation agreement remains a separate and independent public school.

2. The Academy shall select at least 5% of its pupils for enrollment using a random selection process.
 3. The matriculation agreement allows any pupil who was enrolled at any time during elementary school in a public school that is party to the matriculation agreement and who was not expelled from the public school to enroll in the public school academy giving enrollment priority under the matriculation agreement.
- A child, including an adopted child or legal ward, of a person who is employed by or at the Academy or who is on the Academy Board.

Matriculation Agreement

- The Academy Board may enter into a matriculation agreement with another public school pursuant to section 504(4) of the Code.
- However, before the Academy Board approves a matriculation agreement, the Academy shall provide a draft copy of the agreement to the Center for review.
- Any matriculation agreement entered into by the Academy shall be added to this Schedule 7f through a contract amendment approved in accordance with Article IX in the Terms and Conditions of this Contract.

Application Process

- The Academy shall make reasonable effort to advertise its enrollment openings.
- The Academy's open enrollment period shall be a minimum of two weeks (14 calendar days) in duration and shall include evening and weekend times.
- The Academy shall accept applications all year. If openings occur during the academic year, students shall be enrolled. If openings do not exist, applicants shall be placed on the official waiting list. The waiting list shall cease to exist at the beginning of the Academy's next open enrollment period.
- In the event there are openings in the class for which students have applied, students shall be admitted according to the official waiting list. The position on the waiting list shall be determined by the random selection drawing. If there is no waiting list, students shall be admitted on a first-come, first-served basis.
- The Academy may neither close the application period nor hold a random selection drawing for unauthorized grades prior to receipt of written approval from the Center.

Legal Notice or Advertisement

- The Academy shall provide legal notice or advertisement of the application and enrollment process in a local newspaper of general circulation. A copy of the legal notice or advertisement shall be forwarded to the Center.
- At a minimum, the legal notice or advertisement must include:
 1. The process and/or location(s) for requesting and submitting applications.
 2. The beginning date and the ending date of the application period.

3. The date, time, and place the random selection drawing(s) will be held, if needed.
- The legal notice or advertisement of the application period shall be designed to inform individuals that are most likely to be interested in attending the Academy.
 - The Academy, being an equal opportunity educational institution, shall be committed to good-faith affirmative action efforts to seek out, create and serve a diverse student body.

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.

Matriculation Agreement

This Matriculation Agreement (“Agreement”) is entered into as of the 14th day of January, 2021, between Charyl Stockwell Academy, a body corporate and public school academy (“Receiving School”) and Canton Charter Academy, a body corporate and public school academy (“Sending School”)(both parties referred to as “Schools”).

Both the Sending School and the Receiving School are separate and independent public school academies, organized as such under the Michigan Revised School Code (the “Code”). Both schools hold separate charters from valid authorizing bodies, pursuant to their respective charter contracts. Both schools operate independent of the other.

Because the Sending School does not offer an educational program for high school students and the Receiving School desires to provide an enrollment preference for students entering its high school program, the parties desire to establish this arrangement for matriculation of qualifying students from the Sending School to the Receiving School.

Michigan law permits any pupil who was enrolled at any time during elementary school in the Sending School and who was not expelled from the Sending School to have an enrollment priority in the Receiving School provided the Schools have a matriculation agreement. MCL 380.504(4)(b).

Therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually agreed as follows:

1. **Term.** This Agreement shall be effective as of July 1, 2021, provided that it has been approved by each School’s governing board and by Central Michigan University. This shall be a perpetual Contract unless rescinded by either party by adopting a board resolution
2. **Qualifying Students.** Students who meet all of the following requirements are deemed to be “Qualifying Students” for enrollment priority under this Agreement:
 - a. the student was enrolled in and attended the Sending School at any time during elementary school;
 - b. the student was not expelled from the Sending School;
 - c. the student has completed 8th grade from any school, including home school; and
 - d. the student is eligible to enroll in a public school academy in Michigan.
3. **Application for matriculation.** Qualifying Students who desire an enrollment priority in the Receiving School must complete the Receiving School’s application for the applicable school year and submit it to the Receiving School during its Open Enrollment Period as set forth in the Receiving School’s Admission and Enrollment Practices and Procedures incorporated as Exhibit A to this Agreement.

4. **Enrollment Priority.** The enrollment priority of Qualifying Students shall be determined according to the Receiving School's Admission and Enrollment Policy and the Admission and Enrollment Practices and Procedures set forth in Exhibit A, which is incorporated by reference into this Agreement. If these are modified, notice will be given to the Sending School.
5. **Enrollment.** Qualifying Students must attend school at the Receiving School on the first day of school in order to be enrolled. Any Qualifying Student who does not attend the first day of school and who does not obtain an excused absence from the Receiving School before the end of that school day, shall forfeit his or her priority to enroll in the Receiving School.
6. **Record Transfer.** Upon receipt of a properly completed records release form from the Receiving School and parent of the student, the Sending School shall transfer all student records of Qualifying Students to the Receiving School no later than 30 days after receipt of the request for transfer of records from the Receiving School.
7. **Termination.** This Agreement may be terminated by either party at any time for any reason upon providing ninety (90) days' written notice. If such notice is given more than ninety (90) days before the end of the Open Enrollment Period, there shall be no enrollment priority for Qualifying Students for the subsequent school year. If the notice is given any time thereafter, the Qualifying Students who applied for enrollment priority at the Receiving School shall receive the priority for the subsequent school year pursuant to the terms of this Agreement. This Agreement shall be terminated automatically if the Charter Contract for either the Sending School or the Receiving School is terminated or revoked.
8. **Effective Date.** As to each School, this Agreement shall be effective as of July 1, 2021.
10. **Notices.** All notices and other communications required or permitted under this Agreement will be in writing and will be deemed given when delivered personally or by registered or certified mail, return receipt requested, addressed as follows (or any other address that is specified in writing by either party):

If to Sending School:

Canton Charter Academy
49100 Ford Road
Canton, MI 48187

If to Receiving School:

Board President
Charyl Stockwell Academy
9758 E. Highland Road
Howell, MI 48843


11. **No Waiver.** A party's failure to exercise a right or remedy will not operate as a waiver of any of that party's rights or remedies under this Agreement and will not constitute a waiver of the party's right to declare an immediate or a subsequent default.
12. **Severability.** If one or more provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect under any applicable law or decision, the validity, legality,

and enforceability of the remaining provisions shall not be affected or impaired in any way. Each party shall, in any such event, execute such additional documents as the other party may reasonably request to give valid, legal, and enforceable effect to any provision of this Agreement that is determined to be invalid, illegal, or unenforceable as written in this Agreement.

13. **Amendments.** This Agreement may only be amended, modified, or supplemented by an agreement in writing approved by the respective Boards and signed by an authorized representative of each party.
14. **Assignment.** No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other parties. Any purported assignment in violation of this Section shall be void.
15. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
16. **No Third Party Beneficiaries.** This Agreement is for the sole benefit of the parties and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.
17. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties and there are no other promises, assurances or terms of agreement among the parties other than those written herein. Nothing in this Agreement shall give rights to any other person. This agreement shall not be modified except in writing and signed by each of the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date shown below.

Receiving School: Charyl Stockwell Academy

By:  Digitally signed by David Price
Date: 2021.01.21 13:34:58
-05'00'
Adobe Acrobat version:
2017.011.30188

Date: January 14, 2021

Sending School: Canton Charter Academy

By:  Digitally signed by Jason J. Abate
Date: 2021.01.21 13:34:58
-05'00'
Adobe Acrobat version:
2017.011.30188

Date: January 14, 2021

EXHIBIT A
RECEIVING SCHOOL'S ADMISSION AND ENROLLMENT PROCEDURES

The Academy complies with application and enrollment requirements pursuant to applicable Federal and State law and the terms and conditions of their charter contract.

Public School Academies have Federal and State obligations to report certain data including the race and ethnicity of their student populations. Academies cannot use the acquired data to discriminate against students. In addition, the parent/guardian's refusal to respond to such a request cannot lead to the denial of their student's enrollment.

Academy enrollment is open to all individuals who reside in Michigan. Copies of phone and water bills or lease agreements may be requested to establish residency requirements. The Academy's requirements to establish residency must be applied in the same way to all students. The Academy may not ask about a student's citizenship or immigration status (or the status of their parents/guardians) in determining residency. In addition, a homeless student (including an undocumented homeless student) cannot be denied enrollment because he/she cannot provide required documents to establish residency. All students must be 5 years old by September 1st, or have a waiver if they will turn 5 years old by December 1st.

A certified copy of a birth certificate or other reliable proof of identity must be provided. If the person enrolling the student does not comply, local law enforcement agency will be contacted to investigate. The Academy has the authority to determine the type of "other reliable proof" of student's identity and age. The Academy will not deny enrollment because the parent or legal guardian did not provide a birth certificate or other reliable proof of identity.

The person enrolling the student must also provide proof of parentage (birth certificate is sufficient), custody paperwork, legal guardianship or other legal paperwork indicating a right to enroll.

Academy admissions may be limited to students within a particular age range/grade level or on any other basis that would be legal if used by a Michigan public school district. The Academy may not prevent a student from enrolling because the student has a foreign birth certificate.

No student may be denied participation in the application process due to lack of student records.

The Board of Directors shall establish the enrollment calendar prior to each enrollment period, including the dates for the following:

1. Re-enrollment period for current students
2. Open enrollment for new applicants
3. Legal notice in a local newspaper of general circulation that includes:
 - the process for requesting and submitting applications,
 - the beginning date and the ending date of the application period,
 - the date, time, and place the random selection drawing will be held, if needed

Note: The Academy must forward a copy of the legal notice or advertisement to the authorizer.
4. Lottery: random selection drawing

The Board of Directors shall establish the maximum enrollment numbers prior to the date for the lottery, as stated on the enrollment calendar. The Board of Directors shall also confirm the grades to be

offered for that enrollment. If the Board chooses to offer a different grade range for the next school year, a contract amendment and authorizer approval must first occur.

The Academy reserves the right not to accept an applicant for enrollment due to the applicant's expulsion or suspension from a previous school for any reason, or conviction of a felony, under state law. In those cases, an administrative review of the applicant's disciplinary record must occur prior to enrollment.

The student's enrollment will be contingent upon the accuracy of the student's entire educational record, including all special education and disciplinary records, being received in a timely manner prior to granting enrollment in the Academy.

Re-enrollment

1. The Academy shall notify parents/guardians of all enrolled students of the deadline for re-enrollment. The re-enrollment notice must also request that the parent/guardian indicate whether a sibling(s) seeks to enroll for the upcoming academic year.
2. After collecting the parent/guardian responses, the Academy must determine the following:
 - The number of students who have re-enrolled per grade.
 - The number of siblings seeking admission for the upcoming academic year per grade.
 - The number of spaces remaining, per grade, after enrollment of current students and siblings.
 - If there is not enough space at a particular grade for all the siblings, then the Academy must develop a waiting list for siblings of re-enrolled students as determined by the random selection drawing.
3. Any student who was enrolled in the immediately preceding academic year is guaranteed admission for the following year, as long as an enrollment form for that student (or other adequate substitute) was received prior to the re-enrollment deadline and that particular grade is offered by the Academy.
4. An enrolled student who does not re-enroll by the specified date will be contacted. If no response is received within the stated timeline, then the student can only apply to the Academy during the application period for new students and must complete a Student Enrollment Application to be considered for a seat.

Application Process

1. The application period shall be a minimum of two weeks in duration, with evening and weekend times available. Applications are accepted via fax, scanned e-mail, mail and personal delivery.
2. The Academy accepts applications all year. If openings occur during the academic year, students shall be enrolled. If openings do not exist, applicant shall be placed on the official waiting list. The waiting list shall cease to exist at the beginning of the next application period.
3. 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 at the lottery by random selection drawing. If there is no waiting list, students shall be admitted on a first-come, first-served basis.
4. After the students have been selected to fill the maximum number of spaces allowed by the Board, no more space will be deemed available. In the event that space becomes available, students shall be admitted according to the official waiting list or if no waiting list, on a first-come, first-served basis.

5. 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 authorizer.

Enrollment preferences

Enrollment preference is first given to currently enrolled students. Here is the order of preference for all categories of applicants:

- Current CSA enrolled students
- Siblings of currently enrolled CSA students
- Students who were enrolled at any time during elementary school at CSA that were not expelled
- Qualifying Students pursuant to matriculation agreements
- Siblings of Qualifying Students pursuant to matriculation agreements
- Students selected in the random selection process
- Siblings of students selected in the random selection process
- All remaining applicants

Random Selection Drawing

1. A random selection drawing will be conducted if the number of applications exceeds the number of available spaces. The Academy shall:
 - Establish written procedures for conducting a random selection drawing.
 - Use a credible, neutral “third party” such as an ISD representative, CPA firm, or government official, to conduct the random selection drawing.
 - Establish the maximum number of spaces available per grade or grouping level.
 - Establish the date, time, place and person to conduct the random selection drawing.
 - Notify the authorizer of the both the application period and the date of the random selection drawing, if needed. The authorizer may have a representative on-site to monitor the random selection drawing process.
 - Conduct the random selection drawing at a public meeting where parents, community members and the public may observe the process.
 - Use numbers, letters, or another system that guarantees fairness and does not give an advantage to any applicant.
 - Draw first the youngest grade for which a drawing is necessary.
 - Add the siblings of students that have been selected to the appropriate grade. If that grade is full, then the sibling(s) will be added to the bottom of the sibling part of the waiting list of that grade.
2. The Academy shall notify applicants of the results from the random selection drawing. Students shall appear on the official waiting list in the order they were selected in the random selection drawing. The Academy will notify applicants not chosen in the random selection drawing that they were not selected and their name has been placed on the Academy’s official waiting list for openings that may occur during the academic year.

Waiting List

The position on the waiting list shall be determined by random selection drawing. After the drawing, slots on the waiting list are considered on a first come, first served basis. Siblings of a currently enrolled student are given preference on the waitlist; however this is not a guarantee that a seat will become available. Students who are on the waiting list as non-siblings and become a sibling, due to the acceptance and attendance of their brother/sister, will be given sibling status.

Students on the waiting list will be contacted with any offer of admission to the Academy. It is the parent/guardian's responsibility to notify the school with any change of contact information. Any student who is offered a seat at the Academy and declines admittance, will need to reapply.

The waiting list shall cease to exist at the beginning of the next application period. Students on the waiting list at that time will need to reapply.

Disciplinary Record

When the student enrollment application indicates that the prospective student has been suspended or expelled from any previous school, the Academy must conduct a disciplinary review of the prospective student's discipline record to determine his/her eligibility for enrollment before a CA-60 is requested. The parent /guardian must complete and sign a Request for Discipline which would allow the Academy to obtain a copy of the disciplinary record.

The Academy administration will conduct an investigative review of the circumstances that led to the suspension and/or expulsion. Based on the findings, the Academy administration will contact the parents/guardians to discuss the prospective student's eligibility for enrollment. The Academy reserves the right to decline acceptance to a prospective student for enrollment and attendance if the student has been expelled or suspended from a previous school for any reason as allowed by Michigan law.

The Academy may refuse to enroll an applicant if the any of the following are met:

1. The applicant is or has been within the preceding two years suspended from another school.
2. The applicant at any time before enrolling has been expelled from another school.
3. The applicant at any time before enrolling has been convicted of a felony.

If the Academy has counted the student for purposes of State Aid funding during this enrollment process, the Academy cannot refuse to enroll or refuse to continue to enroll the student for a reason stated above. However, the Academy is not prohibited from expelling the student for disciplinary reasons.

SECTION G

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.7, the Academy shall comply with the school calendar and school day schedule requirements identified in this Schedule.

School Calendar

The Academy's school calendar shall comply with Sections 1175, 1284, and, if applicable, 1284a and 1284b, of the Code. The Academy's school calendar shall also comply with the minimum requirements set forth in Section 101 of the School Aid Act of 1979 (MCL 388.1701). The Academy Board must submit a copy of the Academy's school calendar to the Center in accordance with the Master Calendar.

School Day Schedule

The Academy Board must structure the Academy's school day schedule to meet the required number of instructional days and hours. The Academy Board must submit the school day schedule to the Center prior to the commencement of each academic year.

SECTION H

AGE OR GRADE RANGE OF PUPILS

AGE OR GRADE RANGE FOR PUPILS TO BE ENROLLED

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.8, the Academy shall comply with the age or grade ranges as stated in this Schedule.

The Academy will enroll students in kindergarten through twelfth grade.

Students of the Academy will be children who have reached the age of 5 by the dates outlined in the Code.

CONTRACT SCHEDULE 8

**INFORMATION AVAILABLE TO
THE PUBLIC AND THE CENTER**

INFORMATION AVAILABLE TO THE PUBLIC AND THE CENTER

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article XI, Section 11.9, the Academy shall comply with this Schedule.

Information Available to the Public and the Center

The Code provides that the board of directors of a public school academy shall make information concerning its operation and management available to the public and to the Center in the same manner as is required by state law for school districts.

The Code provides that the board of directors of a public school academy shall collect, maintain, and make available to the public and the Center, in accordance with Applicable Law and the Contract, at least all of the following information concerning the operation and management of the Academy:

1. A copy of the Academy's Charter Contract.
2. A list of currently serving members of the Academy Board, including name, address, and term of office.
3. Copies of policies approved by the Academy Board.
4. The Academy Board meeting agendas and minutes.
5. The budget approved by the Academy Board and of any amendments to the budget.
6. Copies of bills paid for amounts of \$10,000.00 or more, as submitted to the Academy Board.
7. Quarterly financial reports submitted to the Center.
8. A current list of teachers and administrators working at the Academy that includes individual salaries as submitted to the Registry of Educational Personnel.
9. Copies of the teaching or administrator's certificates or permits of current teaching and administrative staff.
10. Evidence of compliance with the criminal background and records checks and unprofessional conduct check required under sections 1230, 1230a, and 1230b of the Code for all teachers and administrators working at the Academy.
11. Curriculum documents and materials given to the Center.
12. Proof of insurance as required by the Contract.
13. Copies of facility leases or deeds, or both.
14. Copies of any equipment leases.
15. Copies of any management contracts or services contracts approved by the Academy Board.
16. All health and safety reports and certificates, including those relating to fire safety, environmental matters, asbestos inspection, boiler inspection, and food service.
17. Annual financial audits and any management letters issued as part of the Academy's annual financial audit, required under Article VI, Section 6.11 of the Terms and Conditions of this Contract.
18. Any other information specifically required under the Code.

Information to be Provided by the Academy's Educational Service Provider (if any)

Pursuant to the Terms and Conditions of this Contract, including Article III, Section 3.6, the University Board authorizes the Academy Board to employ or contract for personnel according to the position information outlined in Schedule 5. Any Educational Service Provider Management Agreement entered into by the Academy must contain a provision requiring the Educational Service Provider to provide to the Academy Board information concerning the operation and management of the Academy (including without limitation, but not limited to, the items identified above and annually the information that a school district is required to disclose under Section 18(2) of the State School Aid Act of 1979, MCL 388.1618) available to the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 11.9(a) of the Terms and Conditions of Contract.

AMENDMENT NO. 1

to the
July 1, 2023 Contract to Charter
A Public School Academy and Related Documents

Issued To

CHARYL STOCKWELL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 1

CHARYL STOCKWELL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2023, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to CHARYL STOCKWELL ACADEMY (the "Academy"), the parties agree to amend the Contract as follows:

- 1.) Amend Schedule 6: Physical Plant Description, by inserting at the end of this Schedule the Bond Purchase Agreement, attached as Tab 1.

The changes identified in Section 1 shall have an effective date of July 27, 2023.

- 2.) Further amend Schedule 6: Physical Plant Description, by replacing the Mortgage contained therein with the Amended and Restated Mortgage, attached as Tab 2.

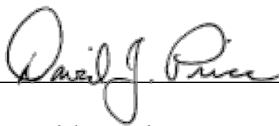
The changes identified in Section 2 shall have an effective date of August 1, 2023.

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



Dated: 08/22/2023

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



Dated: 8/16/23

By: David J. Price
Charyl Stockwell Academy
Designee of the Academy Board

Charyl Stockwell Academy

Contract Amendment No. 1

Tab 1

\$7,875,000
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE BONDS, SERIES 2023

BOND PURCHASE AGREEMENT

July 27, 2023

Charyl Stockwell Academy
9758 E Highland Rd
Howell, MI 48843

Ladies and Gentlemen:

We, Piper Sandler & Co. (herein called the “Underwriter”), hereby offer to enter into this Bond Purchase Agreement (this “Agreement”) with Charyl Stockwell Academy (the “Issuer”) for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 5:00 p.m., Minneapolis, Minnesota time, on July 27, 2023, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. If not so accepted, this Bond Purchase Agreement will be subject to withdrawal by the Underwriter upon notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), to the Underwriter all (but not less than all) of the Issuer’s Public School Academy Revenue Bonds, Series 2023, in the aggregate principal amount of \$7,875,000 (the “Bonds”), at an aggregate purchase price of \$7,406,250. Such purchase price represents the par amount of the Bonds (\$7,875,000), less original issue discount (\$393,750), less Underwriter’s discount (\$75,000). The Bonds shall be issued and secured under and pursuant to a Trust Indenture dated as of April 1, 2015 (the “Original Indenture”), as supplemented by a Supplemental Indenture dated August 1, 2023 (the “Supplemental Indenture,” and together with the Original Indenture, the “Trust Indenture”), and under and pursuant to the Resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on August 11, 2022 (the “Bond Resolution”), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory and extraordinary redemption as set forth in Schedule I hereto. The Underwriter agrees to make a public offering of the Bonds at the respective initial offering prices set forth in Schedule I hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to (i) finance the construction, equipping and furnishing of an addition to the Academy's elementary facility (the "Elementary School") located at 9758 E. Highland Road, Howell, Michigan (the "Project"); (ii) fund a debt service reserve fund; and (iii) pay certain costs associated with the issuance of the Bonds. The Bonds will be further secured by an Amended and Restated Mortgage dated as of August 1, 2023 (the "Mortgage"), granting a lien on and security interest in the Issuer's Facilities.

The Series Bonds are being issued on a parity with the Academy's outstanding Public School Academy Revenue and Refunding Bonds, Series 2015, dated April 30, 2015 (the "Series 2015 Bonds"), that were issued in the original principal amount of \$15,925,000 pursuant to the Original Indenture.

2. Establishment of Issue Price. The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" certificate substantially in the form attached hereto as Exhibit A, together with the supporting pricing wires, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer, and Miller, Canfield, Paddock & Stone, P.L.C., Detroit, Michigan ("Bond Counsel"), to accurately reflect the sales price or prices and the initial offering price or prices of the Bonds to the public.

The Underwriter confirms that it has offered the Bonds to the public on or before the Sale date at the specified offering price (the "initial offering price") for each maturity, or at the corresponding yield or yields, set forth in, set forth in Schedule I attached hereto. Schedule I also sets forth, as of the Sale date, any maturity at least 10% of which has first been sold to the Public at the respective initial offering price.

The Underwriter acknowledges that sales of any Bonds to any person that is a related party to a Member of the Distribution Group shall not constitute sales to the Public for purposes of this Section. Further, for purposes of this Section 2:

- (i) "Public" means any person other than a Member of the Distribution Group or a related party to a Member of the Distribution Group
- (ii) "Maturity" means Bonds with the same credit and payment terms;
- (iii) "Member of the Distribution Group" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public);
- (iv) A person is a "related party" to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or

indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (v) “Sale Date” means the date of execution of this Bond Purchase Agreement by all parties.

3. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer’s expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto (the “Official Statement”), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated January 27, 2023 (the “Preliminary Official Statement”), in offering the Bonds for public sale to prospective purchasers of the Bonds.

(b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the “Rule”) and all other applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.

(c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.

(d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.

(e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB’s Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.

4. Closing. At 11:00 a.m., Minneapolis, Minnesota time, on August 3, 2023, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the “Closing Date”), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the “Closing.” The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.

5. Representations of the Issuer. In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:

(a) The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading, provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official Statement in “APPENDIX J — BOOK-ENTRY-ONLY-SYSTEM,” which was furnished by DTC; and (ii) furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement as described in Section 6(c) hereof, as to which statements and information the Issuer makes no representation other than that the Issuer has no knowledge or notice that such information is inaccurate or misleading. If, at any time prior to the later of (i) receipt of notice from the Underwriter pursuant to Section 3(c) hereof that final Official Statements are no longer required to be delivered under the Rule, or (ii) the date described in Section 3(e) hereof, any event occurs with respect to the Issuer as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event. Upon the request of the Underwriter, the Issuer shall prepare and deliver to the Underwriter, at the expense of the Issuer, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or omission therein as the Underwriter may reasonably request. Any amendment of or supplement to the Official Statement to be distributed pursuant to this Section 5, Paragraph (a), shall contain a statement that the Underwriter has neither participated in the preparation thereof nor made any independent investigation of the facts contained therein and does not assume any responsibility for the sufficiency, accuracy or completeness of the information contained therein.

(b) The Issuer is duly organized and existing and in good standing as a nonprofit corporation, public school academy and public agency under the laws of the State of Michigan (the “State”) and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, a Continuing Disclosure Agreement dated as of August 1, 2023, between the Issuer and the Trustee, as dissemination agent (the “Continuing Disclosure Agreement”), the Educational Services Provider Agreement, dated as of dated July 1, 2023 (the “Management Agreement”) between CS Partners, LLC, a Michigan limited liability company, and CSP Management Inc., a Michigan corporation d/b/a Partner Solutions for Schools (“CSP”) and the Issuer, the Amended and Restated State School Aid Payment Agreement dated as of August 1, 2023 (the “State Aid Agreement”), between the Issuer and the Trustee and acknowledged by the Central Michigan University Board of Trustees (the “Authorizing Body”), the Standard Form of Agreement Between Owner and Architect dated June 21, 2022 (the “Architect Contract”) between the Issuer and Integrated Architecture (the “Architect”), the Collateral Assignment of Architect Contract dated August 1, 2023, executed by the Issuer in favor the Trustee and acknowledged and consented to by the Architect (the “Assignment of Architect Contract”), the Standard Form of Agreement between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated March 28, 2022 (the “Construction Contract”) between the Issuer and Corrigan Construction LLC (the “Construction Manager”), the Collateral Assignment of Construction Contract dated August 1, 2023, executed by the Issuer in favor the Trustee and acknowledged and consented to by the Construction Manager (the “Assignment of Construction Contract”), the Amended and Restated Environmental Indemnification Agreement dated August 1, 2023, between the Issuer and the Trustee (the “Environmental Indemnification Agreement”), the Subordination of Management Fees Agreement dated August 1, 2023, by and among ORIX Public Finance, LLC, the Issuer, and CSP (the “Subordination of Fees Agreement”), and this Agreement (collectively, the “Issuer Documents”), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State to issue bonds to refinance certain of its outstanding obligations.

(c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.

(d) Except as may be required under Blue Sky or other securities laws of the United States or any state, there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer, including the Authorizing Body, required for the execution and delivery of the Bonds or the entering into of

the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as has already been obtained.

(e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction, including the Authorizing Body, which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.

(f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter's actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate.

(g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.

(i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.

(j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(k) The Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.

(l) The Issuer is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended, and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended.

(m) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.

(n) There are no affiliations, interrelationships and / or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in the Official Statement.

(o) The Issuer acknowledges that the Underwriter is acting as an underwriter for the Bonds and has not agreed to serve as a financial advisor to the Issuer.

(p) The Issuer is in compliance with any and all prior continuing disclosure undertakings for the previous five years, except as specifically disclosed in the Official Statement.

6. Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended, collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. No failure of the Underwriter to give, and no delay in giving, that notice shall relieve the Issuer to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Issuer of the action, claim or proceeding, and only to the extent of that prejudice. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the

defense thereof, but the fees and expenses of such counsel shall be at the expense of the Underwriter or such controlling person, as the case may be, unless the retaining of such counsel has been specifically authorized by the Issuer or except as otherwise provided in the Issuer Documents.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an “Issuer Indemnified Party” and collectively the “Issuer Indemnified Parties”) and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be contained therein or which is necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect; or arising out of violations by the Underwriter of representations made by it in this Agreement or violations by it of applicable securities laws; and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission, or violation, if such settlement is effected with the written consent of the Underwriter. In case any claim shall be made or action brought against an Issuer Indemnified Party or such controlling person (as aforesaid) based upon the Preliminary Official Statement, the Official Statement or this Agreement, in respect of which indemnity may be sought against the Underwriter, the Issuer or such controlling person shall promptly notify the Underwriter in writing setting forth the particulars of such claim or action and the Underwriter shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. No failure of the Issuer to give, and no delay in giving, that notice shall relieve the Underwriter to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Underwriter of the action, claim or proceeding, and only to the extent of that prejudice. The Issuer Indemnified Party or any controlling person shall have the right to retain separate counsel, in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the party retaining such counsel unless the retaining of such counsel has been specifically authorized by the Underwriter.

(c) For the purpose of paragraphs (a) and (b) of this Section 6, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices of the Bonds set forth on the cover pages of, and under the caption “Underwriting” in, the Preliminary Official Statement and the Official Statement.

(d) If the indemnification provided for in subsection (a) of this Section is unavailable to the Underwriter (or any controlling person thereof) in respect of any losses, claims, damages or liabilities referred to therein, then the Issuer shall, in lieu of indemnifying the Underwriter, contribute to the amount paid or payable by the Underwriter as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Underwriter, respectively, from the underwriting of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Issuer shall contribute to such amount paid or payable by the

Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuer and the Underwriter, respectively, in connection with the statements or omission which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefit received by the Issuer or the Underwriter, respectively, shall be deemed to be in the same proportion as the total proceeds from the underwriting of the Bonds (before deducting costs and expenses other than underwriting fees and expenses), on the one hand, bear to the total underwriting fees and expenses received by the Underwriter, on the other hand. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact related to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided, however, that in the case of an allegation or a determination that arises out of or is based upon a failure in connection with the public offering of the Bonds to register any security under the 1933 Act or to qualify any indenture under the Trust Indenture Act of 1939, the fault shall be deemed entirely that of the Issuer. The Issuer and the Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The amount paid or payable by the Underwriter as a result of the losses, claims, damages or liabilities referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by the Underwriter (or any controlling person thereof) in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute any amount in excess of the underwriting fee paid to the Underwriter under Section 9 hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who is not guilty of such fraudulent misrepresentation.

7. Conditions Precedent. The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing:

(b) at or prior to the Closing, the Underwriter shall receive the following documents:

- i. an executed copy of the Trust Indenture;
- ii. an executed copy of the Mortgage;

- iii. an executed copy of the Continuing Disclosure Agreement;
- iv. the approving opinion of Miller, Canfield, Paddock & Stone, P.L.C., as Bond Counsel and counsel to the Issuer, in form reasonably acceptable to the Underwriter, and a supplemental opinion of Bond Counsel as to the exemption from registration of the Bonds;
- v. a certificate of the Authorizing Body in form satisfactory to the Underwriter;
- vi. evidence of the proper recording, in applicable real estate records, of the Mortgage;
- vii. a certificate of the Issuer, dated the Closing Date, relating to the accuracy of the information in the Official Statement, incumbency and signature of authorized officers, execution and delivery of the Bonds and the other documents to which the Issuer is a party, no litigation and continued existence, in form reasonably acceptable to the Underwriter;
- viii. a certified copy of the resolution adopted by the Board of the Issuer authorizing the execution and delivery of the Bonds, the Trust Indenture and all related documents;
- ix. a mortgagee's title insurance policy which shall evidence good and marketable title in the Facilities insuring the Trustee's interest granted by the Mortgage, in form reasonably satisfactory to the Underwriter;
- x. organizational documents of the Issuer certified by an authorized officer of the Issuer;
- xi. the Nonarbitrage and Tax Compliance Certificate of the Issuer;
- xii. a certificate, dated the Closing Date, signed by an authorized officer or officers of the Trustee, to the effect that the Trustee is a national banking association, duly organized and existing under the laws of the United States of America, and has full power and authority to conduct its activities, to execute, deliver and perform its obligations under the Trust Indenture, and to carry out the transactions contemplated thereby, and that the Trust Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee;
- xiii. an executed copy of the State Aid Agreement;
- xiv. an executed copy of the Architect Contract

- xv. an executed copy of the Assignment of Architect Contract;
- xvi. an executed copy of the Construction Contract
- xvii. an executed copy of the Assignment of Construction Contract;
- xviii. an executed copy of the Environmental Indemnification Agreement;
- xix. an executed copy of the Subordination of Fees Agreement; and
- xx. such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

(c) at the Closing, the Issuer Documents and all other documents related thereto shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions and there shall have been executed and delivered such opinions, certificates, proceedings, instruments and other documents as, in the opinion of Bond Counsel or counsel to the Underwriter, shall be necessary in connection with the transactions contemplated hereby.

If the conditions to the Underwriter's obligations contained in this Agreement are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted herein, this Agreement shall terminate and neither the Underwriter nor the Issuer shall have any further obligation hereunder except as provided in paragraph (8) below.

8. Underwriter's Right to Cancel. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if (i) between the date hereof and the Closing Date, legislation shall have been enacted by the Congress of the United States or the legislature of the State of Minnesota or the State of Michigan or legislation shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived from the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect, as of such time, any statement or information contained in the Preliminary Official Statement or the Official Statement or (b) is not reflected in the Preliminary Official Statement or the Official Statement but should be reflected therein in order to make the

statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, Minnesota or Michigan authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets, or (ix) additional events or announcements related to the COVID-19 virus and its impact result in the cancellation of orders from investors or inability of investors to proceed with the purchase of their bonds in an amount that the underwriter deems to have an adverse material impact on the sale of and market for the Bonds.

9. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and registration fees), and rating agency fees, if any, shall be the obligation of the Issuer. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds. The Underwriter's compensation in the amount of \$75,000 is reflected in the discounted purchase price for the Bonds.

10. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the address set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Piper Sandler & Co., 800 Nicollet Mall, Suite 1000, Minneapolis, MN 55402, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.

11. Benefit. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof,

and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Hennepin County, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement.

12. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota.

13. Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.

14. Representations and Covenants of the Underwriter. The Underwriter hereby represents and covenants to the Issuer that:

(a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or “blue sky” law of any jurisdiction in which such registration or qualification is required.

(b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors’ rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.

(c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 6, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.

15. Issuer Acknowledgment. The Issuer acknowledges and agrees that the Underwriter has not undertaken and does not undertake to provide tax advice relating to the treatment of interest on the Bonds. No recourse shall be had against the Underwriter for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in

connection with the Bonds or otherwise relating to the tax treatment of interest on the Bonds, except for a loss, damage, liability, cost or expense directly attributable to representations made by the Underwriter recklessly or in bad faith in its certificate delivered at Closing.

16. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. For purposes hereof: (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

[The remainder of this page is intentionally left blank.]

Very truly yours,

PIPER SANDLER & CO., Underwriter

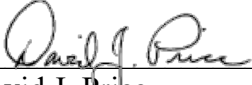
By: 
Jay Hromatka
Its: Managing Director

Accepted this 27th day of July 2023, at 10:00 a.m.

Underwriter Signature page for Bond Purchase Agreement
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE BONDS, SERIES 2023

Accepted and Agreed to:

CHARYL STOCKWELL ACADEMY

By: 
David J. Price
Its: Board President

Issuer Signature page for Bond Purchase Agreement
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE BONDS, SERIES 2023

Charyl Stockwell Academy

Contract Amendment No. 1

Tab 2

AMENDED AND RESTATED MORTGAGE

CHARYL STOCKWELL ACADEMY
as Mortgagor

to

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to
U.S. BANK NATIONAL ASSOCIATION
as Mortgagee

RELATING TO:

\$15,925,000
CHARYL STOCKWELL ACADEMY
Public School Academy Revenue and Refunding Bonds, Series 2015

and

\$7,590,000
CHARYL STOCKWELL ACADEMY
Public School Academy Revenue Bonds, Series 2023

Dated as of August 1, 2023

Prepared by and when recorded,
return to:
James M. Crowley, Esq.
Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, MI 48226

TABLE OF CONTENTS

Page

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Section 1.01.	Payment of Secured Obligations.....	4
Section 1.02.	Title of Mortgagor.....	4
Section 1.03.	[Reserved]	4
Section 1.04.	Maintenance; Repair; Alterations	4
Section 1.05.	Required Insurance	5
Section 1.06.	Delivery of Insurance Policies; Payment of Premiums	5
Section 1.07.	Insurance Proceeds.....	5
Section 1.08.	Assignment of Policies Upon Foreclosure.....	5
Section 1.09.	Expenses; Indemnification; Waiver of Offset.....	6
Section 1.10.	Taxes and Impositions	7
Section 1.11.	Utilities.....	8
Section 1.12.	Actions Affecting Mortgaged Estate	8
Section 1.13.	Actions by Mortgagee and/or Trustee To Preserve Mortgaged Estate	8
Section 1.14.	Survival of Warranties	9
Section 1.15.	Eminent Domain	9
Section 1.16.	Additional Security	9
Section 1.17.	Additional Indebtedness.....	9
Section 1.18.	Successors and Assigns.....	9
Section 1.19.	Inspections	10
Section 1.20.	Liens.....	10
Section 1.21.	Restrictions Affecting Title.....	10
Section 1.22.	Further Assurances.....	10
Section 1.23.	Performance of Covenants; Incorporation of Representations and Warranties	11
Section 1.24.	Notification of Event of Default Under Mortgage.....	11
Section 1.25.	[Reserved]	11
Section 1.26.	Organization; Due Authorization.....	11

Section 1.27.	Liabilities; Compliance With Other Instruments	11
Section 1.28.	Enforceability.....	11
Section 1.29.	Pending Litigation.....	12
Section 1.30.	Compliance With Law	12
Section 1.31.	After-Acquired Property	12
Section 1.32.	Transfer of Interests in Mortgagor or Mortgaged Estate	12
Section 1.33.	Lease Provisions	12
Section 1.34.	Defeasance Terminates Lien.....	12

ARTICLE II

ENVIRONMENTAL MATTERS

Section 2.01.	Environmental Matters.....	13
---------------	----------------------------	----

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01.	Assignment of Revenues.....	13
Section 3.02.	Collection Upon Default	13

ARTICLE IV

SECURITY AGREEMENT

Section 4.01.	Creation of Security Interest	14
Section 4.02.	Warranties; Representations and Covenants of Mortgagor	15

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

Section 5.01.	Events of Default	15
Section 5.02.	Acceleration Upon Default; Additional Remedies	17
Section 5.03.	[Reserved]	19
Section 5.04.	Appointment of Receiver	19
Section 5.05.	Remedies Not Exclusive	19
Section 5.06.	Possession of Mortgaged Estate.....	20
Section 5.07.	Relief from Stay	20
Section 5.08.	Cash Collateral.....	20

ARTICLE VI
MISCELLANEOUS

Section 6.01.	Governing Law	21
Section 6.02.	Waiver of Rights	21
Section 6.03.	Limitation of Interest	22
Section 6.04.	[Reserved]	22
Section 6.05.	Notices	22
Section 6.06.	Captions	23
Section 6.07.	Invalidity of Certain Provisions; Conflicting Provisions.....	23
Section 6.08.	Subrogation	23
Section 6.09.	Change in Ownership.....	23
Section 6.10.	Assignment of Mortgagee’s Interest	23
Section 6.11.	Time Is of the Essence	23
Section 6.12.	Obligations of Mortgagor	23
Section 6.13.	Immunity of Individuals	24
Section 6.14	Supplements; Amendments	24

EXHIBIT A LEGAL DESCRIPTION

EXHIBIT B PERMITTED ENCUMBRANCES

MORTGAGE

THIS AMENDED AND RESTATED MORTGAGE (“Mortgage”) is made as of August 1, 2023, by and between CHARYL STOCKWELL ACADEMY, as Mortgagor (“Mortgagor”) and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, in its capacity as bond trustee for the Bonds (as defined below), as Mortgagee (“Mortgagee”).

PRELIMINARY STATEMENTS

A. The Mortgagor previously entered into that certain Mortgage, dated as of April 1, 2015, in favor of U.S. Bank National Association, predecessor of Mortgagee, as recorded in Instrument No. 2015R-014851 of Livingston County Records (the “2015 Mortgage”) relating to the Mortgagor’s Public School Academy Revenue and Refunding Bonds, Series 2015 in the aggregate principal amount of \$15,925,000 (the “Series 2015 Bonds”), which were issued pursuant to that certain Trust Indenture, dated as of April 1, 2015 (the “Original Indenture”), between the Mortgagor and U.S. Bank National Association, as trustee under the Original Indenture.

B. Pursuant to the First Supplemental Trust Indenture, dated as of August 1, 2023 (the “2023 Supplemental Trust Indenture” and together with the Original Indenture, the “Trust Indenture”), between Mortgagor and U.S. Bank Trust Company, National Association, as trustee under the Trust Indenture, Mortgagor is issuing its Public School Academy Revenue Bonds, Series 2023 in the aggregate principal amount of \$7,590,000 (the “Series 2023 Bonds” and together with the Series 2015 Bonds, the “Bonds”) for the purposes set forth in the Trust Indenture. All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Trust Indenture.

C. Pursuant to the Trust Indenture, certain state school aid payments have been pledged and assigned by Mortgagor to Mortgagee for the payment of the principal of and interest on the Bonds.

D. The Series 2015 Bonds and the Series 2023 Bonds are ratably secured on an equal basis by the Trust Estate (as defined in the Trust Indenture), including a lien on and security interest in the Mortgaged Estate (defined below) pursuant to this Mortgage, granted by Mortgagor.

E. This Mortgage amends and restates the 2015 Mortgage and retains all priority of the 2015 Mortgage as it relates to the Trust Estate and Mortgaged Estate.

GRANTING CLAUSES

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Mortgagor hereby irrevocably grants a security interest in, mortgages, warrants, grants, bargains, sells, transfers, conveys and assigns to Trustee and to its assigns forever, IN TRUST, WITH POWER OF SALE AND RIGHT OF ENTRY, for the benefit and security of Mortgagee, under and subject to the terms and conditions hereinafter set forth, all of Mortgagor's estate, right, title and interests in, to and under any and all of the following property now owned, together with all cash and noncash proceeds thereof, which may be referred to herein as the "Mortgaged Estate:"

LAND

The real property located in the County of Livingston, State of Michigan (the "State"), described in Exhibit A attached hereto and by this reference incorporated herein (the "Land");

IMPROVEMENTS

Any and all buildings, structures, fixtures and improvements existing or to be constructed on the Land, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to such buildings and improvements (collectively, the "Improvements" and, together with the Land, the "Real Property");

RENTS, REVENUES AND DERIVATIVE INTERESTS

All rents, issues, profits and royalties derived from the Real Property and the operation thereof (collectively the "Revenues"); all estate, right, title and interest of Mortgagor in and to all leases or subleases covering the Real Property or any portion thereof now or hereafter existing or entered into, including, without limitation, all cash or security deposits, advance rentals and deposits or payments of similar nature; all right, title and interest of Mortgagor in and to all options to purchase or lease the Real Property or any portion thereof or interest therein, and any greater estate therein now owned; all interests, estate or other claims, both in law and in equity, which Mortgagor now has in the Real Property or any portion thereof or interest therein; all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, all right, title and interest of Mortgagor, now owned, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Real Property and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Real Property (all of the foregoing in this paragraph being, collectively, the "Derivative Interests" and, together with the Real Property, the "Project");

INTANGIBLES

All of Mortgagor's interest in all existing and future accounts, contract rights, general intangibles, files, books of account, plans, specifications, agreements, permits, licenses and certificates necessary or desirable in connection with the acquisition, ownership, leasing, construction, operation, servicing or management of the Project, whether now existing or entered

into or obtained after the date hereof, all existing and future names under or by which the Project or any portion thereof may at any time be operated or known (the "Intangibles");

CLAIMS AND AWARDS

All the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in the Project or Intangibles and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Project or Intangibles including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages; and

PROCEEDS

All of the rents, revenues, issues, profits, products and proceeds of any and all of the foregoing.

A security interest is granted by this Mortgage in that portion of the Mortgaged Estate which constitutes personalty pursuant to and as set forth in Article IV hereof.

TO HAVE AND TO HOLD the Mortgaged Estate hereby granted or mortgaged or intended to be granted or mortgaged, unto Trustee, and its successors in trust, heirs and assigns, upon the terms, provisions and conditions set forth herein in fee simple forever.

PROVIDED, HOWEVER, that these presents are upon the condition that, if the Secured Obligations (as hereinafter defined) hereby shall be paid when due, and if Mortgagor shall keep, perform and observe all and singular the obligations, covenants, agreements and provisions in this Mortgage expressed to be kept, performed by and observed by or on the part of Mortgagor, then this Mortgage and the estate and rights hereby granted shall cease, determine and be void, but otherwise shall be and remain in full force and effect.

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

- (i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;
- (ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;
- (iii) Payment of all of the principal of and interest on any future advances under the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and

(iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby;

The indebtedness and the obligations secured by this Mortgage which are described in (i) through (iv) above may be referred to herein as the “Secured Obligations.”

It is the intention of the parties hereto that the Mortgaged Estate shall secure all of the Secured Obligations presently or hereafter owed, and that the priority of the security interest created by this Mortgage for all such Secured Obligations shall be controlled by the time of proper recording of this Mortgage. In addition, this Mortgage shall also secure unpaid balances of advances made with respect to the Mortgaged Estate for the payment of taxes, assessments, insurance premiums, costs or any other advances incurred for the protection of the Mortgaged Estate, together with interest thereon until paid, all as contemplated in this Mortgage, all of which shall constitute a part of the Secured Obligations. This paragraph shall serve as notice to all persons who may seek or obtain a lien on the Mortgaged Estate subsequent to the date of recording of this Mortgage, that until this Mortgage is released, any debt owed by Mortgagor under the Trust Indenture, including advances made subsequent to the recording of this Mortgage, shall be secured with the priority afforded this Mortgage as recorded.

IT IS HEREBY COVENANTED, DECLARED AND AGREED that the Mortgaged Estate is to be held and disposed of by Trustee, upon and subject to the provisions of this Mortgage.

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby represents, warrants, covenants and agrees:

Section 1.01. Payment of Secured Obligations. Mortgagor hereby grants this Mortgage to secure the payment and performance when due of the Secured Obligations. The consideration received by Mortgagor to execute and deliver this Mortgage and the liens and security interests created herein is sufficient and will provide a direct economic benefit to Mortgagor.

Section 1.02. Title of Mortgagor. Mortgagor has, subject to the matters set forth as exceptions in the loan policy of title insurance to be provided to Mortgagee in connection with this Mortgage as well as those exceptions provided in the attached Exhibit B (the “Permitted Encumbrances”), in its own right, good, marketable and indefeasible title in fee simple to the Mortgaged Estate, which is free from encumbrance superior to the encumbrance of this Mortgage, and has full right, power and authority to execute and deliver this Mortgage and to make the conveyances and grant the interests and security contemplated hereby. This Mortgage constitutes a valid first lien upon and security interest in the Mortgaged Estate, subject only to the Permitted Encumbrances.

Section 1.03. [Reserved]

Section 1.04. Maintenance; Repair; Alterations. Mortgagor shall: (i) keep the Mortgaged Estate in good condition and repair, subject to reasonable and ordinary wear and tear; not remove, demolish or substantially alter (except such alterations as may be required by applicable laws, ordinances or regulations or as permitted under the Trust Indenture) any of the Improvements; (ii) complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Land and promptly restore in like manner any Improvement which may be damaged or destroyed thereon, subject to the provisions of Section 1.07 hereof, and pay when due all claims for labor performed and materials furnished therefor; (iii) comply with all applicable laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Estate or any part thereof or requiring any alterations or improvements; (iv) not commit or permit any waste or deterioration of the Mortgaged Estate; (v) keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; (vi) comply with the provisions of any lease, if this Mortgage is on a leasehold; (vii) use the Mortgaged Estate and continue to cause the Mortgaged Estate to be used as permitted under applicable law; and (viii) not commit, suffer or permit any act to be done in or upon the Mortgaged Estate in violation of any applicable law, ordinance or regulation.

Section 1.05. Required Insurance. Mortgagor shall provide, maintain and keep at all times in force those policies of insurance required in the Trust Indenture.

Section 1.06. Delivery of Insurance Policies; Payment of Premiums.

(a) All policies of insurance shall be issued by companies and in amounts as required by the provisions of the Trust Indenture.

(b) In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee evidence of the policies of insurance required by the Trust Indenture, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums, together with interest thereon, shall be secured by this Mortgage.

(c) Upon occurrence of an Event of Default, Mortgagee shall apply any sums or amounts received pursuant hereto, or as Revenues or income of the Mortgaged Estate or otherwise, as required under the Trust Indenture. The receipt, use or application of any such sums by Mortgagee hereunder shall not be construed to affect the maturity of any Secured Obligation or any of the rights or powers of Mortgagee under the terms of the Trust Indenture or any of the obligations of Mortgagor under the Trust Indenture. Notwithstanding the application of such sums to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the remaining payment thereof.

Section 1.07. Insurance Proceeds. After the occurrence of any casualty to the Mortgaged Estate or any part thereof, Mortgagor shall give prompt written notice thereof to Mortgagee and each insurer and promptly submit a claim to such insurer(s) for payment of insurance proceeds. Proceeds of all insurance awards (“Insurance Proceeds”) shall be held and disbursed as provided in the Trust Indenture. Notwithstanding the application of Insurance Proceeds to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the payment thereof.

Except as provided below, nothing contained in this Mortgage shall be deemed to excuse Mortgagor from repairing or maintaining the Mortgaged Estate as provided in Section 1.04 hereof. The application or release by Mortgagee of any Insurance Proceeds shall not cure or waive any Event of Default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

Section 1.08. Assignment of Policies Upon Foreclosure. In the event of the foreclosure of this Mortgage, or other transfer of title to the Mortgaged Estate, or any part thereof, by nonjudicial foreclosure sale or deed in lieu of foreclosure, the purchaser of the Mortgaged Estate, or such part thereof, shall succeed to all of Mortgagor’s rights, including any rights to unexpired insurance and unearned or returnable premiums, in and to all insurance policies required by Section 1.05 hereof, subject to limitations on assignment of blanket policies, and limited to such rights as relate to the Mortgaged Estate or such part thereof. If Mortgagee acquires title to the Mortgaged Estate, or any part thereof, in any manner, it shall thereupon (as between Mortgagor and Mortgagee) become the sole and absolute owner of the insurance policies, and all proceeds payable thereunder with respect to the Mortgaged Estate, or such part thereof, required by Section 1.05 hereof, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Mortgaged Estate, or such part thereof, if any.

Section 1.09. Expenses; Indemnification; Waiver of Offset.

(a) Mortgagor shall pay or reimburse Mortgagee for all reasonable expenses incurred by Mortgagee before and after the date of this Mortgage with respect to any and all transactions contemplated by this Mortgage including without limitation, the preparation of any document reasonably required hereunder or any amendment, modification, restatement or supplement to this Mortgage, the delivery of any consent, non-disturbance agreement or similar document in connection with this Mortgage or the enforcement of any of Mortgagee’s rights. Such expenses shall include, without limitation, all reasonable title and conveyancing charges, recording and filing fees and taxes, mortgage taxes, intangible personal property taxes, escrow fees, revenue and tax stamp expenses, privilege taxes, use taxes, insurance premiums (including title insurance premiums), title search and title rundown charges, brokerage commissions, finders’ fees, placement fees, court costs, surveyors’, photographers’, appraisers’, architects’, engineers’, consulting professionals’, accountants’, and attorneys’ fees and disbursements.

(b) If (i) any sale (or prerequisite to a sale), action or proceeding shall be commenced by Mortgagee (including but not limited to any sale of the Mortgaged Estate,

or any action to foreclose this Mortgage or to collect the Secured Obligations), or any action or proceeding is commenced to which Mortgagee is made a party, or in which it becomes necessary to defend or uphold the rights granted by this Mortgage (including, without limitation, any proceeding or other action relating to the bankruptcy, insolvency or reorganization of Mortgagor or any other person or entity obligated hereunder), or in which Mortgagee is served with any legal process, discovery notice or subpoena, and (ii) in each of the foregoing instances such action or proceeding in any manner relates to or arises out of this Mortgage or issuance of the Bonds or acceptance of a guaranty from a guarantor of the Secured Obligations or any of the transactions contemplated by this Mortgage and such action or proceeding does not relate to or arise out of the gross negligence, breach of trust or willful misconduct of Mortgagee as applicable, then Mortgagor will immediately reimburse or pay to Mortgagee all of the expenses which have been or may be incurred by Mortgagee with respect to the foregoing (including reasonable counsel fees and disbursements), together with interest thereon, and any such sum and the interest thereon shall be included in the Secured Obligations and have the full benefit of this Mortgage, prior to any right, or title to, interest in or claim upon the Mortgaged Estate attaching or accruing to this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to sell the Mortgaged Estate, to foreclose this Mortgage, or to recover or collect the Secured Obligations, the provisions of law respecting the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.

(c) To the extent permitted by law, Mortgagor shall indemnify and hold harmless Mortgagee and affiliates, and directors, officers, agents and employees and affiliates for, from and against all claims, damages, losses and liabilities (including, without limitation, reasonable attorneys' fees and expenses) arising out of or based upon any matter related to this Mortgage, the Mortgaged Estate or the occupancy, ownership, maintenance or management of the Mortgaged Estate by Mortgagor, including, without limitation, any claims based on the alleged acts or omissions of any employee or agent of Mortgagor except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee or its affiliates, directors, officers, agents or employees. This indemnification shall be in addition to any other liability which Mortgagor may otherwise have to Mortgagee.

(d) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Estate, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee.

(e) All sums payable by Mortgagor under this Mortgage shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the Secured Obligations of Mortgagor hereunder shall in no way be released, discharged or otherwise affected by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Estate or any part thereof; (ii) any restriction or prevention of or

interference with any use of the Mortgaged Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Mortgaged Estate or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagor, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagor, or by any court, in any such proceeding; or (v) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. To the extent permitted by law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Secured Obligation. Notwithstanding the above, Mortgagor may maintain a separate suit regarding such matters.

Section 1.10. Taxes and Impositions.

(a) In accordance with the terms of the Trust Indenture, Mortgagor agrees to pay, prior to delinquency, all real and personal property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, which are assessed or imposed upon the Mortgaged Estate or any part thereof, or become due and payable, and which create, may create or appear to create a lien upon the Mortgaged Estate, or any part thereof, or upon any personal property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental and nongovernmental charges of like nature are hereinafter referred to as “Impositions”).

(b) Subject to the applicable State law provisions, Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings in accordance with the terms of the Trust Indenture.

(c) Mortgagor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Mortgaged Estate as a single lien.

Section 1.11. Utilities. Mortgagor shall pay when due all utility charges which are incurred for the benefit of the Mortgaged Estate or any part thereof or which may become a charge or lien against the Mortgaged Estate for gas, electricity, water or sewer services furnished to the Mortgaged Estate and all other taxes, assessments or charges of a similar nature, whether public or private, affecting the Mortgaged Estate or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 1.12. Actions Affecting Mortgaged Estate. Mortgagor shall appear in and contest any action or proceeding purporting to affect the title of Mortgagor in the Mortgaged Estate or any part thereof or security hereof or the rights or powers of Mortgagee; and Mortgagor shall pay all costs and expenses, including cost of evidence of title and reasonable attorneys’ fees, in any such action or proceeding in which Mortgagee may appear.

Section 1.13. Actions by Mortgagee To Preserve Mortgaged Estate. Should Mortgagor fail to make any payment or to do any act as and in the manner provided in this Mortgage, Mortgagee, in its sole discretion, and without notice to, or demand upon, Mortgagor and without releasing Mortgagor from any Secured Obligation, may make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), Mortgagee shall have, and is hereby given the right, but not the obligation: (i) to enter upon and take possession of the Mortgaged Estate; (ii) to make additions, alterations, repairs and improvements to the Mortgaged Estate which it may consider necessary or proper to keep the Mortgaged Estate in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Mortgagee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of Mortgagee may affect or appears to affect the security of this Mortgage or be prior or superior hereto; and (v) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Any such costs and expenses incurred by Mortgagee and any such amounts paid by Mortgagee shall be secured hereby with the same priority afforded this Mortgage as recorded. Mortgagor shall immediately upon demand therefor by Mortgagee pay all of the foregoing costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and reasonable attorneys' fees provided, however, that Mortgagor shall not be liable to pay for any such costs or expenses incurred by Mortgagee due to the gross negligence, willful misconduct or breach of trust of Mortgagee or its affiliates, directors, officers, agents or employees.

Section 1.14. Survival of Warranties. Mortgagor shall fully and faithfully satisfy and perform the Secured Obligations. All representations, warranties and covenants of Mortgagor contained herein shall remain continuing obligations, warranties and representations of Mortgagor during any time when any portion of the obligations secured by this Mortgage remain outstanding.

Section 1.15. Eminent Domain. Should the Mortgaged Estate, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee. Mortgagee may participate in any such Condemnation proceedings, and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceedings and shall consult with Mortgagee and its attorneys and experts, and cooperate with it in the carrying on or defense of any such proceedings. All proceeds of Condemnation awards or proceeds of sale in lieu of Condemnation with respect to the Mortgaged Estate and all judgments, decrees and awards for injury or damage to the Mortgaged Estate or any part thereof or interest therein shall be paid to Mortgagor or Mortgagee as provided in Section 7.04 of the Trust Indenture, and if to Mortgagee, shall be applied first to all reasonable costs and expenses incurred by Mortgagee in obtaining the proceeds. The balance of proceeds (referred to in the Trust Indenture as "Net Proceeds"), if any, shall be applied as directed by Mortgagor in accordance with the provisions of the Trust Indenture.

Mortgagor hereby assigns and transfers to Mortgagee, and agrees to execute such further assignments of, all such proceeds, judgments, decrees and awards as Mortgagee may request. Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances for, and to appeal from, any such judgment, decree or award. Mortgagor hereby authorizes, directs and empowers Mortgagee, at its option and with notice to Mortgagor, on Mortgagor's behalf, or on behalf of the successors or assigns of Mortgagor, to adjust, compromise, claim, collect and receive such proceeds and to give proper receipts and acquittances therefor. Mortgagee shall not be, in any event or circumstance, liable or responsible for failure to collect or exercise diligence in the collection of any proceeds, judgments, decrees or awards unless such failure is due to Mortgagee's negligence, willful misconduct or breach of trust.

Section 1.16. Additional Security. In the event Mortgagee at any time holds additional security for any of the Secured Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before, concurrently with or after any sale is made hereunder.

Section 1.17. Additional Indebtedness. Except as provided in the Trust Indenture and except for the Permitted Encumbrances, Mortgagor shall not further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the Uniform Commercial Code in effect in the State, the "UCC").

Section 1.18. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The covenants and agreements of Mortgagor contained herein shall apply to and be binding upon any successor owner of the Mortgaged Estate or any part thereof.

Section 1.19. Inspections. Mortgagee, or its agents, representatives or workmen, are authorized to enter upon notice of two Business Days to Mortgagor at any reasonable time upon or in any part of the Mortgaged Estate for the purpose of inspecting the same and all books, records and documents relating thereto, and for the purpose of performing any of the acts it is authorized to perform under the terms of the Trust Indenture.

Section 1.20. Liens. Mortgagor shall pay and promptly discharge, at Mortgagor's sole cost and expense, all liens, encumbrances and charges upon the Mortgaged Estate, or any part thereof or interest therein other than the Permitted Encumbrances. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall thereafter diligently and in good faith proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either, by paying the amount claimed to be due, or by procuring the discharge of such lien, either, by depositing in court a bond in the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law. Any cost incurred by Mortgagee in connection with any such payment or discharge shall be secured hereby and shall be immediately due and payable without notice or demand.

Section 1.21. Restrictions Affecting Title. Mortgagor shall perform when due all obligations required to be performed by Mortgagor by the provisions of any agreement affecting title to the Mortgaged Estate or any part thereof.

Section 1.22. Further Assurances. Mortgagor shall, upon the execution and delivery hereof and thereafter from time to time, take such actions as Mortgagee may request to cause this Mortgage, each supplement and amendment to such instrument and financing statements with respect thereto and each instrument of further assurance (collectively, the “Recordable Documents”) to be filed, registered and recorded as may be required by law and maintain the first lien or security interest, as applicable, hereof upon the Trust Estate and protect the validity of the Recordable Documents. Mortgagor shall take all action and do all things which it is authorized by law to take and do, and cooperate with Mortgagee as Mortgagee deems necessary or desirable, to insure the release of all encumbrances against the Mortgaged Estate, except the Permitted Encumbrances, existing prior to the date hereof.

So long as any Secured Obligations shall remain unpaid, Mortgagor shall execute, acknowledge, where appropriate, and deliver from time to time promptly at the request of Mortgagee all such instruments and documents as in the opinion of Mortgagee are necessary or desirable to preserve the first priority lien created by this Mortgage. If Mortgagor shall fail or refuse to execute, acknowledge, where appropriate, and deliver such instruments and documents to preserve the first priority lien created by this Mortgage within 10 Business Days following a written request by Mortgagee, Mortgagor irrevocably constitutes and appoints Mortgagee as its attorney-in-fact to execute and deliver such instruments, it being stipulated that such power of attorney is coupled with an interest and is irrevocable and binding.

Section 1.23. Performance of Covenants; Incorporation of Representations and Warranties. Mortgagor shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Trust Indenture and in all of its proceedings pertaining to this Mortgage. The covenants, representations and warranties of Mortgagor set forth in the Trust Indenture are incorporated by reference into this Mortgage as if stated in full in this Mortgage and such representations and warranties as incorporated herein shall be deemed to have been made as of the date of this Mortgage and shall survive the execution and delivery of this Mortgage.

Section 1.24. Notification of Event of Default Under Mortgage. Mortgagor agrees to notify Mortgagee immediately in writing of any default by Mortgagor in the performance or observance of any covenant, agreement, representation, warranty or obligation of Mortgagor set forth in this Mortgage. Mortgagor shall also notify Mortgagee in writing of any event or condition which with the lapse of time or the giving of notice would constitute an Event of Default.

Section 1.25. [Reserved].

Section 1.26. Organization; Due Authorization. Mortgagor is a public school academy duly organized, validly existing and in good standing under the laws of the State and has the requisite power, authority and legal right to carry on the business conducted by it and to engage in the transactions contemplated by the Trust Indenture. The execution and delivery of

the Trust Indenture and this Mortgage and the performance and observance of the respective provisions thereof have all been authorized by all necessary actions of Mortgagor.

Section 1.27. Liabilities; Compliance With Other Instruments. Mortgagor has no liabilities regarding the Mortgaged Estate except those hereunder and those otherwise contemplated or permitted by this Mortgage and the Trust Indenture, none of which are delinquent. Mortgagor is not in default (i) in the payment of any taxes levied or assessed against it or its assets, (ii) under any applicable statute, rule, order or regulation of any governmental authority, (iii) under this Mortgage or the Trust Indenture, or (iv) under any other agreement to which it is a party or by which it or any of its properties are bound.

Neither the execution and delivery of this Mortgage or the Trust Indenture, nor the consummation of the transactions herein or therein contemplated nor compliance with the terms and provisions hereof or thereof, conflicts with or results or will result in a breach of any of the terms, conditions or provisions of the articles of incorporation of Mortgagor, any law, order, rule, regulation, writ, injunction or decree of any court or governmental authority, or any agreement or instrument to which Mortgagor is a party or by which it or any of its properties are bound, or constitutes or will constitute a default thereunder, or result or will result in the creation or imposition of any lien of any nature whatsoever upon any of its property or assets pursuant to the terms of any such agreement or instrument except the liens created or permitted by the Trust Indenture.

Section 1.28. Enforceability. This Mortgage and the Trust Indenture have been duly executed and delivered by Mortgagor and constitute valid and binding obligations of Mortgagor enforceable in accordance with their respective terms, except as the enforceability (but not the validity thereof) may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally.

Section 1.29. Pending Litigation. There are no proceedings pending or, to the knowledge of Mortgagor, threatened, against or affecting Mortgagor or any part of the Mortgaged Estate in any court or before any governmental authority or arbitration board or tribunal which if adversely determined would materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Mortgagor or the right or ability of Mortgagor to enter into this Mortgage or the Trust Indenture, and if any such proceedings are subsequently initiated or threatened then Mortgagor will promptly provide written notice to Mortgagee. Mortgagor is not in default with respect to any order of any court or governmental authority or arbitration board or tribunal.

Section 1.30. Compliance With Law. Mortgagor is in substantial compliance with all laws, ordinances, governmental rules or regulations to which it is subject, including, without limitation, the Occupational Safety and Health Act of 1970, the Employee Retirement Income Security Act of 1974 and all laws, ordinances, governmental rules or regulations relating to environmental protection the violation of which would materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Mortgagor.

Section 1.31. After-Acquired Property. The Mortgage Estate shall include the right, title and interest of Mortgagor in and to all improvements, additions and appurtenances to, the

Mortgaged Estate, hereafter acquired by or released to Mortgagor. As required, the Mortgagor shall execute and deliver to Mortgagee any further assurances, mortgages, grants, conveyances or assignments as Mortgagee may reasonably require to subject such property to the lien of this Mortgage.

Section 1.32. Transfer of Interests in Mortgagor or Mortgaged Estate. Except in accordance with the terms and restrictions of the Trust Indenture, and except for the Permitted Encumbrances, Mortgagor shall not, by operation of law or otherwise, sell, convey, alienate, transfer, grant, bargain, mortgage, encumber or assign ownership or control of all or any interest in Mortgagor or any part of the Mortgaged Estate or any interest therein, without the prior written consent of Mortgagee.

Section 1.33. Lease Provisions. Any lease of all or any part of the Mortgaged Estate by Mortgagor permitted under this Mortgage and the Trust Indenture shall contain a provision obligating such lessee to enter into a subordination, attornment and non-disturbance agreement with Mortgagee, in form and substance satisfactory to Mortgagee.

Section 1.34. Defeasance Terminates Lien. Upon defeasance of all Outstanding Bonds in accordance with the Trust Indenture, the lien of this Mortgage upon the Mortgaged Estate shall cease, and Mortgagee and Trustee shall execute and deliver to Mortgagor at Mortgagor's sole cost and expense all documents necessary to effect such a release.

ARTICLE II

ENVIRONMENTAL MATTERS

Section 2.01. Environmental Matters. Mortgagor hereby incorporates and reaffirms those covenants and representations contained in Sections 7.06, 7.07 and 7.08 of the Trust Indenture (including its covenant to provide certain environmental indemnifications) as an integral part of this Mortgage; provided, however, it is the intent of the parties that the environmental indemnifications contained herein are separate and independent obligations of Mortgagor which shall survive any release, foreclosure or other satisfaction of this Mortgage, and such indemnifications shall not be subject to any anti-deficiency defense.

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01. Assignment of Revenues. Mortgagor hereby absolutely assigns and transfers to Mortgagee all the Revenues of the Mortgaged Estate and hereby gives to and confers upon Mortgagee the right, power and authority to collect such Revenues. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee, at any time and from time to time, to take possession and control of the Mortgaged Estate and to demand, receive and enforce payment, to give receipts, releases and satisfaction, and to sue, in the name of Mortgagor or Mortgagee, for all such Revenues and apply the same to the Secured Obligations; provided, however, that Mortgagor shall have a license to possess and control the Mortgaged Estate and to collect such Revenues (but not more than one month in advance) which

is revocable at any time upon an Event of Default by Mortgagor under the Trust Indenture. The assignment of the Revenues of the Mortgaged Estate in this Article III is intended to be an absolute assignment from Mortgagor to Mortgagee and not merely the passing of a security interest.

While the assignment made in this Mortgage is present, direct and continuing, the execution and delivery hereof shall not in any way impair or diminish the obligations of Mortgagor under the provisions of any lease nor shall any of the obligations contained in any lease be imposed upon Mortgagee.

Section 3.02. Collection Upon Default. Upon any Event of Default under this Mortgage or the Trust Indenture, Mortgagee may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations (i) enter upon and take possession of the Mortgaged Estate, or any part thereof, and in its own name sue for or otherwise collect such Revenues, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any Secured Obligations, and in such order as Mortgagee may determine, and (ii) prepare and submit any applications or other documentation as necessary in order to permit Mortgagee to collect the Revenues of the Mortgaged Estate. The collection of such Revenues, or the entering upon and taking possession of the Mortgaged Estate shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

Mortgagee shall not be liable to Mortgagor, anyone claiming under or through Mortgagor or anyone having an interest in the Mortgaged Estate by reason of anything done or left undone by Mortgagee hereunder, except to the extent of Mortgagee's gross negligence or willful misconduct.

ARTICLE IV

SECURITY AGREEMENT

Section 4.01. Creation of Security Interest. With respect to any portion of the Mortgaged Estate which now constitutes fixtures governed by the UCC, this Mortgage shall constitute a security agreement between Mortgagor as the debtor and Mortgagee as the secured party, and Mortgagor hereby grants to Mortgagee a security interest in such portion of the Mortgaged Estate (such portion being the "Fixtures"). Cumulative of all other rights of Mortgagee hereunder, Mortgagee shall have all of the rights conferred upon secured parties by the UCC. Mortgagor will execute and deliver to Mortgagee all financing statements that may from time to time be required by Mortgagee to establish and maintain the validity and priority of the security interest of Mortgagee, or any modification thereof, and all costs and expenses of any searches required by Mortgagee. Mortgagee may exercise any or all of the remedies of a secured party available to it under the UCC with respect to such property, and it is expressly agreed that if upon an Event of Default Mortgagee should proceed to dispose of such property in accordance with the provisions of the UCC, 10 days' notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the UCC requiring such notice; provided, however, that Mortgagee may at its option dispose of such property in accordance with Mortgagee's rights

and remedies with respect to the real property pursuant to the provisions of this Mortgage, in lieu of proceeding under the UCC.

Mortgagor shall give advance notice in writing to Mortgagee of any proposed change in Mortgagor's name, identity, or business form or structure and will execute and deliver to Mortgagee, prior to or concurrently with the occurrence of any such change, all additional financing statements that Mortgagee may reasonably require to establish and maintain the validity and priority of Mortgagee's security interest with respect to any of the Mortgaged Estate described or referred to herein.

Some of the items of the Mortgaged Estate described herein are goods that are or are to become fixtures related to the Real Property, and it is intended that as to those goods, this Mortgage shall be effective as a financing statement filed as a fixture filing from the date of its filing for record in the real estate records of the county in which the Mortgaged Estate is situated. Information concerning the security interest created by this instrument may be obtained from Mortgagee, as secured party, at the address of Mortgagee stated in Section 6.05 of this Mortgage. The mailing address of Mortgagor, as debtor, is as stated in Section 6.05 of this Mortgage.

Section 4.02. Warranties; Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents and covenants, with respect to the Fixtures, as follows:

(a) except for the security interest granted hereby, Mortgagor is, and as to any of the Fixtures to be acquired after the date hereof will be, the sole owner of the Fixtures, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for purchase money liens and Permitted Encumbrances. Mortgagor will notify Mortgagee of, and will defend the Fixtures against, all prohibited claims and demands of all persons at any time claiming the same or any interest therein;

(b) Mortgagor will not lease, sell, convey or in any manner transfer the Fixtures (except Fixtures transferred in the ordinary course of business and replaced by Fixtures of a similar nature and having at least the same value as the Fixtures replaced, and except for Permitted Encumbrances as defined in the Trust Indenture) without the prior written consent of Mortgagee;

(c) the Fixtures are not used or bought for personal, family or household purposes;

(d) the Fixtures will be kept on or at the Project and Mortgagor will not remove the Fixtures from the Project without the prior written consent of Mortgagee, except such portions or items of personal property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with new items of equal or greater quality; and

(e) all covenants and obligations of Mortgagor contained herein relating to the Mortgaged Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

Section 5.01. Events of Default. Any one or more of the following events shall be deemed an event of default hereunder (each, an “Event of Default”):

(a) the occurrence of a default or an Event of Default by Mortgagor under the Trust Indenture (other than this Mortgage) subject to any applicable notice or cure periods provided therein;

(b) failure by Mortgagor to punctually perform or observe any covenant or agreement contained in this Mortgage (other than the monetary obligations described in paragraph (a) above) and such failure shall not have been cured within 30 days (or such longer period as permitted under the Trust Indenture) after written notice from Mortgagee of such failure;

(c) if Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent within the meaning of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the “Bankruptcy Code”), or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;

(d) if a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Mortgagor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Mortgagor or of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Mortgagor and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);

(e) if a writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Estate, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on the Mortgaged Estate or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 60 days after its entry or levy;

(f) if, during the term of the Bonds secured by this Mortgage, Mortgagor shall without the prior written approval of Mortgagee (unless permitted as provided herein) sell, convey, alienate, mortgage or encumber the Mortgaged Estate or any part thereof or any interest therein, or shall be divested of its title or any interest therein, in any manner, whether voluntarily or involuntarily, or if there is any merger, consolidation or dissolution affecting Mortgagor, or if there is a transfer of a majority interest in Mortgagor in a series of transactions or as a single transaction, unless any of the foregoing are permitted by the Trust Indenture;

(g) any assignment by Mortgagor of the whole or any part of the Revenues, issues or profits arising from the Mortgaged Estate (including, without limitation, the Revenues) to any person without the consent of Mortgagee (unless permitted as provided herein) or if, without such consent, Mortgagor shall otherwise further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the UCC) unless permitted by the Trust Indenture; or

(h) if at any time any representation, warranty or statement made by Mortgagor in the Trust Indenture or any certificate delivered by Mortgagor shall be incorrect or misleading in any material respect, or any material misrepresentation shall at any time be made to Mortgagee by Mortgagor.

Section 5.02. Acceleration Upon Default; Additional Remedies. Subject to the cure provisions of this Section 5.02, upon the occurrence of an Event of Default (which default is not cured within any applicable cure period) Mortgagee may, at Mortgagee's sole option exercised in Mortgagee's sole discretion, pursue any one or more of the following remedies:

(a) Declare all or any portion of the Secured Obligations to be due and payable, and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind except as otherwise provided herein;

(b) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon and take possession of the Mortgaged Estate or any part thereof and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Estate, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Estate, take any action described in Article II, III or IV hereof, sue for or otherwise collect the Revenues thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any Secured Obligations, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Estate, the taking of any action described in Article II, III or IV hereof, the collection of such Revenues and the application thereof as aforesaid, shall not cure or waive any default or notice of default or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Estate or the collection, receipt and application of Revenues, issues or profits, Mortgagee shall be entitled to exercise every right provided for the Trust Indenture or by law upon

occurrence of any Event of Default, including the right to exercise the power of sale herein conferred;

(c) Commence an action to foreclose this Mortgage (either judicially or non-judicially), appoint a receiver, specifically enforce any of the covenants hereof, or sell the Mortgaged Estate pursuant to the power of sale herein conferred and in a manner provided under Michigan law;

(d) Exercise any or all of the remedies available to a secured party under the UCC, including, but not limited to:

(i) Either personally or by means of a court appointed receiver, commissioner or other officer, take possession of all or any of the Fixtures and exclude therefrom Mortgagor and all others claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect of the Fixtures or any part thereof. In the event Mortgagee demands or attempts to take possession of the Fixtures in the exercise of any rights under the Trust Indenture, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Mortgagee;

(ii) Without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to the security interest granted hereunder and, in exercising any such powers or authority, to pay all expenses incurred in connection therewith;

(iii) Require Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver such Fixtures to Mortgagee, or an agent or representative designated by it. Mortgagee, and its agents and representatives, shall have the right to enter upon any or all of Mortgagor's premises and property to exercise Mortgagee's rights hereunder;

(iv) Sell, lease or otherwise dispose of the Fixtures at public sale, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as Mortgagee may determine. Mortgagee may be a purchaser at any such sale; and

(v) Unless the Fixtures are perishable or threaten to decline speedily in value or are of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least 10 days' prior written notice of the time and place of any public sale of the Fixtures or other intended disposition thereof. Such notice may be mailed to Mortgagor at the address set forth in Section 6.05 of herein and shall be deemed to be given on the date of mailing thereof; and

(vi) Any sale made pursuant to the provisions of this subsection shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of all or a portion of the remainder of the Mortgaged Estate under power of sale as provided herein upon giving the same notice with respect to the sale of the Personal Property hereunder as is required for such sale of the remainder of the Mortgaged Estate under power of sale, and such sale shall be deemed to be pursuant to a security agreement covering both real and personal property under the UCC.

(e) Exercise any other rights or remedies which may now or hereafter be available to Mortgagee under this Mortgage or the Trust Indenture or pursuant to applicable law or in equity; or

(f) If held by Mortgagee, surrender the insurance policies maintained pursuant to Section 1.05, collect the unearned insurance premiums and apply such sums as a credit on the Secured Obligations in such priority and proportion as Mortgagee in its sole discretion shall deem proper, and in connection therewith, Mortgagor hereby appoints Mortgagee as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Mortgagee to collect such insurance premiums.

THIS MORTGAGE CONTAINS A POWER OF SALE AND UPON THE OCCURRENCE OF AN EVENT OF DEFAULT MAY BE FORECLOSED BY ADVERTISEMENT. IN FORECLOSURE BY ADVERTISEMENT AND THE SALE OF THE MORTGAGED ESTATE IN CONNECTION THEREWITH, NO HEARING IS REQUIRED AND THE ONLY NOTICE REQUIRED IS THE PUBLICATION OF NOTICE IN A LOCAL NEWSPAPER AND THE POSTING OF A COPY OF THE NOTICE ON THE PREMISES. THE MORTGAGOR HERBY WAIVES ALL RIGHTS UNDER THE CONSTITUTION AND LAWS OF THE UNITED STATES AND THE STATE TO A HEARING PRIOR TO SALE IN CONNECTION WITH FORECLOSURE OF THIS MORTGAGE BY ADVERTISEMENT AND ALL NOTICE REQUIREMENTS EXCEPT AS SET FORTH IN THE MICHIGAN STATUTE PROVIDING FOR FORECLOSURE BY ADVERTISEMENT.

Section 5.03. [Reserved].

Section 5.04. Appointment of Receiver. If an Event of Default (which is not cured within any applicable cure period) shall have occurred, Mortgagee, as a matter of right and without notice to Mortgagor or anyone claiming under Mortgagor, and without regard to the value of the Mortgaged Estate or the interest of Mortgagor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Estate and Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases in accordance with Michigan law and all the powers and duties of Mortgagee in case of entry as provided in Section 5.02(b) and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Estate unless such receivership is sooner terminated. Mortgagee shall, in addition to and not in limitation of any of the foregoing or any other remedies provided in this Mortgage or otherwise available under applicable law, have all of the rights provided under the laws of the State.

Section 5.05. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any Secured Obligation hereby and to exercise all rights and powers under this Mortgage or under the Trust Indenture or other agreement or any laws now or hereafter in force. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by the Trust Indenture to Mortgagee, or to which Mortgagee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee. Mortgagee may pursue inconsistent remedies.

The acceptance by Mortgagee of any sum after the same is due shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums hereby secured or to declare a default as herein provided. The acceptance by Mortgagee of any sum in an amount less than the sum then due shall be deemed an acceptance on account only and upon condition that it shall not constitute a waiver of the obligation of Mortgagor to pay the entire sum then due, and failure of Mortgagor to pay such entire sum then due shall be and continue to be an Event of Default notwithstanding such acceptance of such amount on account, as aforesaid. Mortgagee or Trustee shall be, at all times thereafter and until the entire sum then due shall have been paid, and notwithstanding the acceptance by Mortgagee thereafter of further sums on account, or otherwise, entitled to exercise all rights in this instrument conferred upon it, and the right to proceed with a sale under any notice of default, or an election to sell, or the right to exercise any other rights or remedies hereunder, shall in no way be impaired, whether any of such amounts are received prior or subsequent to such proceeding, election or exercise. Consent by Mortgagee to any action or inaction of Mortgagor which is subject to consent or approval of Mortgagee hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions or inactions.

Section 5.06. Possession of Mortgaged Estate. In the event of a trustee's sale or foreclosure sale hereunder and after the time of such sale, and Mortgagor occupies the portion of the Mortgaged Estate so sold, or any part thereof, Mortgagor shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either tenant or landlord, at a reasonable rental per day based upon the value of the portion of the Mortgaged Estate so occupied, such rental to be due and payable daily to the purchaser. An action of unlawful detainer shall lie if the tenant holds over after a demand in writing for possession of such Mortgaged Estate and premises; and this agreement and a trustee's deed shall constitute a lease and agreement under which the tenant's possession arose and continued. Nothing contained in this Mortgage shall be construed to constitute Mortgagee as a "mortgagee in possession" in the absence of its taking actual possession of the Mortgaged Estate pursuant to the powers granted herein.

Section 5.07. Relief from Stay. In the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under

the Bankruptcy Code, subject to court approval, Mortgagee shall thereupon be entitled and Mortgagor irrevocably consents to relief from any stay imposed by Section 362 of the Bankruptcy Code on or against the exercise of the rights and remedies otherwise available to Mortgagee as provided in the Trust Indenture and Mortgagor hereby irrevocably waives its rights to object to such relief. In the event Mortgagor shall commence a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code, Mortgagor hereby agrees that no injunctive relief against Mortgagee shall be sought under Section 105 or other provisions of the Bankruptcy Code by Mortgagor or other person or entity claiming through Mortgagor, nor shall any extension be sought of the stay provided by Section 362 of the Bankruptcy Code.

Section 5.08. Cash Collateral. To the fullest extent allowed by applicable law, Mortgagor hereby acknowledges and agrees that in the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (i) that all of the Revenues are, and shall for purposes be deemed to be, “proceeds, product, offspring, rents, or profits” of the Project covered by the lien of the Mortgage, as such quoted terms are used in Section 552(b) of the Bankruptcy Code; (ii) that in no event shall Mortgagor assert, claim or contend that any portion of the Revenues are, or should be deemed to be, “accounts” or “accounts receivable” within the meaning of the Bankruptcy Code and/or applicable state law; (iii) that the Revenues are and shall be deemed to be in any such bankruptcy proceeding “cash collateral” of Mortgagee as that term is defined in Section 363 of the Bankruptcy Code; and (iv) that Mortgagee has valid, effective, perfected, enforceable and matured rights in and to the Revenues without any further action required on the part of Mortgagee to enforce or perfect its rights in and to such cash collateral, including, without limitation, providing notice to Mortgagor under Section 546(b) of the Bankruptcy Code.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Governing Law. This Mortgage shall be governed by the internal laws of the State without giving effect to its conflicts of law principles. In the event that any provision or clause of this Mortgage conflicts with applicable laws, such conflicts shall not affect other provisions of this Mortgage which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought and in accordance with the applicable provisions of the Trust Indenture. If any conflict shall arise between the terms of this Mortgage and the Trust Indenture, the terms of the Trust Indenture shall govern.

Section 6.02. Waiver of Rights. To the extent permitted by law, Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted (i) providing for any appraisal before sale of any portion of the Mortgaged Estate, or (ii) in any way extending the time for the enforcement of the collection of the Secured Obligations or creating or extending a period of redemption from any sale made in collecting the Secured Obligations. To the full extent Mortgagor may do so under the laws of the State, Mortgagor agrees that Mortgagor will

not at any time insist upon, plea, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension, redemption or homestead exemption, and Mortgagor, for Mortgagor, Mortgagor's representatives, successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Estate, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, homestead exemption, notice of election to mature or declare due the whole of the Secured Obligations and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Mortgagor, Mortgagor's heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Mortgagor expressly waives and relinquishes any and all rights, remedies and defenses that Mortgagor may have or be able to assert by reason of the laws of the State pertaining to the rights, remedies and defenses of sureties. The waivers and agreements contained in this section and elsewhere in this Mortgage are given by Mortgagor knowingly and voluntarily and upon advice of counsel.

Section 6.03. Limitation of Interest. All agreements between Mortgagor and Mortgagee, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid, to Mortgagee for the use, forbearance, or detention of the money to be held pursuant to the Trust Indenture or otherwise, or for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever fulfillment of any provision hereof at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by law, then, *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Mortgagee or holders of the Bonds shall ever receive as interest under the Bonds or this Mortgage or otherwise anything of value which would exceed interest at the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing under the Bonds or on account of other Secured Obligations and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Bonds and such other Secured Obligations, such excess shall be refunded to Mortgagor. All sums paid or agreed to be paid to Mortgagee for the use, forbearance, or detention of the Secured Obligations shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such obligations until payment in full so that the rate of interest on account of Secured Obligations is uniform throughout the term thereof. The terms and provisions of this paragraph shall control all agreements between Mortgagor and Mortgagee.

Section 6.04. [Reserved]

Section 6.05. Notices. Unless otherwise required by law, whenever Mortgagee or Mortgagor shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing and shall be deemed to have been given: (a) upon receipt if sent by hand delivery; (b) one day after deposit with overnight courier; or (c) two days after deposit in the case of certified mail, postage prepaid, addressed to the following mailing addresses:

If to Mortgagor: Charyl Stockwell Academy
9758 E. Highland Road
Howell, MI 48843
Attention: Principal
Telephone: (810) 632-2200
Facsimile: (810) 632-2201

If to Mortgagee: U.S. Bank Trust Company, National Association
ATTN: Global Corporate Trust
EP-MN-WS3C
60 Livingston Avenue
St. Paul MN 55107
Tel: (651) 466-6307
Fax: (651) 466-7429

Any party may at any time change its address for such notices by delivering to the other parties hereto, as aforesaid, a notice of such change.

Section 6.06. Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

Section 6.07. Invalidity of Certain Provisions; Conflicting Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the Secured Obligations, or if the lien is invalid or unenforceable as to any part of the Mortgaged Estate, the unsecured or partially secured portion of the Secured Obligations shall be completely paid prior to the payment of the remaining and secured portion of the Secured Obligations, and all payments made on such obligations, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the Secured Obligations which is not secured or fully secured by the lien of this Mortgage.

Section 6.08. Subrogation. To the extent that proceeds of the Bonds or advances under this Mortgage are used to pay any outstanding lien, charge or prior encumbrance against the Mortgaged Estate, such proceeds or advances have been or will be advanced by Mortgagee at Mortgagor's request, and Mortgagee shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released of record.

Section 6.09. Change in Ownership. If the ownership of the Mortgaged Estate or any part thereof or interest therein becomes vested in a person other than Mortgagor owning the same on the date hereof, Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest with reference to this Mortgage and the Secured Obligations in the same manner as with Mortgagor without in any way vitiating or discharging Mortgagor's liability hereunder or upon the Secured Obligations. No sale of the Mortgaged Estate, and no forbearance on the part of Mortgagee, and no extension of the time for the payment of the Secured Obligations, given by Mortgagee, shall operate to release, discharge, modify, change or affect the original liability, if any, of Mortgagor or the liability of any guarantors or sureties of Mortgagor, either in whole or in part; provided that Mortgagor may be released from its original

liability under this Mortgage upon transfer of the entire Mortgaged Estate with the written consent of Mortgagee and as permitted under the Trust Indenture.

Section 6.10. Assignment of Mortgagee's Interest. It is expressly agreed that any and all terms of this Mortgage, the Trust Indenture and all other agreements made or executed by Mortgagor or others in favor of Mortgagee, and all rights, powers, privileges, options and remedies conferred upon Mortgagee herein and therein, shall inure to and be for the benefit of, and may be exercised by, Mortgagee and its successors and assigns, and the words "Mortgagee" shall also mean and include the successor or successors and the assign or assigns of Mortgagee and its successors and assigns. Mortgagor hereby specifically grants unto Mortgagee the right and privilege, at Mortgagee's option, but subject nevertheless to the provisions of the Trust Indenture, to transfer and assign to any third person all or any part of Mortgagee's rights to receive funds or payments hereunder.

Section 6.11. Time Is of the Essence. Time is of the essence under this Mortgage and the Trust Indenture.

Section 6.12. Obligations of Mortgagor. The obligations of Mortgagor to make payments hereunder and under the Trust Indenture and to perform and observe all agreements on its part contained herein and therein shall be absolute and unconditional. Until this Mortgage is terminated or payment in full of all Bonds is made or is provided for in accordance with the Trust Indenture, Mortgagor (i) will not suspend or discontinue any payments under the Trust Indenture or neglect to perform any of its duties required thereunder or hereunder; (ii) will perform and observe all of its obligations set forth in the Trust Indenture, this Mortgage and the Bonds; and (iii) except as provided herein will not terminate the Trust Indenture or this Mortgage for any cause.

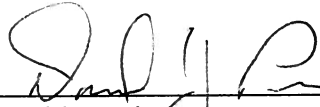
Section 6.13. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereon or under the Trust Indenture, this Mortgage or the Bonds or upon any obligation, covenant or agreement herein against any past, present or future officer, director, trustee, member, employee or agent of Mortgagor, whether directly or indirectly and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Bonds.

Section 6.14. Supplements; Amendments. This Mortgage may be supplemented or amended by written agreement between Mortgagor and Mortgagee in accordance with the applicable provisions of the Trust Indenture.

Section 6.15 Power of Attorney. Mortgagee may act as attorney-in-fact or otherwise on behalf of Mortgagor pursuant to Sections 1.22, 3.01 and 5.02(f) of this Mortgage. This power of attorney is coupled with an interest, is durable and is not affected by subsequent disability or incapacity of the principal or lapse of time.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed on the day and year set forth in the acknowledgment attached hereto and effective on the date first written above.

CHARYL STOCKWELL ACADEMY

By: 
David J. Price

Its: President

STATE OF MICHIGAN)
) ss:
COUNTY OF LIVINGSTON)

Personally came before me on August 2nd, 202~~7~~^{3rd}, the above named David J. Price, President of Charyl Stockwell Academy, to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of Charyl Stockwell Academy.

C SCHROEDER
Notary Public, State of Michigan
County of Wayne
My Commission Expires Nov. 03, 2028
Acting In the County of Livingston

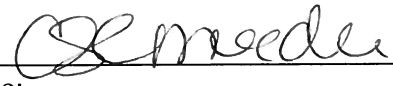

Name:
Notary Public, State of Michigan
My commission expires: 11-3-28
Acting in County of: Livingston



EXHIBIT A

LEGAL DESCRIPTION

The land referred to in this Mortgage is located in the Township of Hartland, County of Livingston, State of Michigan, and described as follows:

Part of the East 1/2 of the Northeast 1/4 of Section 29, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan, described as: Commencing at the Northeast corner of said Section 29; thence South 02 degrees 11 minutes 10 seconds East along the East line of said Section 29, 424.00 feet to the Point of Beginning of the parcel to be described; thence continuing South 02 degrees 11 minutes 10 seconds East along said East line, 726.00 feet; thence South 86 degrees 10 minutes 17 seconds West 600.25 feet; thence North 02 degrees 11 minutes 10 seconds West 726.00 feet; thence North 86 degrees 10 minutes 17 seconds East, 600.25 feet to the Point of Beginning. Including the non-exclusive use of a 66 foot wide Private Road Easement for ingress and egress and public utilities as described below.

66-FOOTWIDE PRIVATE ROAD EASEMENT FOR INGRESS AND EGRESS AND PUBLIC UTILITIES:

Part of the East 1/2 of the Northeast 1/4 of Section 29, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan, described as:

Commencing at the Northeast corner of said Section 29; thence South 02 degrees 11 minutes 10 seconds East along the East line of said Section 29, 48.26 feet to the Point of Beginning of the Easement to be described; thence continuing South 02 degrees 11 minutes 10 seconds East along said East line, 375.74 feet; thence South 86 degrees 10 minutes 17 seconds West 66.07 feet; thence North 02 degrees 11 minutes 10 seconds West 361.08 feet to the Southerly Right-of-Way line of M-59 Highway; thence North 86 degrees 28 minutes 18 seconds East along said Right of Way line, 16.14 feet; thence along said Right of Way line, North 03 degrees 31 minutes 42 seconds West 15.00 feet; thence North 86 degrees 28 minutes 18 seconds East along said Right of Way line, 50.27 feet to the Point of Beginning.

Commonly known as: 9758 Highland Rd, Howell, MI 48843

The land referred to in this Mortgage is located in the City of Brighton, County of Livingston, State of Michigan, and described as follows:

Unit 2, Summit Pointe Commercial Campus, a condominium, according to the Master Deed recorded in Liber 3099, Page 92, Livingston County Records, and any amendments thereto, and designated as Livingston County Condominium Subdivision Plan No. 229, together with rights in general common elements and limited common elements as set forth in the above Master Deed and as described in Act 59 of the Public Acts of 1978, as amended.

Commonly known as: 1032 Karl Greimel Dr, Brighton, MI 48116.

EXHIBIT B

PERMITTED EXCEPTIONS
AS DISCLOSED IN TITLE INSURANCE POLICY

39595906.1/155564.00008

AMENDMENT NO. 2

to the
July 1, 2023 Contract to Charter
A Public School Academy and Related Documents

Issued To

CHARYL STOCKWELL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 2

CHARYL STOCKWELL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2023, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to CHARYL STOCKWELL ACADEMY (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

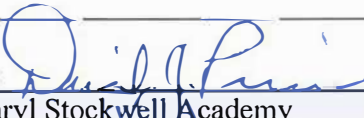
- 1.) Amend the Terms and Conditions of Contract by replacing the language contained within Article X, Section 10.4. Grounds and Procedures for Academy Termination of Contract and Section 10.5. Grounds and Procedures for University Termination of Contract, with the corresponding language attached as 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: 06/25/2024

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



Dated: 06/13/24

By: David J. Paine
Charyl Stockwell Academy
Designee of the Academy Board

Charyl Stockwell Academy

Contract Amendment No. 2

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.

Charyl Stockwell Academy

Contract Amendment No. 2

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.

Charyl Stockwell Academy

Contract Amendment No. 2

Tab 3

EDUCATIONAL GOAL AND RELATED MEASURES

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.2, the Academy shall achieve or demonstrate measurable progress for all groups of pupils toward the achievement of the educational goal identified in this schedule. Although an increase in academic achievement for all groups of pupils as measured by assessments and other objective criteria is the most important factor in determining the Academy's progress toward the achievement of the educational goal, the Center also considers other factors. Upon request, the Academy shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal. In addition, the University expects the Academy will meet the State of Michigan's accreditation standards pursuant to state and federal law.

Educational Goal to be Achieved

Prepare students academically for success in college, work and life.

Measures to Assist In Determining Measurable Progress Toward Goal Achievement

To assist in determining whether the Academy is achieving measurable progress toward the achievement of this goal, the Center will annually assess the Academy's performance using the following measures.

Measure 1: Student Achievement

The academic achievement of **all students who have been at the academy for one or more years¹** in grades 3-8 will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current, spring, grade-level national norms ² on the NWEA Growth reading and math tests administered in the spring.	Distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 50.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	50%
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 spring grade-level national norms over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The percentage of students categorized as proficient or advanced on the most recent state assessment will surpass the school's Composite Resident District (CRD) percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

¹ One or more years students (also called 1+ students) are students who are enrolled in the academy on or before count day and are still enrolled at the end of a given academic year.

² Grade level national norms are updated periodically by NWEA following comprehensive norming studies. The Center will use the most updated national norms published by NWEA and will inform the Academy when the norms are updated and how the updated norms may impact analysis and performance reporting.

Measure 2: Student Growth

The academic growth of all students in grades 3-8 at the Academy will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The median of student growth percentiles (MGP) reflecting fall-to-spring scaled score growth on the reading and math NWEA Growth tests.	MGP: Exceeds $\geq 65^{\text{th}}$ Meets $\geq 50^{\text{th}}$ Approaching $\geq 45^{\text{th}}$ Does not meet $< 45^{\text{th}}$	Reading: 50 Math: 50
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 making at least one year’s growth over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The mean student growth percentile reflecting growth on the two most recent state assessments will surpass the school’s Composite Resident District.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

This space left intentionally blank.

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.

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%

AMENDMENT NO. 3

to the
July 1, 2023 Contract to Charter
A Public School Academy and Related Documents

Issued To

CHARYL STOCKWELL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 3

CHARYL STOCKWELL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2023, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to CHARYL STOCKWELL ACADEMY (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

- 1.) Amend Schedule 6: Physical Plant Description, by replacing the materials contained therein with the materials attached as Tab 1.

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 August 13, 2024.



Dated: 09/03/2024

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



Digitally signed by David J.
Price
Date: 2024.09.02 16:28:50
-04'00'

Dated: 9/02/24

By: David Price, Board President
Charyl Stockwell Academy
Designee of the Academy Board

Charyl Stockwell Academy

Contract Amendment No. 3

Tab 1

PHYSICAL PLANT DESCRIPTION

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

Physical Plant Description 6-1

Bond Purchase Agreement 2023 (Elementary and High School Sites)..... 6-4

Bond Purchase Agreement 2015 (Elementary and High School Sites)..... 6-20

Amended and Restated Mortgage (Elementary and High School Sites) 6-37

a. Elementary School Site

Site Plan 6-68

Floor Plan..... 6-69

Certificates of Use and Occupancy 6-70

b. Middle School Site

Site Plan 6-73

Floor Plans 6-74

Second Lease Addendum..... 6-76

First Lease Addendum 6-84

Lease Agreement 6-86

Certificate of Use and Occupancy 6-110

c. High School Site

Site Plan 6-111

Floor Plans 6-112

Certificates of Use and Occupancy 6-114

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 Charyl Stockwell Academy (the "Academy") is as follows:

a. Elementary School Site

Address: 9758 E. Highland Rd.
Howell, MI 48843

Description: The Site includes a 72,175 square foot, one-story building. It includes 42 classrooms, 36 restrooms, two lobbies with reception areas, several offices, a sick room, a teacher work/copy room, conference rooms, storage areas, a library with a children’s reading room, a level library, art room, music room, parent leadership room, team rooms and a gymnasium with a stage.

Configuration of Grade Levels: Kindergarten through Fifth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Hartland Consolidated Schools
ISD: Livingston Educational Service Agency

b. Middle School Site

Address: 1021 Karl Greimel Dr.
Brighton, MI 48116

Description: The Academy’s two-story facility at this Site is approximately 47,420 square feet and is located directly across the street from the Academy’s other Site located at 1032 Karl Greimel Dr., Brighton, MI 48116. The facility includes 13 classrooms, four multi-station restrooms, 10 individual restrooms, a media center, a reception area, administrative office space, additional office space, three conference rooms, a file room, mechanical rooms, a staff work room, and a gymnasium with a concession area, two locker rooms with restrooms, and an exercise track on the second level.

Configuration of Grade Levels: Sixth through Eighth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Brighton Area Schools
ISD: Livingston Educational Service Agency

c. High School Site

Address: 1032 Karl Greimel Dr.
Brighton, MI 48116

Description: The Academy added this Site in 2010. The 40,000 square foot facility was constructed in 2005 and is located on the corner of Orndorf Dr. and Karl Greimel Dr. The one story facility contains 21 classrooms, one lab, a media center, cafeteria/auditorium, gymnasium, eight restrooms, two resource rooms, two network rooms, two janitor closets, a reception area and administrative space. There is also a 2,680 square foot storage mezzanine located above a portion of the north side of the facility. In addition, the Site contains an ample parking area.

Configuration of Grade Levels: Ninth through Twelfth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Brighton Area Schools
ISD: Livingston Educational Service Agency

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.

\$7,875,000
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE BONDS, SERIES 2023

BOND PURCHASE AGREEMENT

July 27, 2023

Charyl Stockwell Academy
9758 E Highland Rd
Howell, MI 48843

Ladies and Gentlemen:

We, Piper Sandler & Co. (herein called the “Underwriter”), hereby offer to enter into this Bond Purchase Agreement (this “Agreement”) with Charyl Stockwell Academy (the “Issuer”) for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 5:00 p.m., Minneapolis, Minnesota time, on July 27, 2023, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. If not so accepted, this Bond Purchase Agreement will be subject to withdrawal by the Underwriter upon notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), to the Underwriter all (but not less than all) of the Issuer’s Public School Academy Revenue Bonds, Series 2023, in the aggregate principal amount of \$7,875,000 (the “Bonds”), at an aggregate purchase price of \$7,406,250. Such purchase price represents the par amount of the Bonds (\$7,875,000), less original issue discount (\$393,750), less Underwriter’s discount (\$75,000). The Bonds shall be issued and secured under and pursuant to a Trust Indenture dated as of April 1, 2015 (the “Original Indenture”), as supplemented by a Supplemental Indenture dated August 1, 2023 (the “Supplemental Indenture,” and together with the Original Indenture, the “Trust Indenture”), and under and pursuant to the Resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on August 11, 2022 (the “Bond Resolution”), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory and extraordinary redemption as set forth in Schedule I hereto. The Underwriter agrees to make a public offering of the Bonds at the respective initial offering prices set forth in Schedule I hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to (i) finance the construction, equipping and furnishing of an addition to the Academy's elementary facility (the "Elementary School") located at 9758 E. Highland Road, Howell, Michigan (the "Project"); (ii) fund a debt service reserve fund; and (iii) pay certain costs associated with the issuance of the Bonds. The Bonds will be further secured by an Amended and Restated Mortgage dated as of August 1, 2023 (the "Mortgage"), granting a lien on and security interest in the Issuer's Facilities.

The Series Bonds are being issued on a parity with the Academy's outstanding Public School Academy Revenue and Refunding Bonds, Series 2015, dated April 30, 2015 (the "Series 2015 Bonds"), that were issued in the original principal amount of \$15,925,000 pursuant to the Original Indenture.

2. Establishment of Issue Price. The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" certificate substantially in the form attached hereto as Exhibit A, together with the supporting pricing wires, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer, and Miller, Canfield, Paddock & Stone, P.L.C., Detroit, Michigan ("Bond Counsel"), to accurately reflect the sales price or prices and the initial offering price or prices of the Bonds to the public.

The Underwriter confirms that it has offered the Bonds to the public on or before the Sale date at the specified offering price (the "initial offering price") for each maturity, or at the corresponding yield or yields, set forth in, set forth in Schedule I attached hereto. Schedule I also sets forth, as of the Sale date, any maturity at least 10% of which has first been sold to the Public at the respective initial offering price.

The Underwriter acknowledges that sales of any Bonds to any person that is a related party to a Member of the Distribution Group shall not constitute sales to the Public for purposes of this Section. Further, for purposes of this Section 2:

- (i) "Public" means any person other than a Member of the Distribution Group or a related party to a Member of the Distribution Group
- (ii) "Maturity" means Bonds with the same credit and payment terms;
- (iii) "Member of the Distribution Group" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public);
- (iv) A person is a "related party" to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or

indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (v) “Sale Date” means the date of execution of this Bond Purchase Agreement by all parties.

3. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer’s expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto (the “Official Statement”), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated January 27, 2023 (the “Preliminary Official Statement”), in offering the Bonds for public sale to prospective purchasers of the Bonds.

(b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the “Rule”) and all other applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.

(c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.

(d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.

(e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB’s Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.

4. Closing. At 11:00 a.m., Minneapolis, Minnesota time, on August 3, 2023, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the “Closing Date”), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the “Closing.” The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.

5. Representations of the Issuer. In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:

(a) The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading, provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official Statement in “APPENDIX J — BOOK-ENTRY-ONLY-SYSTEM,” which was furnished by DTC; and (ii) furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement as described in Section 6(c) hereof, as to which statements and information the Issuer makes no representation other than that the Issuer has no knowledge or notice that such information is inaccurate or misleading. If, at any time prior to the later of (i) receipt of notice from the Underwriter pursuant to Section 3(c) hereof that final Official Statements are no longer required to be delivered under the Rule, or (ii) the date described in Section 3(e) hereof, any event occurs with respect to the Issuer as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event. Upon the request of the Underwriter, the Issuer shall prepare and deliver to the Underwriter, at the expense of the Issuer, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or omission therein as the Underwriter may reasonably request. Any amendment of or supplement to the Official Statement to be distributed pursuant to this Section 5, Paragraph (a), shall contain a statement that the Underwriter has neither participated in the preparation thereof nor made any independent investigation of the facts contained therein and does not assume any responsibility for the sufficiency, accuracy or completeness of the information contained therein.

(b) The Issuer is duly organized and existing and in good standing as a nonprofit corporation, public school academy and public agency under the laws of the State of Michigan (the “State”) and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, a Continuing Disclosure Agreement dated as of August 1, 2023, between the Issuer and the Trustee, as dissemination agent (the “Continuing Disclosure Agreement”), the Educational Services Provider Agreement, dated as of dated July 1, 2023 (the “Management Agreement”) between CS Partners, LLC, a Michigan limited liability company, and CSP Management Inc., a Michigan corporation d/b/a Partner Solutions for Schools (“CSP”) and the Issuer, the Amended and Restated State School Aid Payment Agreement dated as of August 1, 2023 (the “State Aid Agreement”), between the Issuer and the Trustee and acknowledged by the Central Michigan University Board of Trustees (the “Authorizing Body”), the Standard Form of Agreement Between Owner and Architect dated June 21, 2022 (the “Architect Contract”) between the Issuer and Integrated Architecture (the “Architect”), the Collateral Assignment of Architect Contract dated August 1, 2023, executed by the Issuer in favor the Trustee and acknowledged and consented to by the Architect (the “Assignment of Architect Contract”), the Standard Form of Agreement between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated March 28, 2022 (the “Construction Contract”) between the Issuer and Corrigan Construction LLC (the “Construction Manager”), the Collateral Assignment of Construction Contract dated August 1, 2023, executed by the Issuer in favor the Trustee and acknowledged and consented to by the Construction Manager (the “Assignment of Construction Contract”), the Amended and Restated Environmental Indemnification Agreement dated August 1, 2023, between the Issuer and the Trustee (the “Environmental Indemnification Agreement”), the Subordination of Management Fees Agreement dated August 1, 2023, by and among ORIX Public Finance, LLC, the Issuer, and CSP (the “Subordination of Fees Agreement”), and this Agreement (collectively, the “Issuer Documents”), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State to issue bonds to refinance certain of its outstanding obligations.

(c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.

(d) Except as may be required under Blue Sky or other securities laws of the United States or any state, there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer, including the Authorizing Body, required for the execution and delivery of the Bonds or the entering into of

the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as has already been obtained.

(e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction, including the Authorizing Body, which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.

(f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter's actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate.

(g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.

(i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.

(j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(k) The Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.

(l) The Issuer is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended, and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended.

(m) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.

(n) There are no affiliations, interrelationships and / or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in the Official Statement.

(o) The Issuer acknowledges that the Underwriter is acting as an underwriter for the Bonds and has not agreed to serve as a financial advisor to the Issuer.

(p) The Issuer is in compliance with any and all prior continuing disclosure undertakings for the previous five years, except as specifically disclosed in the Official Statement.

6. Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended, collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. No failure of the Underwriter to give, and no delay in giving, that notice shall relieve the Issuer to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Issuer of the action, claim or proceeding, and only to the extent of that prejudice. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the

defense thereof, but the fees and expenses of such counsel shall be at the expense of the Underwriter or such controlling person, as the case may be, unless the retaining of such counsel has been specifically authorized by the Issuer or except as otherwise provided in the Issuer Documents.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an “Issuer Indemnified Party” and collectively the “Issuer Indemnified Parties”) and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be contained therein or which is necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect; or arising out of violations by the Underwriter of representations made by it in this Agreement or violations by it of applicable securities laws; and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission, or violation, if such settlement is effected with the written consent of the Underwriter. In case any claim shall be made or action brought against an Issuer Indemnified Party or such controlling person (as aforesaid) based upon the Preliminary Official Statement, the Official Statement or this Agreement, in respect of which indemnity may be sought against the Underwriter, the Issuer or such controlling person shall promptly notify the Underwriter in writing setting forth the particulars of such claim or action and the Underwriter shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. No failure of the Issuer to give, and no delay in giving, that notice shall relieve the Underwriter to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Underwriter of the action, claim or proceeding, and only to the extent of that prejudice. The Issuer Indemnified Party or any controlling person shall have the right to retain separate counsel, in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the party retaining such counsel unless the retaining of such counsel has been specifically authorized by the Underwriter.

(c) For the purpose of paragraphs (a) and (b) of this Section 6, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices of the Bonds set forth on the cover pages of, and under the caption “Underwriting” in, the Preliminary Official Statement and the Official Statement.

(d) If the indemnification provided for in subsection (a) of this Section is unavailable to the Underwriter (or any controlling person thereof) in respect of any losses, claims, damages or liabilities referred to therein, then the Issuer shall, in lieu of indemnifying the Underwriter, contribute to the amount paid or payable by the Underwriter as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Underwriter, respectively, from the underwriting of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Issuer shall contribute to such amount paid or payable by the

Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuer and the Underwriter, respectively, in connection with the statements or omission which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefit received by the Issuer or the Underwriter, respectively, shall be deemed to be in the same proportion as the total proceeds from the underwriting of the Bonds (before deducting costs and expenses other than underwriting fees and expenses), on the one hand, bear to the total underwriting fees and expenses received by the Underwriter, on the other hand. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact related to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided, however, that in the case of an allegation or a determination that arises out of or is based upon a failure in connection with the public offering of the Bonds to register any security under the 1933 Act or to qualify any indenture under the Trust Indenture Act of 1939, the fault shall be deemed entirely that of the Issuer. The Issuer and the Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The amount paid or payable by the Underwriter as a result of the losses, claims, damages or liabilities referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by the Underwriter (or any controlling person thereof) in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute any amount in excess of the underwriting fee paid to the Underwriter under Section 9 hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who is not guilty of such fraudulent misrepresentation.

7. Conditions Precedent. The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing:

(b) at or prior to the Closing, the Underwriter shall receive the following documents:

- i. an executed copy of the Trust Indenture;
- ii. an executed copy of the Mortgage;

- iii. an executed copy of the Continuing Disclosure Agreement;
- iv. the approving opinion of Miller, Canfield, Paddock & Stone, P.L.C., as Bond Counsel and counsel to the Issuer, in form reasonably acceptable to the Underwriter, and a supplemental opinion of Bond Counsel as to the exemption from registration of the Bonds;
- v. a certificate of the Authorizing Body in form satisfactory to the Underwriter;
- vi. evidence of the proper recording, in applicable real estate records, of the Mortgage;
- vii. a certificate of the Issuer, dated the Closing Date, relating to the accuracy of the information in the Official Statement, incumbency and signature of authorized officers, execution and delivery of the Bonds and the other documents to which the Issuer is a party, no litigation and continued existence, in form reasonably acceptable to the Underwriter;
- viii. a certified copy of the resolution adopted by the Board of the Issuer authorizing the execution and delivery of the Bonds, the Trust Indenture and all related documents;
- ix. a mortgagee's title insurance policy which shall evidence good and marketable title in the Facilities insuring the Trustee's interest granted by the Mortgage, in form reasonably satisfactory to the Underwriter;
- x. organizational documents of the Issuer certified by an authorized officer of the Issuer;
- xi. the Nonarbitrage and Tax Compliance Certificate of the Issuer;
- xii. a certificate, dated the Closing Date, signed by an authorized officer or officers of the Trustee, to the effect that the Trustee is a national banking association, duly organized and existing under the laws of the United States of America, and has full power and authority to conduct its activities, to execute, deliver and perform its obligations under the Trust Indenture, and to carry out the transactions contemplated thereby, and that the Trust Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee;
- xiii. an executed copy of the State Aid Agreement;
- xiv. an executed copy of the Architect Contract

- xv. an executed copy of the Assignment of Architect Contract;
- xvi. an executed copy of the Construction Contract
- xvii. an executed copy of the Assignment of Construction Contract;
- xviii. an executed copy of the Environmental Indemnification Agreement;
- xix. an executed copy of the Subordination of Fees Agreement; and
- xx. such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

(c) at the Closing, the Issuer Documents and all other documents related thereto shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions and there shall have been executed and delivered such opinions, certificates, proceedings, instruments and other documents as, in the opinion of Bond Counsel or counsel to the Underwriter, shall be necessary in connection with the transactions contemplated hereby.

If the conditions to the Underwriter's obligations contained in this Agreement are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted herein, this Agreement shall terminate and neither the Underwriter nor the Issuer shall have any further obligation hereunder except as provided in paragraph (8) below.

8. Underwriter's Right to Cancel. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if (i) between the date hereof and the Closing Date, legislation shall have been enacted by the Congress of the United States or the legislature of the State of Minnesota or the State of Michigan or legislation shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived from the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect, as of such time, any statement or information contained in the Preliminary Official Statement or the Official Statement or (b) is not reflected in the Preliminary Official Statement or the Official Statement but should be reflected therein in order to make the

statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, Minnesota or Michigan authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets, or (ix) additional events or announcements related to the COVID-19 virus and its impact result in the cancellation of orders from investors or inability of investors to proceed with the purchase of their bonds in an amount that the underwriter deems to have an adverse material impact on the sale of and market for the Bonds.

9. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and registration fees), and rating agency fees, if any, shall be the obligation of the Issuer. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds. The Underwriter's compensation in the amount of \$75,000 is reflected in the discounted purchase price for the Bonds.

10. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the address set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Piper Sandler & Co., 800 Nicollet Mall, Suite 1000, Minneapolis, MN 55402, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.

11. Benefit. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof,

and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Hennepin County, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement.

12. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota.

13. Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.

14. Representations and Covenants of the Underwriter. The Underwriter hereby represents and covenants to the Issuer that:

(a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or “blue sky” law of any jurisdiction in which such registration or qualification is required.

(b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors’ rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.

(c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 6, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.

15. Issuer Acknowledgment. The Issuer acknowledges and agrees that the Underwriter has not undertaken and does not undertake to provide tax advice relating to the treatment of interest on the Bonds. No recourse shall be had against the Underwriter for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in

connection with the Bonds or otherwise relating to the tax treatment of interest on the Bonds, except for a loss, damage, liability, cost or expense directly attributable to representations made by the Underwriter recklessly or in bad faith in its certificate delivered at Closing.

16. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. For purposes hereof: (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

[The remainder of this page is intentionally left blank.]

Very truly yours,

PIPER SANDLER & CO., Underwriter

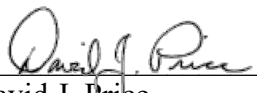
By: 
Jay Hromatka
Its: Managing Director

Accepted this 27th day of July 2023, at 10:00 a.m.

Underwriter Signature page for Bond Purchase Agreement
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE BONDS, SERIES 2023

Accepted and Agreed to:

CHARYL STOCKWELL ACADEMY

By: _____
David J. Price
Its: Board President

Issuer Signature page for Bond Purchase Agreement
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE BONDS, SERIES 2023

\$15,925,000
CHARYL STOCKWELL ACADEMY
PUBLIC SCHOOL ACADEMY REVENUE AND REFUNDING BONDS,
SERIES 2015

BOND PURCHASE AGREEMENT

April 23, 2015

Charyl Stockwell Academy
9758 East Highland Road
Howell, MI 48843

Ladies and Gentlemen:

We, Piper Jaffray & Co. (herein called the “Underwriter”) hereby offer to enter into this Bond Purchase Agreement (this “Agreement”) with Charyl Stockwell Academy (the “Issuer”) for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 11:00 a.m., Minneapolis, Minnesota time, on April 23, 2015, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. If not so accepted, this Bond Purchase Agreement will be subject to withdrawal by the Underwriter upon notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank National Association, as trustee (the “Trustee”), to the Underwriter all (but not less than all) of the Issuer’s Public School Academy Revenue and Refunding Bonds, Series 2015, in the aggregate principal amount of \$15,925,000 (the “Bonds”), at an aggregate purchase price of \$15,202,315.00. Such purchase price represents the par amount of the Bonds (\$15,925,000), less original issue discount (\$451,905.85), less Underwriter’s discount (\$270,779.15). The Bonds shall be issued and secured under and pursuant to a Trust Indenture between the Issuer and the Trustee dated as of April 1, 2015 (the “Trust Indenture”), and under and pursuant to the Resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on March 12, 2015 (the “Bond Resolution”), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory sinking fund and extraordinary redemption as set forth in Schedule A hereto. The Underwriter agrees to make a public offering of the Bonds at the respective initial offering prices set forth in Schedule A hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to refinance certain outstanding obligations of the Issuer, to fund a debt service reserve fund and to pay certain costs of issuance of the Bonds. The Bonds will be secured by the trust estate created under the Trust Indenture, which consists, among other things, of State Aid Payments received by the Trustee and other payments due with respect thereto. The Bonds will be further secured by a Mortgage dated as of April 1, 2015 (the "Mortgage"), granting a lien on and security interest in certain of the Issuer's school facilities (the "Facilities").

2. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer's expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto (the "Official Statement"), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated April 2, 2015 (the "Preliminary Official Statement") in offering the Bonds for public sale to prospective purchasers of the Bonds.

(b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") and all other applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.

(c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.

(d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.

(e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB's Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.

3. Closing. At 11:00 a.m., Minneapolis, Minnesota time, on April 30, 2015, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the "Closing Date"), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP

identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the "Closing." The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.

4. Representations of the Issuer. In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:

(a) The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading, provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official Statement under the caption "DESCRIPTION OF THE BONDS—Book-Entry-Only System," which was furnished by DTC; and (ii) furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement as described in Section 5(c) hereof, as to which statements and information the Issuer makes no representation other than that the Issuer has no knowledge or notice that such information is inaccurate or misleading. If, at any time prior to the later of (i) receipt of notice from the Underwriter pursuant to Section 2(c) hereof that final Official Statements are no longer required to be delivered under the Rule, or (ii) the date described in Section 2(e) hereof, any event occurs with respect to the Issuer as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event. Upon the request of the Underwriter, the Issuer shall prepare and deliver to the Underwriter, at the expense of the Issuer, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or omission therein as the Underwriter may reasonably request. Any amendment of or supplement to the Official Statement to be distributed pursuant to this Section 4, Paragraph (a), shall contain a statement that the Underwriter has neither participated in the preparation thereof nor made any independent investigation of the facts contained therein and does not assume any responsibility for the sufficiency, accuracy or completeness of the information contained therein.

(b) The Issuer is duly organized and existing and in good standing as a nonprofit corporation, public school academy and public agency under the laws of the State of Michigan (the "State") and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, an Agreement Concerning Continuing Disclosure dated as of April 1, 2015, between the Issuer and the Trustee, as dissemination agent (the "Continuing

Disclosure Agreement”), the Management Agreement dated as of May 9, 2013, as amended (the “Management Agreement”) between the Issuer and CS Partners, LLC and CSP Management, Inc. (together, the “Manager”), the State School Aid Payment Agreement dated as of April 1, 2015 (the “State Aid Agreement”) between the Issuer and the Trustee and acknowledged by the Central Michigan University Board of Trustees (the “Authorizing Body”) and this Agreement (collectively, the “Issuer Documents”), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State to issue bonds to refinance certain of its outstanding obligations.

(c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.

(d) Except as may be required under Blue Sky or other securities laws of the United States or any state, there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer, including the Authorizing Body, required for the execution and delivery of the Bonds or the entering into of the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as has already been obtained.

(e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction, including the Authorizing Body, which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.

(f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter’s actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate.

(g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.

(i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.

(j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(k) The Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.

(l) The Issuer is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended, and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended.

(m) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.

(n) There are no affiliations, interrelationships and / or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in the Official Statement.

(o) The Issuer acknowledges that the Underwriter is acting as an underwriter for the Bonds and has not agreed to serve as a financial advisor to the Issuer.

5. Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such

term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended--collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. No failure of the Underwriter to give, and no delay in giving, that notice shall relieve the Issuer to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Issuer of the action, claim or proceeding, and only to the extent of that prejudice. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Underwriter or such controlling person, as the case may be, unless the retaining of such counsel has been specifically authorized by the Issuer or except as otherwise provided in the Issuer Documents.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an "Issuer Indemnified Party" and collectively the "Issuer Indemnified Parties") and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be contained therein or which is necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect; or arising out of violations by the Underwriter of representations made by it in this Agreement or violations by it of applicable securities laws; and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission, or violation, if such settlement is effected with the written consent of the Underwriter. In case any claim shall be made or action brought against an Issuer Indemnified Party or such controlling person (as aforesaid) based upon the Preliminary Official Statement, the Official Statement or this Agreement, in respect of which indemnity may be sought against the Underwriter, the Issuer or such controlling person shall promptly notify the Underwriter in writing setting forth the particulars of such claim or action and the Underwriter shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. No failure

of the Issuer to give, and no delay in giving, that notice shall relieve the Underwriter to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Underwriter of the action, claim or proceeding, and only to the extent of that prejudice. The Issuer Indemnified Party or any controlling person shall have the right to retain separate counsel, in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the party retaining such counsel unless the retaining of such counsel has been specifically authorized by the Underwriter.

(c) For the purpose of paragraphs (a) and (b) of this Section 5, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices of the Bonds set forth on the cover pages of, and under the caption "Underwriting" in, the Preliminary Official Statement and the Official Statement.

(d) If the indemnification provided for in subsection (a) of this Section is unavailable to the Underwriter (or any controlling person thereof) in respect of any losses, claims, damages or liabilities referred to therein, then the Issuer shall, in lieu of indemnifying the Underwriter, contribute to the amount paid or payable by the Underwriter as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Underwriter, respectively, from the underwriting of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Issuer shall contribute to such amount paid or payable by the Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuer and the Underwriter, respectively, in connection with the statements or omission which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefit received by the Issuer or the Underwriter, respectively, shall be deemed to be in the same proportion as the total proceeds from the underwriting of the Bonds (before deducting costs and expenses other than underwriting fees and expenses), on the one hand, bear to the total underwriting fees and expenses received by the Underwriter, on the other hand. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact related to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided, however, that in the case of an allegation or a determination that arises out of or is based upon a failure in connection with the public offering of the Bonds to register any security under the 1933 Act or to qualify any indenture under the Trust Indenture Act of 1939, the fault shall be deemed entirely that of the Issuer. The Issuer and the Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The amount paid or payable by the Underwriter as a result of the losses, claims, damages or liabilities referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by the Underwriter (or any controlling person thereof) in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute any amount in excess of the underwriting fee paid to the Underwriter under Section 8

hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who is not guilty of such fraudulent misrepresentation.

6. Conditions Precedent. The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing;

(b) at or prior to the Closing, the Underwriter shall receive the following documents:

- (i) an executed copy of the Trust Indenture;
- (ii) an executed copy of the Mortgage;
- (iii) an executed copy of the Continuing Disclosure Agreement;
- (iv) the approving opinion of bond counsel, in form reasonably acceptable to the Underwriter;
- (v) the opinion of counsel to the Issuer, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (vi) a certificate of the Authorizing Body in form satisfactory to the Underwriter;
- (vii) evidence of the proper recording, in applicable real estate records, of the Mortgage;
- (viii) a certificate of officers of the Trustee, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (ix) a certificate of the Issuer, dated the Closing Date, relating to the accuracy of the information in the Official Statement, incumbency and signature of authorized officers, execution and delivery of the Bonds and the other documents to which the Issuer is a party, no litigation and continued existence, in form reasonably acceptable to the Underwriter;

- (x) a certified copy of the resolution adopted by the Board of the Issuer authorizing the execution and delivery of the Bonds, the Trust Indenture and all related documents;
- (xi) a mortgagee's title insurance policy which shall evidence good and marketable title in the Facilities insuring the Trustee's interest granted by the Mortgage, in form reasonably satisfactory to the Underwriter;
- (xii) organizational documents of the Issuer certified by an authorized officer of the Issuer;
- (xiii) the Nonarbitrage and Tax Compliance Certificate of the Issuer;
- (xiv) a certificate, dated the Closing Date, signed by an authorized officer or officers of the Trustee, to the effect that the Trustee is a national banking association, duly organized and existing under the laws of the United States of America, and has full power and authority to conduct its activities, to execute, deliver and perform its obligations under the Trust Indenture, and to carry out the transactions contemplated thereby, and that the Trust Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee;
- (xv) an executed copy of the State Aid Agreement;
- (xvi) a certificate of the Manager, dated the Closing date, in form reasonably acceptable to Underwriter;
- (xvii) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or the Issuer's counsel or bond counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

(c) at the Closing, the Issuer Documents and all other documents related thereto shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions and there shall have been executed and delivered such opinions, certificates, proceedings, instruments and other documents as, in the opinion of bond counsel or counsel to the Underwriter, shall be necessary in connection with the transactions contemplated hereby.

If the conditions to the Underwriter's obligations contained in this Agreement are not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted herein, this Agreement shall terminate and neither the Underwriter nor the Issuer shall have any further obligation hereunder except as provided in paragraph (8) below.

7. Underwriter's Right to Cancel. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if (i) between the date hereof and the Closing Date, legislation shall have been enacted by the Congress of the United States or the legislature of the State of Minnesota or the State of Michigan or legislation shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived from the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect as of such time any statement or information contained in the Preliminary Official Statement or the Official Statement or (b) is not reflected in the Preliminary Official Statement or the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, Minnesota or Michigan authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets.

8. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and

registration fees), and rating agency fees, if any, shall be the obligation of the Issuer. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds, in the approximate amount of \$184,125.09. The Underwriter's compensation in the amount of \$270,779.15 is reflected in the discounted purchase price for the Bonds.

9. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the addresses set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Piper Jaffray & Co., 800 Nicollet Mall, Minneapolis, MN 55402, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.

10. Benefit. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Minneapolis, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.

11. Representations and Covenants of the Underwriter. The Underwriter hereby represents and covenants to the Issuer that:

(a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or "blue sky" law of any jurisdiction in which such registration or qualification is required.

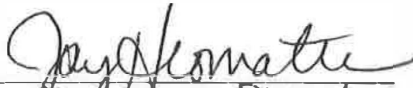
(b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.

(c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 5, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.

12. The Issuer acknowledges and agrees that the Underwriter has not undertaken and does not undertake to provide tax advice relating to the treatment of interest on the Bonds. No recourse shall be had against the Underwriter for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with the Bonds or otherwise relating to the tax treatment of interest on the Bonds, except for a loss, damage, liability, cost or expense directly attributable to representations made by the Underwriter recklessly or in bad faith in its certificate delivered at Closing.


Very truly yours,

PIPER JAFFRAY & CO., Underwriter

By 
Its Managing Director
Date and Time of execution:
April 23 2015, 11:00 a.m. p.m.

Accepted and Agreed to:

CHARYL STOCKWELL ACADEMY

By 
Its President
Date and Time of execution:
April 22, 2015, 6:36 a.m.

Schedule A

Maturity

The Bonds mature on the dates and in the amounts, bear interest at the annual rates and are being offered at the prices or yields, as follows:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>
2023	\$2,170,000	4.875%	100.000%
2035	5,480,000	5.50	97.013
2045	8,275,000	5.75	96.517

Redemption

Optional. The Bonds are subject to redemption at the option of the Issuer in whole or in part on any day commencing October 1, 2024 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, and in such order of maturity as the Issuer shall direct, provided that no Bond may be redeemed in part if the principal amount to be Outstanding following such partial redemption is not an Authorized Denomination.

Mandatory. The Bonds maturing on October 1, 2023, are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing October 1, 2023

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2016	\$230,000	2020	\$275,000
2017	240,000	2021	290,000
2018	250,000	2022	300,000
2019	265,000	2023*	320,000

* final maturity

The Bonds maturing on October 1, 2035 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing October 1, 2035

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$335,000	2030	\$460,000
2025	355,000	2031	485,000
2026	375,000	2032	515,000
2027	390,000	2033	540,000
2028	415,000	2034	570,000
2029	435,000	2035*	605,000

* final maturity

The Bonds maturing on October 1, 2045 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on October 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing October 1, 2045

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2036	\$635,000	2041	\$840,000
2037	675,000	2042	890,000
2038	710,000	2043	935,000
2039	750,000	2044	995,000
2040	795,000	2045*	1,050,000

* final maturity

Purchase in Lieu of Redemption

The Bonds are subject to purchase in lieu of redemption by the Academy prior to their respective maturity dates at any time, in whole or in part, if the following conditions are satisfied:

(i) The Academy and the Bondholders negotiate and agree upon a purchase price that is communicated to the Trustee in writing, provided that the purchase price so negotiated, together with the expense of such purchase, may not exceed the redemption price of the Bonds to be purchased;

(ii) Upon written agreement as described in (i) above, the Academy shall direct the Trustee to purchase certain Bonds and will provide funds to the Trustee for deposit in the Bond Interest Fund and Bond Principal Fund in the amount necessary to pay the purchase price of the selected portion of the Bonds in excess of that required to fully satisfy the next scheduled interest and principal payments due on the Bonds, and provided there is deposited into the Expense Fund such amount as the Trustee may require to cover the accrued and anticipated fees and expenses;

(iii) The Trustee confirms that the amount provided for by the Academy pursuant to (ii) above is sufficient to warrant such purchase at the purchase price agreed to by the Academy and the Bondholders pursuant to (i) above; and

(iv) To the extent permitted by law, the Academy shall indemnify and hold harmless the Trustee, in a form and with such security as may be satisfactory to the Trustee, from and against any and all liabilities, claims, or losses arising out of, by virtue of, or in connection with, the tender of Bonds, up to the amount of the value of the Bonds tendered, except in the case of negligence, willful misconduct, or bad faith on the part of the Trustee.

As Bonds are purchased pursuant to the Indenture, such purchase of Bonds will be considered to have satisfied, in whole or in part, the redemption requirements as set forth in the Indenture. Once purchased, such Bonds shall be delivered to the Trustee and cancelled.

Mandatory Redemption Upon Determination of Taxability

The Bonds are subject to mandatory redemption prior to maturity, as a whole and not in part, on the earliest practicable date for which notice can be given following the occurrence of a Determination of Taxability, at a redemption price equal to 103% of the principal amount thereof plus accrued interest to the redemption date.

Extraordinary Redemption Upon Occurrence of Certain Events

Subject to provisions of the Indenture regarding damage, destruction and insurance, the Bonds are redeemable at the option and upon the direction of the Bondholders of at least two-thirds of the Outstanding Bonds, in whole at any time or in part on any Business Day from and to the extent of funds on deposit under this Indenture and available for this purpose at a redemption price equal to the principal amount of each Bond to be redeemed plus accrued interest to the redemption date, upon the occurrence of any of the following events:

- (i) The Facilities shall have been damaged or destroyed in whole or in part to such extent that, as expressed in a Consulting Architect's Certificate filed with the Trustee, either: (A) the Facilities cannot reasonably be restored within a period of 12 consecutive months to the condition

thereof immediately preceding such damage or destruction; (B) the Academy is thereby prevented from carrying on its normal operations for a period of 12 consecutive months; (C) the cost of restoration thereof would exceed the Net Proceeds of insurance carried thereon; or (D) the final maturity of the Bonds is within five years of the date of such damage or destruction.

- (ii) Title to, or the temporary use of, all or any substantial part of the Facilities shall have been taken under the exercise of the power of eminent domain by any governmental entity, or Person, firm or corporation acting under governmental authority or because of a defect in title.
- (iii) As a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by the Academy in good faith, the Indenture shall have become void or unenforceable or impossibility of performance in accordance with the intent and purposes of the parties as expressed in the Indenture. Redemption pursuant to this subsection (iii) shall be in whole only.

Only Net Proceeds of insurance or a condemnation award shall be used for a partial redemption of Bonds pursuant to (i) or (ii) of this paragraph.

AMENDED AND RESTATED MORTGAGE

CHARYL STOCKWELL ACADEMY
as Mortgagor

to

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to
U.S. BANK NATIONAL ASSOCIATION
as Mortgagee

RELATING TO:

\$15,925,000
CHARYL STOCKWELL ACADEMY
Public School Academy Revenue and Refunding Bonds, Series 2015

and

\$7,590,000
CHARYL STOCKWELL ACADEMY
Public School Academy Revenue Bonds, Series 2023

Dated as of August 1, 2023

Prepared by and when recorded,
return to:
James M. Crowley, Esq.
Miller, Canfield, Paddock and Stone, P.L.C.
150 West Jefferson, Suite 2500
Detroit, MI 48226

TABLE OF CONTENTS

Page

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Section 1.01.	Payment of Secured Obligations.....	4
Section 1.02.	Title of Mortgagor.....	4
Section 1.03.	[Reserved]	4
Section 1.04.	Maintenance; Repair; Alterations	4
Section 1.05.	Required Insurance	5
Section 1.06.	Delivery of Insurance Policies; Payment of Premiums	5
Section 1.07.	Insurance Proceeds.....	5
Section 1.08.	Assignment of Policies Upon Foreclosure.....	5
Section 1.09.	Expenses; Indemnification; Waiver of Offset.....	6
Section 1.10.	Taxes and Impositions	7
Section 1.11.	Utilities.....	8
Section 1.12.	Actions Affecting Mortgaged Estate	8
Section 1.13.	Actions by Mortgagee and/or Trustee To Preserve Mortgaged Estate	8
Section 1.14.	Survival of Warranties	9
Section 1.15.	Eminent Domain	9
Section 1.16.	Additional Security	9
Section 1.17.	Additional Indebtedness.....	9
Section 1.18.	Successors and Assigns.....	9
Section 1.19.	Inspections	10
Section 1.20.	Liens.....	10
Section 1.21.	Restrictions Affecting Title.....	10
Section 1.22.	Further Assurances.....	10
Section 1.23.	Performance of Covenants; Incorporation of Representations and Warranties	11
Section 1.24.	Notification of Event of Default Under Mortgage.....	11
Section 1.25.	[Reserved]	11
Section 1.26.	Organization; Due Authorization.....	11

Section 1.27.	Liabilities; Compliance With Other Instruments	11
Section 1.28.	Enforceability	11
Section 1.29.	Pending Litigation	12
Section 1.30.	Compliance With Law	12
Section 1.31.	After-Acquired Property	12
Section 1.32.	Transfer of Interests in Mortgagor or Mortgaged Estate	12
Section 1.33.	Lease Provisions	12
Section 1.34.	Defeasance Terminates Lien	12

ARTICLE II

ENVIRONMENTAL MATTERS

Section 2.01.	Environmental Matters	13
---------------	-----------------------------	----

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01.	Assignment of Revenues	13
Section 3.02.	Collection Upon Default	13

ARTICLE IV

SECURITY AGREEMENT

Section 4.01.	Creation of Security Interest	14
Section 4.02.	Warranties; Representations and Covenants of Mortgagor	15

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

Section 5.01.	Events of Default	15
Section 5.02.	Acceleration Upon Default; Additional Remedies	17
Section 5.03.	[Reserved]	19
Section 5.04.	Appointment of Receiver	19
Section 5.05.	Remedies Not Exclusive	19
Section 5.06.	Possession of Mortgaged Estate	20
Section 5.07.	Relief from Stay	20
Section 5.08.	Cash Collateral	20

AMENDED AND RESTATED MORTGAGE

Charyl Stockwell Academy, Series 2015 and 2023 Bonds

ARTICLE VI
MISCELLANEOUS

Section 6.01.	Governing Law	21
Section 6.02.	Waiver of Rights	21
Section 6.03.	Limitation of Interest	22
Section 6.04.	[Reserved]	22
Section 6.05.	Notices	22
Section 6.06.	Captions	23
Section 6.07.	Invalidity of Certain Provisions; Conflicting Provisions.....	23
Section 6.08.	Subrogation	23
Section 6.09.	Change in Ownership.....	23
Section 6.10.	Assignment of Mortgagee’s Interest	23
Section 6.11.	Time Is of the Essence	23
Section 6.12.	Obligations of Mortgagor	23
Section 6.13.	Immunity of Individuals	24
Section 6.14	Supplements; Amendments	24

EXHIBIT A LEGAL DESCRIPTION

EXHIBIT B PERMITTED ENCUMBRANCES

MORTGAGE

THIS AMENDED AND RESTATED MORTGAGE (“Mortgage”) is made as of August 1, 2023, by and between CHARYL STOCKWELL ACADEMY, as Mortgagor (“Mortgagor”) and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, in its capacity as bond trustee for the Bonds (as defined below), as Mortgagee (“Mortgagee”).

PRELIMINARY STATEMENTS

A. The Mortgagor previously entered into that certain Mortgage, dated as of April 1, 2015, in favor of U.S. Bank National Association, predecessor of Mortgagee, as recorded in Instrument No. 2015R-014851 of Livingston County Records (the “2015 Mortgage”) relating to the Mortgagor’s Public School Academy Revenue and Refunding Bonds, Series 2015 in the aggregate principal amount of \$15,925,000 (the “Series 2015 Bonds”), which were issued pursuant to that certain Trust Indenture, dated as of April 1, 2015 (the “Original Indenture”), between the Mortgagor and U.S. Bank National Association, as trustee under the Original Indenture.

B. Pursuant to the First Supplemental Trust Indenture, dated as of August 1, 2023 (the “2023 Supplemental Trust Indenture” and together with the Original Indenture, the “Trust Indenture”), between Mortgagor and U.S. Bank Trust Company, National Association, as trustee under the Trust Indenture, Mortgagor is issuing its Public School Academy Revenue Bonds, Series 2023 in the aggregate principal amount of \$7,590,000 (the “Series 2023 Bonds” and together with the Series 2015 Bonds, the “Bonds”) for the purposes set forth in the Trust Indenture. All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Trust Indenture.

C. Pursuant to the Trust Indenture, certain state school aid payments have been pledged and assigned by Mortgagor to Mortgagee for the payment of the principal of and interest on the Bonds.

D. The Series 2015 Bonds and the Series 2023 Bonds are ratably secured on an equal basis by the Trust Estate (as defined in the Trust Indenture), including a lien on and security interest in the Mortgaged Estate (defined below) pursuant to this Mortgage, granted by Mortgagor.

E. This Mortgage amends and restates the 2015 Mortgage and retains all priority of the 2015 Mortgage as it relates to the Trust Estate and Mortgaged Estate.

GRANTING CLAUSES

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Mortgagor hereby irrevocably grants a security interest in, mortgages, warrants, grants, bargains, sells, transfers, conveys and assigns to Trustee and to its assigns forever, IN TRUST, WITH POWER OF SALE AND RIGHT OF ENTRY, for the benefit and security of Mortgagee, under and subject to the terms and conditions hereinafter set forth, all of Mortgagor's estate, right, title and interests in, to and under any and all of the following property now owned, together with all cash and noncash proceeds thereof, which may be referred to herein as the "Mortgaged Estate:"

LAND

The real property located in the County of Livingston, State of Michigan (the "State"), described in Exhibit A attached hereto and by this reference incorporated herein (the "Land");

IMPROVEMENTS

Any and all buildings, structures, fixtures and improvements existing or to be constructed on the Land, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to such buildings and improvements (collectively, the "Improvements" and, together with the Land, the "Real Property");

RENTS, REVENUES AND DERIVATIVE INTERESTS

All rents, issues, profits and royalties derived from the Real Property and the operation thereof (collectively the "Revenues"); all estate, right, title and interest of Mortgagor in and to all leases or subleases covering the Real Property or any portion thereof now or hereafter existing or entered into, including, without limitation, all cash or security deposits, advance rentals and deposits or payments of similar nature; all right, title and interest of Mortgagor in and to all options to purchase or lease the Real Property or any portion thereof or interest therein, and any greater estate therein now owned; all interests, estate or other claims, both in law and in equity, which Mortgagor now has in the Real Property or any portion thereof or interest therein; all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, all right, title and interest of Mortgagor, now owned, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Real Property and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Real Property (all of the foregoing in this paragraph being, collectively, the "Derivative Interests" and, together with the Real Property, the "Project");

INTANGIBLES

All of Mortgagor's interest in all existing and future accounts, contract rights, general intangibles, files, books of account, plans, specifications, agreements, permits, licenses and certificates necessary or desirable in connection with the acquisition, ownership, leasing, construction, operation, servicing or management of the Project, whether now existing or entered

AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds

into or obtained after the date hereof, all existing and future names under or by which the Project or any portion thereof may at any time be operated or known (the "Intangibles");

CLAIMS AND AWARDS

All the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in the Project or Intangibles and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Project or Intangibles including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages; and

PROCEEDS

All of the rents, revenues, issues, profits, products and proceeds of any and all of the foregoing.

A security interest is granted by this Mortgage in that portion of the Mortgaged Estate which constitutes personalty pursuant to and as set forth in Article IV hereof.

TO HAVE AND TO HOLD the Mortgaged Estate hereby granted or mortgaged or intended to be granted or mortgaged, unto Trustee, and its successors in trust, heirs and assigns, upon the terms, provisions and conditions set forth herein in fee simple forever.

PROVIDED, HOWEVER, that these presents are upon the condition that, if the Secured Obligations (as hereinafter defined) hereby shall be paid when due, and if Mortgagor shall keep, perform and observe all and singular the obligations, covenants, agreements and provisions in this Mortgage expressed to be kept, performed by and observed by or on the part of Mortgagor, then this Mortgage and the estate and rights hereby granted shall cease, determine and be void, but otherwise shall be and remain in full force and effect.

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

- (i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;
- (ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;
- (iii) Payment of all of the principal of and interest on any future advances under the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and

(iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby;

The indebtedness and the obligations secured by this Mortgage which are described in (i) through (iv) above may be referred to herein as the “Secured Obligations.”

It is the intention of the parties hereto that the Mortgaged Estate shall secure all of the Secured Obligations presently or hereafter owed, and that the priority of the security interest created by this Mortgage for all such Secured Obligations shall be controlled by the time of proper recording of this Mortgage. In addition, this Mortgage shall also secure unpaid balances of advances made with respect to the Mortgaged Estate for the payment of taxes, assessments, insurance premiums, costs or any other advances incurred for the protection of the Mortgaged Estate, together with interest thereon until paid, all as contemplated in this Mortgage, all of which shall constitute a part of the Secured Obligations. This paragraph shall serve as notice to all persons who may seek or obtain a lien on the Mortgaged Estate subsequent to the date of recording of this Mortgage, that until this Mortgage is released, any debt owed by Mortgagor under the Trust Indenture, including advances made subsequent to the recording of this Mortgage, shall be secured with the priority afforded this Mortgage as recorded.

IT IS HEREBY COVENANTED, DECLARED AND AGREED that the Mortgaged Estate is to be held and disposed of by Trustee, upon and subject to the provisions of this Mortgage.

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby represents, warrants, covenants and agrees:

Section 1.01. Payment of Secured Obligations. Mortgagor hereby grants this Mortgage to secure the payment and performance when due of the Secured Obligations. The consideration received by Mortgagor to execute and deliver this Mortgage and the liens and security interests created herein is sufficient and will provide a direct economic benefit to Mortgagor.

Section 1.02. Title of Mortgagor. Mortgagor has, subject to the matters set forth as exceptions in the loan policy of title insurance to be provided to Mortgagee in connection with this Mortgage as well as those exceptions provided in the attached Exhibit B (the “Permitted Encumbrances”), in its own right, good, marketable and indefeasible title in fee simple to the Mortgaged Estate, which is free from encumbrance superior to the encumbrance of this Mortgage, and has full right, power and authority to execute and deliver this Mortgage and to make the conveyances and grant the interests and security contemplated hereby. This Mortgage constitutes a valid first lien upon and security interest in the Mortgaged Estate, subject only to the Permitted Encumbrances.

AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds

Section 1.03. [Reserved]

Section 1.04. Maintenance; Repair; Alterations. Mortgagor shall: (i) keep the Mortgaged Estate in good condition and repair, subject to reasonable and ordinary wear and tear; not remove, demolish or substantially alter (except such alterations as may be required by applicable laws, ordinances or regulations or as permitted under the Trust Indenture) any of the Improvements; (ii) complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Land and promptly restore in like manner any Improvement which may be damaged or destroyed thereon, subject to the provisions of Section 1.07 hereof, and pay when due all claims for labor performed and materials furnished therefor; (iii) comply with all applicable laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Estate or any part thereof or requiring any alterations or improvements; (iv) not commit or permit any waste or deterioration of the Mortgaged Estate; (v) keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; (vi) comply with the provisions of any lease, if this Mortgage is on a leasehold; (vii) use the Mortgaged Estate and continue to cause the Mortgaged Estate to be used as permitted under applicable law; and (viii) not commit, suffer or permit any act to be done in or upon the Mortgaged Estate in violation of any applicable law, ordinance or regulation.

Section 1.05. Required Insurance. Mortgagor shall provide, maintain and keep at all times in force those policies of insurance required in the Trust Indenture.

Section 1.06. Delivery of Insurance Policies; Payment of Premiums.

(a) All policies of insurance shall be issued by companies and in amounts as required by the provisions of the Trust Indenture.

(b) In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee evidence of the policies of insurance required by the Trust Indenture, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums, together with interest thereon, shall be secured by this Mortgage.

(c) Upon occurrence of an Event of Default, Mortgagee shall apply any sums or amounts received pursuant hereto, or as Revenues or income of the Mortgaged Estate or otherwise, as required under the Trust Indenture. The receipt, use or application of any such sums by Mortgagee hereunder shall not be construed to affect the maturity of any Secured Obligation or any of the rights or powers of Mortgagee under the terms of the Trust Indenture or any of the obligations of Mortgagor under the Trust Indenture. Notwithstanding the application of such sums to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the remaining payment thereof.

Section 1.07. Insurance Proceeds. After the occurrence of any casualty to the Mortgaged Estate or any part thereof, Mortgagor shall give prompt written notice thereof to Mortgagee and each insurer and promptly submit a claim to such insurer(s) for payment of insurance proceeds. Proceeds of all insurance awards ("Insurance Proceeds") shall be held and disbursed as provided in the Trust Indenture. Notwithstanding the application of Insurance Proceeds to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the payment thereof.

Except as provided below, nothing contained in this Mortgage shall be deemed to excuse Mortgagor from repairing or maintaining the Mortgaged Estate as provided in Section 1.04 hereof. The application or release by Mortgagee of any Insurance Proceeds shall not cure or waive any Event of Default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

Section 1.08. Assignment of Policies Upon Foreclosure. In the event of the foreclosure of this Mortgage, or other transfer of title to the Mortgaged Estate, or any part thereof, by nonjudicial foreclosure sale or deed in lieu of foreclosure, the purchaser of the Mortgaged Estate, or such part thereof, shall succeed to all of Mortgagor's rights, including any rights to unexpired insurance and unearned or returnable premiums, in and to all insurance policies required by Section 1.05 hereof, subject to limitations on assignment of blanket policies, and limited to such rights as relate to the Mortgaged Estate or such part thereof. If Mortgagee acquires title to the Mortgaged Estate, or any part thereof, in any manner, it shall thereupon (as between Mortgagor and Mortgagee) become the sole and absolute owner of the insurance policies, and all proceeds payable thereunder with respect to the Mortgaged Estate, or such part thereof, required by Section 1.05 hereof, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Mortgaged Estate, or such part thereof, if any.

Section 1.09. Expenses; Indemnification; Waiver of Offset.

(a) Mortgagor shall pay or reimburse Mortgagee for all reasonable expenses incurred by Mortgagee before and after the date of this Mortgage with respect to any and all transactions contemplated by this Mortgage including without limitation, the preparation of any document reasonably required hereunder or any amendment, modification, restatement or supplement to this Mortgage, the delivery of any consent, non-disturbance agreement or similar document in connection with this Mortgage or the enforcement of any of Mortgagee's rights. Such expenses shall include, without limitation, all reasonable title and conveyancing charges, recording and filing fees and taxes, mortgage taxes, intangible personal property taxes, escrow fees, revenue and tax stamp expenses, privilege taxes, use taxes, insurance premiums (including title insurance premiums), title search and title rundown charges, brokerage commissions, finders' fees, placement fees, court costs, surveyors', photographers', appraisers', architects', engineers', consulting professionals', accountants', and attorneys' fees and disbursements.

(b) If (i) any sale (or prerequisite to a sale), action or proceeding shall be commenced by Mortgagee (including but not limited to any sale of the Mortgaged Estate,

or any action to foreclose this Mortgage or to collect the Secured Obligations), or any action or proceeding is commenced to which Mortgagee is made a party, or in which it becomes necessary to defend or uphold the rights granted by this Mortgage (including, without limitation, any proceeding or other action relating to the bankruptcy, insolvency or reorganization of Mortgagor or any other person or entity obligated hereunder), or in which Mortgagee is served with any legal process, discovery notice or subpoena, and (ii) in each of the foregoing instances such action or proceeding in any manner relates to or arises out of this Mortgage or issuance of the Bonds or acceptance of a guaranty from a guarantor of the Secured Obligations or any of the transactions contemplated by this Mortgage and such action or proceeding does not relate to or arise out of the gross negligence, breach of trust or willful misconduct of Mortgagee as applicable, then Mortgagor will immediately reimburse or pay to Mortgagee all of the expenses which have been or may be incurred by Mortgagee with respect to the foregoing (including reasonable counsel fees and disbursements), together with interest thereon, and any such sum and the interest thereon shall be included in the Secured Obligations and have the full benefit of this Mortgage, prior to any right, or title to, interest in or claim upon the Mortgaged Estate attaching or accruing to this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to sell the Mortgaged Estate, to foreclose this Mortgage, or to recover or collect the Secured Obligations, the provisions of law respecting the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.

(c) To the extent permitted by law, Mortgagor shall indemnify and hold harmless Mortgagee and affiliates, and directors, officers, agents and employees and affiliates for, from and against all claims, damages, losses and liabilities (including, without limitation, reasonable attorneys' fees and expenses) arising out of or based upon any matter related to this Mortgage, the Mortgaged Estate or the occupancy, ownership, maintenance or management of the Mortgaged Estate by Mortgagor, including, without limitation, any claims based on the alleged acts or omissions of any employee or agent of Mortgagor except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee or its affiliates, directors, officers, agents or employees. This indemnification shall be in addition to any other liability which Mortgagor may otherwise have to Mortgagee.

(d) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Estate, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee.

(e) All sums payable by Mortgagor under this Mortgage shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the Secured Obligations of Mortgagor hereunder shall in no way be released, discharged or otherwise affected by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Estate or any part thereof; (ii) any restriction or prevention of or

AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds

interference with any use of the Mortgaged Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Mortgaged Estate or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagor, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagor, or by any court, in any such proceeding; or (v) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. To the extent permitted by law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Secured Obligation. Notwithstanding the above, Mortgagor may maintain a separate suit regarding such matters.

Section 1.10. Taxes and Impositions.

(a) In accordance with the terms of the Trust Indenture, Mortgagor agrees to pay, prior to delinquency, all real and personal property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, which are assessed or imposed upon the Mortgaged Estate or any part thereof, or become due and payable, and which create, may create or appear to create a lien upon the Mortgaged Estate, or any part thereof, or upon any personal property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental and nongovernmental charges of like nature are hereinafter referred to as "Impositions").

(b) Subject to the applicable State law provisions, Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings in accordance with the terms of the Trust Indenture.

(c) Mortgagor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Mortgaged Estate as a single lien.

Section 1.11. Utilities. Mortgagor shall pay when due all utility charges which are incurred for the benefit of the Mortgaged Estate or any part thereof or which may become a charge or lien against the Mortgaged Estate for gas, electricity, water or sewer services furnished to the Mortgaged Estate and all other taxes, assessments or charges of a similar nature, whether public or private, affecting the Mortgaged Estate or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 1.12. Actions Affecting Mortgaged Estate. Mortgagor shall appear in and contest any action or proceeding purporting to affect the title of Mortgagor in the Mortgaged Estate or any part thereof or security hereof or the rights or powers of Mortgagee; and Mortgagor shall pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Mortgagee may appear.

Section 1.13. Actions by Mortgagee To Preserve Mortgaged Estate. Should Mortgagor fail to make any payment or to do any act as and in the manner provided in this Mortgage, Mortgagee, in its sole discretion, and without notice to, or demand upon, Mortgagor and without releasing Mortgagor from any Secured Obligation, may make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), Mortgagee shall have, and is hereby given the right, but not the obligation: (i) to enter upon and take possession of the Mortgaged Estate; (ii) to make additions, alterations, repairs and improvements to the Mortgaged Estate which it may consider necessary or proper to keep the Mortgaged Estate in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Mortgagee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of Mortgagee may affect or appears to affect the security of this Mortgage or be prior or superior hereto; and (v) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Any such costs and expenses incurred by Mortgagee and any such amounts paid by Mortgagee shall be secured hereby with the same priority afforded this Mortgage as recorded. Mortgagor shall immediately upon demand therefor by Mortgagee pay all of the foregoing costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and reasonable attorneys' fees provided, however, that Mortgagor shall not be liable to pay for any such costs or expenses incurred by Mortgagee due to the gross negligence, willful misconduct or breach of trust of Mortgagee or its affiliates, directors, officers, agents or employees.

Section 1.14. Survival of Warranties. Mortgagor shall fully and faithfully satisfy and perform the Secured Obligations. All representations, warranties and covenants of Mortgagor contained herein shall remain continuing obligations, warranties and representations of Mortgagor during any time when any portion of the obligations secured by this Mortgage remain outstanding.

Section 1.15. Eminent Domain. Should the Mortgaged Estate, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee. Mortgagee may participate in any such Condemnation proceedings, and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceedings and shall consult with Mortgagee and its attorneys and experts, and cooperate with it in the carrying on or defense of any such proceedings. All proceeds of Condemnation awards or proceeds of sale in lieu of Condemnation with respect to the Mortgaged Estate and all judgments, decrees and awards for injury or damage to the Mortgaged Estate or any part thereof or interest therein shall be paid to Mortgagor or Mortgagee as provided in Section 7.04 of the Trust Indenture, and if to Mortgagee, shall be applied first to all reasonable costs and expenses incurred by Mortgagee in obtaining the proceeds. The balance of proceeds (referred to in the Trust Indenture as "Net Proceeds"), if any, shall be applied as directed by Mortgagor in accordance with the provisions of the Trust Indenture.

Mortgagor hereby assigns and transfers to Mortgagee, and agrees to execute such further assignments of, all such proceeds, judgments, decrees and awards as Mortgagee may request. Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances for, and to appeal from, any such judgment, decree or award. Mortgagor hereby authorizes, directs and empowers Mortgagee, at its option and with notice to Mortgagor, on Mortgagor's behalf, or on behalf of the successors or assigns of Mortgagor, to adjust, compromise, claim, collect and receive such proceeds and to give proper receipts and acquittances therefor. Mortgagee shall not be, in any event or circumstance, liable or responsible for failure to collect or exercise diligence in the collection of any proceeds, judgments, decrees or awards unless such failure is due to Mortgagee's negligence, willful misconduct or breach of trust.

Section 1.16. Additional Security. In the event Mortgagee at any time holds additional security for any of the Secured Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before, concurrently with or after any sale is made hereunder.

Section 1.17. Additional Indebtedness. Except as provided in the Trust Indenture and except for the Permitted Encumbrances, Mortgagor shall not further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the Uniform Commercial Code in effect in the State, the "UCC").

Section 1.18. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The covenants and agreements of Mortgagor contained herein shall apply to and be binding upon any successor owner of the Mortgaged Estate or any part thereof.

Section 1.19. Inspections. Mortgagee, or its agents, representatives or workmen, are authorized to enter upon notice of two Business Days to Mortgagor at any reasonable time upon or in any part of the Mortgaged Estate for the purpose of inspecting the same and all books, records and documents relating thereto, and for the purpose of performing any of the acts it is authorized to perform under the terms of the Trust Indenture.

Section 1.20. Liens. Mortgagor shall pay and promptly discharge, at Mortgagor's sole cost and expense, all liens, encumbrances and charges upon the Mortgaged Estate, or any part thereof or interest therein other than the Permitted Encumbrances. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall thereafter diligently and in good faith proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either, by paying the amount claimed to be due, or by procuring the discharge of such lien, either, by depositing in court a bond in the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law. Any cost incurred by Mortgagee in connection with any such payment or discharge shall be secured hereby and shall be immediately due and payable without notice or demand.

Section 1.21. Restrictions Affecting Title. Mortgagor shall perform when due all obligations required to be performed by Mortgagor by the provisions of any agreement affecting title to the Mortgaged Estate or any part thereof.

Section 1.22. Further Assurances. Mortgagor shall, upon the execution and delivery hereof and thereafter from time to time, take such actions as Mortgagee may request to cause this Mortgage, each supplement and amendment to such instrument and financing statements with respect thereto and each instrument of further assurance (collectively, the “Recordable Documents”) to be filed, registered and recorded as may be required by law and maintain the first lien or security interest, as applicable, hereof upon the Trust Estate and protect the validity of the Recordable Documents. Mortgagor shall take all action and do all things which it is authorized by law to take and do, and cooperate with Mortgagee as Mortgagee deems necessary or desirable, to insure the release of all encumbrances against the Mortgaged Estate, except the Permitted Encumbrances, existing prior to the date hereof.

So long as any Secured Obligations shall remain unpaid, Mortgagor shall execute, acknowledge, where appropriate, and deliver from time to time promptly at the request of Mortgagee all such instruments and documents as in the opinion of Mortgagee are necessary or desirable to preserve the first priority lien created by this Mortgage. If Mortgagor shall fail or refuse to execute, acknowledge, where appropriate, and deliver such instruments and documents to preserve the first priority lien created by this Mortgage within 10 Business Days following a written request by Mortgagee, Mortgagor irrevocably constitutes and appoints Mortgagee as its attorney-in-fact to execute and deliver such instruments, it being stipulated that such power of attorney is coupled with an interest and is irrevocable and binding.

Section 1.23. Performance of Covenants; Incorporation of Representations and Warranties. Mortgagor shall faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Trust Indenture and in all of its proceedings pertaining to this Mortgage. The covenants, representations and warranties of Mortgagor set forth in the Trust Indenture are incorporated by reference into this Mortgage as if stated in full in this Mortgage and such representations and warranties as incorporated herein shall be deemed to have been made as of the date of this Mortgage and shall survive the execution and delivery of this Mortgage.

Section 1.24. Notification of Event of Default Under Mortgage. Mortgagor agrees to notify Mortgagee immediately in writing of any default by Mortgagor in the performance or observance of any covenant, agreement, representation, warranty or obligation of Mortgagor set forth in this Mortgage. Mortgagor shall also notify Mortgagee in writing of any event or condition which with the lapse of time or the giving of notice would constitute an Event of Default.

Section 1.25. [Reserved].

Section 1.26. Organization; Due Authorization. Mortgagor is a public school academy duly organized, validly existing and in good standing under the laws of the State and has the requisite power, authority and legal right to carry on the business conducted by it and to engage in the transactions contemplated by the Trust Indenture. The execution and delivery of

the Trust Indenture and this Mortgage and the performance and observance of the respective provisions thereof have all been authorized by all necessary actions of Mortgagor.

Section 1.27. Liabilities; Compliance With Other Instruments. Mortgagor has no liabilities regarding the Mortgaged Estate except those hereunder and those otherwise contemplated or permitted by this Mortgage and the Trust Indenture, none of which are delinquent. Mortgagor is not in default (i) in the payment of any taxes levied or assessed against it or its assets, (ii) under any applicable statute, rule, order or regulation of any governmental authority, (iii) under this Mortgage or the Trust Indenture, or (iv) under any other agreement to which it is a party or by which it or any of its properties are bound.

Neither the execution and delivery of this Mortgage or the Trust Indenture, nor the consummation of the transactions herein or therein contemplated nor compliance with the terms and provisions hereof or thereof, conflicts with or results or will result in a breach of any of the terms, conditions or provisions of the articles of incorporation of Mortgagor, any law, order, rule, regulation, writ, injunction or decree of any court or governmental authority, or any agreement or instrument to which Mortgagor is a party or by which it or any of its properties are bound, or constitutes or will constitute a default thereunder, or result or will result in the creation or imposition of any lien of any nature whatsoever upon any of its property or assets pursuant to the terms of any such agreement or instrument except the liens created or permitted by the Trust Indenture.

Section 1.28. Enforceability. This Mortgage and the Trust Indenture have been duly executed and delivered by Mortgagor and constitute valid and binding obligations of Mortgagor enforceable in accordance with their respective terms, except as the enforceability (but not the validity thereof) may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally.

Section 1.29. Pending Litigation. There are no proceedings pending or, to the knowledge of Mortgagor, threatened, against or affecting Mortgagor or any part of the Mortgaged Estate in any court or before any governmental authority or arbitration board or tribunal which if adversely determined would materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Mortgagor or the right or ability of Mortgagor to enter into this Mortgage or the Trust Indenture, and if any such proceedings are subsequently initiated or threatened then Mortgagor will promptly provide written notice to Mortgagee. Mortgagor is not in default with respect to any order of any court or governmental authority or arbitration board or tribunal.

Section 1.30. Compliance With Law. Mortgagor is in substantial compliance with all laws, ordinances, governmental rules or regulations to which it is subject, including, without limitation, the Occupational Safety and Health Act of 1970, the Employee Retirement Income Security Act of 1974 and all laws, ordinances, governmental rules or regulations relating to environmental protection the violation of which would materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Mortgagor.

Section 1.31. After-Acquired Property. The Mortgage Estate shall include the right, title and interest of Mortgagor in and to all improvements, additions and appurtenances to, the

Mortgaged Estate, hereafter acquired by or released to Mortgagor. As required, the Mortgagor shall execute and deliver to Mortgagee any further assurances, mortgages, grants, conveyances or assignments as Mortgagee may reasonably require to subject such property to the lien of this Mortgage.

Section 1.32. Transfer of Interests in Mortgagor or Mortgaged Estate. Except in accordance with the terms and restrictions of the Trust Indenture, and except for the Permitted Encumbrances, Mortgagor shall not, by operation of law or otherwise, sell, convey, alienate, transfer, grant, bargain, mortgage, encumber or assign ownership or control of all or any interest in Mortgagor or any part of the Mortgaged Estate or any interest therein, without the prior written consent of Mortgagee.

Section 1.33. Lease Provisions. Any lease of all or any part of the Mortgaged Estate by Mortgagor permitted under this Mortgage and the Trust Indenture shall contain a provision obligating such lessee to enter into a subordination, attornment and non-disturbance agreement with Mortgagee, in form and substance satisfactory to Mortgagee.

Section 1.34. Defeasance Terminates Lien. Upon defeasance of all Outstanding Bonds in accordance with the Trust Indenture, the lien of this Mortgage upon the Mortgaged Estate shall cease, and Mortgagee and Trustee shall execute and deliver to Mortgagor at Mortgagor's sole cost and expense all documents necessary to effect such a release.

ARTICLE II

ENVIRONMENTAL MATTERS

Section 2.01. Environmental Matters. Mortgagor hereby incorporates and reaffirms those covenants and representations contained in Sections 7.06, 7.07 and 7.08 of the Trust Indenture (including its covenant to provide certain environmental indemnifications) as an integral part of this Mortgage; provided, however, it is the intent of the parties that the environmental indemnifications contained herein are separate and independent obligations of Mortgagor which shall survive any release, foreclosure or other satisfaction of this Mortgage, and such indemnifications shall not be subject to any anti-deficiency defense.

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01. Assignment of Revenues. Mortgagor hereby absolutely assigns and transfers to Mortgagee all the Revenues of the Mortgaged Estate and hereby gives to and confers upon Mortgagee the right, power and authority to collect such Revenues. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee, at any time and from time to time, to take possession and control of the Mortgaged Estate and to demand, receive and enforce payment, to give receipts, releases and satisfaction, and to sue, in the name of Mortgagor or Mortgagee, for all such Revenues and apply the same to the Secured Obligations; provided, however, that Mortgagor shall have a license to possess and control the Mortgaged Estate and to collect such Revenues (but not more than one month in advance) which

is revocable at any time upon an Event of Default by Mortgagor under the Trust Indenture. The assignment of the Revenues of the Mortgaged Estate in this Article III is intended to be an absolute assignment from Mortgagor to Mortgagee and not merely the passing of a security interest.

While the assignment made in this Mortgage is present, direct and continuing, the execution and delivery hereof shall not in any way impair or diminish the obligations of Mortgagor under the provisions of any lease nor shall any of the obligations contained in any lease be imposed upon Mortgagee.

Section 3.02. Collection Upon Default. Upon any Event of Default under this Mortgage or the Trust Indenture, Mortgagee may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations (i) enter upon and take possession of the Mortgaged Estate, or any part thereof, and in its own name sue for or otherwise collect such Revenues, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any Secured Obligations, and in such order as Mortgagee may determine, and (ii) prepare and submit any applications or other documentation as necessary in order to permit Mortgagee to collect the Revenues of the Mortgaged Estate. The collection of such Revenues, or the entering upon and taking possession of the Mortgaged Estate shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

Mortgagee shall not be liable to Mortgagor, anyone claiming under or through Mortgagor or anyone having an interest in the Mortgaged Estate by reason of anything done or left undone by Mortgagee hereunder, except to the extent of Mortgagee's gross negligence or willful misconduct.

ARTICLE IV

SECURITY AGREEMENT

Section 4.01. Creation of Security Interest. With respect to any portion of the Mortgaged Estate which now constitutes fixtures governed by the UCC, this Mortgage shall constitute a security agreement between Mortgagor as the debtor and Mortgagee as the secured party, and Mortgagor hereby grants to Mortgagee a security interest in such portion of the Mortgaged Estate (such portion being the "Fixtures"). Cumulative of all other rights of Mortgagee hereunder, Mortgagee shall have all of the rights conferred upon secured parties by the UCC. Mortgagor will execute and deliver to Mortgagee all financing statements that may from time to time be required by Mortgagee to establish and maintain the validity and priority of the security interest of Mortgagee, or any modification thereof, and all costs and expenses of any searches required by Mortgagee. Mortgagee may exercise any or all of the remedies of a secured party available to it under the UCC with respect to such property, and it is expressly agreed that if upon an Event of Default Mortgagee should proceed to dispose of such property in accordance with the provisions of the UCC, 10 days' notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the UCC requiring such notice; provided, however, that Mortgagee may at its option dispose of such property in accordance with Mortgagee's rights

and remedies with respect to the real property pursuant to the provisions of this Mortgage, in lieu of proceeding under the UCC.

Mortgagor shall give advance notice in writing to Mortgagee of any proposed change in Mortgagor's name, identity, or business form or structure and will execute and deliver to Mortgagee, prior to or concurrently with the occurrence of any such change, all additional financing statements that Mortgagee may reasonably require to establish and maintain the validity and priority of Mortgagee's security interest with respect to any of the Mortgaged Estate described or referred to herein.

Some of the items of the Mortgaged Estate described herein are goods that are or are to become fixtures related to the Real Property, and it is intended that as to those goods, this Mortgage shall be effective as a financing statement filed as a fixture filing from the date of its filing for record in the real estate records of the county in which the Mortgaged Estate is situated. Information concerning the security interest created by this instrument may be obtained from Mortgagee, as secured party, at the address of Mortgagee stated in Section 6.05 of this Mortgage. The mailing address of Mortgagor, as debtor, is as stated in Section 6.05 of this Mortgage.

Section 4.02. Warranties; Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents and covenants, with respect to the Fixtures, as follows:

(a) except for the security interest granted hereby, Mortgagor is, and as to any of the Fixtures to be acquired after the date hereof will be, the sole owner of the Fixtures, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for purchase money liens and Permitted Encumbrances. Mortgagor will notify Mortgagee of, and will defend the Fixtures against, all prohibited claims and demands of all persons at any time claiming the same or any interest therein;

(b) Mortgagor will not lease, sell, convey or in any manner transfer the Fixtures (except Fixtures transferred in the ordinary course of business and replaced by Fixtures of a similar nature and having at least the same value as the Fixtures replaced, and except for Permitted Encumbrances as defined in the Trust Indenture) without the prior written consent of Mortgagee;

(c) the Fixtures are not used or bought for personal, family or household purposes;

(d) the Fixtures will be kept on or at the Project and Mortgagor will not remove the Fixtures from the Project without the prior written consent of Mortgagee, except such portions or items of personal property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with new items of equal or greater quality; and

(e) all covenants and obligations of Mortgagor contained herein relating to the Mortgaged Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

Section 5.01. Events of Default. Any one or more of the following events shall be deemed an event of default hereunder (each, an “Event of Default”):

(a) the occurrence of a default or an Event of Default by Mortgagor under the Trust Indenture (other than this Mortgage) subject to any applicable notice or cure periods provided therein;

(b) failure by Mortgagor to punctually perform or observe any covenant or agreement contained in this Mortgage (other than the monetary obligations described in paragraph (a) above) and such failure shall not have been cured within 30 days (or such longer period as permitted under the Trust Indenture) after written notice from Mortgagee of such failure;

(c) if Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent within the meaning of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the “Bankruptcy Code”), or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;

(d) if a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Mortgagor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Mortgagor or of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Mortgagor and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);

(e) if a writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Estate, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on the Mortgaged Estate or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 60 days after its entry or levy;

AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds
16

(f) if, during the term of the Bonds secured by this Mortgage, Mortgagor shall without the prior written approval of Mortgagee (unless permitted as provided herein) sell, convey, alienate, mortgage or encumber the Mortgaged Estate or any part thereof or any interest therein, or shall be divested of its title or any interest therein, in any manner, whether voluntarily or involuntarily, or if there is any merger, consolidation or dissolution affecting Mortgagor, or if there is a transfer of a majority interest in Mortgagor in a series of transactions or as a single transaction, unless any of the foregoing are permitted by the Trust Indenture;

(g) any assignment by Mortgagor of the whole or any part of the Revenues, issues or profits arising from the Mortgaged Estate (including, without limitation, the Revenues) to any person without the consent of Mortgagee (unless permitted as provided herein) or if, without such consent, Mortgagor shall otherwise further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the UCC) unless permitted by the Trust Indenture; or

(h) if at any time any representation, warranty or statement made by Mortgagor in the Trust Indenture or any certificate delivered by Mortgagor shall be incorrect or misleading in any material respect, or any material misrepresentation shall at any time be made to Mortgagee by Mortgagor.

Section 5.02. Acceleration Upon Default; Additional Remedies. Subject to the cure provisions of this Section 5.02, upon the occurrence of an Event of Default (which default is not cured within any applicable cure period) Mortgagee may, at Mortgagee's sole option exercised in Mortgagee's sole discretion, pursue any one or more of the following remedies:

(a) Declare all or any portion of the Secured Obligations to be due and payable, and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind except as otherwise provided herein;

(b) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon and take possession of the Mortgaged Estate or any part thereof and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Estate, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Estate, take any action described in Article II, III or IV hereof, sue for or otherwise collect the Revenues thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any Secured Obligations, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Estate, the taking of any action described in Article II, III or IV hereof, the collection of such Revenues and the application thereof as aforesaid, shall not cure or waive any default or notice of default or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Estate or the collection, receipt and application of Revenues, issues or profits, Mortgagee shall be entitled to exercise every right provided for the Trust Indenture or by law upon

occurrence of any Event of Default, including the right to exercise the power of sale herein conferred;

(c) Commence an action to foreclose this Mortgage (either judicially or non-judicially), appoint a receiver, specifically enforce any of the covenants hereof, or sell the Mortgaged Estate pursuant to the power of sale herein conferred and in a manner provided under Michigan law;

(d) Exercise any or all of the remedies available to a secured party under the UCC, including, but not limited to:

(i) Either personally or by means of a court appointed receiver, commissioner or other officer, take possession of all or any of the Fixtures and exclude therefrom Mortgagor and all others claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect of the Fixtures or any part thereof. In the event Mortgagee demands or attempts to take possession of the Fixtures in the exercise of any rights under the Trust Indenture, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Mortgagee;

(ii) Without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to the security interest granted hereunder and, in exercising any such powers or authority, to pay all expenses incurred in connection therewith;

(iii) Require Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver such Fixtures to Mortgagee, or an agent or representative designated by it. Mortgagee, and its agents and representatives, shall have the right to enter upon any or all of Mortgagor's premises and property to exercise Mortgagee's rights hereunder;

(iv) Sell, lease or otherwise dispose of the Fixtures at public sale, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as Mortgagee may determine. Mortgagee may be a purchaser at any such sale; and

(v) Unless the Fixtures are perishable or threaten to decline speedily in value or are of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least 10 days' prior written notice of the time and place of any public sale of the Fixtures or other intended disposition thereof. Such notice may be mailed to Mortgagor at the address set forth in Section 6.05 of herein and shall be deemed to be given on the date of mailing thereof; and

(vi) Any sale made pursuant to the provisions of this subsection shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of all or a portion of the remainder of the Mortgaged Estate under power of sale as provided herein upon giving the same notice with respect to the sale of the Personal Property hereunder as is required for such sale of the remainder of the Mortgaged Estate under power of sale, and such sale shall be deemed to be pursuant to a security agreement covering both real and personal property under the UCC.

(e) Exercise any other rights or remedies which may now or hereafter be available to Mortgagee under this Mortgage or the Trust Indenture or pursuant to applicable law or in equity; or

(f) If held by Mortgagee, surrender the insurance policies maintained pursuant to Section 1.05, collect the unearned insurance premiums and apply such sums as a credit on the Secured Obligations in such priority and proportion as Mortgagee in its sole discretion shall deem proper, and in connection therewith, Mortgagor hereby appoints Mortgagee as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Mortgagee to collect such insurance premiums.

THIS MORTGAGE CONTAINS A POWER OF SALE AND UPON THE OCCURRENCE OF AN EVENT OF DEFAULT MAY BE FORECLOSED BY ADVERTISEMENT. IN FORECLOSURE BY ADVERTISEMENT AND THE SALE OF THE MORTGAGED ESTATE IN CONNECTION THEREWITH, NO HEARING IS REQUIRED AND THE ONLY NOTICE REQUIRED IS THE PUBLICATION OF NOTICE IN A LOCAL NEWSPAPER AND THE POSTING OF A COPY OF THE NOTICE ON THE PREMISES. THE MORTGAGOR HERBY WAIVES ALL RIGHTS UNDER THE CONSTITUTION AND LAWS OF THE UNITED STATES AND THE STATE TO A HEARING PRIOR TO SALE IN CONNECTION WITH FORECLOSURE OF THIS MORTGAGE BY ADVERTISEMENT AND ALL NOTICE REQUIREMENTS EXCEPT AS SET FORTH IN THE MICHIGAN STATUTE PROVIDING FOR FORECLOSURE BY ADVERTISEMENT.

Section 5.03. [Reserved].

Section 5.04. Appointment of Receiver. If an Event of Default (which is not cured within any applicable cure period) shall have occurred, Mortgagee, as a matter of right and without notice to Mortgagor or anyone claiming under Mortgagor, and without regard to the value of the Mortgaged Estate or the interest of Mortgagor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Estate and Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases in accordance with Michigan law and all the powers and duties of Mortgagee in case of entry as provided in Section 5.02(b) and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Estate unless such receivership is sooner terminated. Mortgagee shall, in addition to and not in limitation of any of the foregoing or any other remedies provided in this Mortgage or otherwise available under applicable law, have all of the rights provided under the laws of the State.

Section 5.05. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any Secured Obligation hereby and to exercise all rights and powers under this Mortgage or under the Trust Indenture or other agreement or any laws now or hereafter in force. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by the Trust Indenture to Mortgagee, or to which Mortgagee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee. Mortgagee may pursue inconsistent remedies.

The acceptance by Mortgagee of any sum after the same is due shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums hereby secured or to declare a default as herein provided. The acceptance by Mortgagee of any sum in an amount less than the sum then due shall be deemed an acceptance on account only and upon condition that it shall not constitute a waiver of the obligation of Mortgagor to pay the entire sum then due, and failure of Mortgagor to pay such entire sum then due shall be and continue to be an Event of Default notwithstanding such acceptance of such amount on account, as aforesaid. Mortgagee or Trustee shall be, at all times thereafter and until the entire sum then due shall have been paid, and notwithstanding the acceptance by Mortgagee thereafter of further sums on account, or otherwise, entitled to exercise all rights in this instrument conferred upon it, and the right to proceed with a sale under any notice of default, or an election to sell, or the right to exercise any other rights or remedies hereunder, shall in no way be impaired, whether any of such amounts are received prior or subsequent to such proceeding, election or exercise. Consent by Mortgagee to any action or inaction of Mortgagor which is subject to consent or approval of Mortgagee hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions or inactions.

Section 5.06. Possession of Mortgaged Estate. In the event of a trustee's sale or foreclosure sale hereunder and after the time of such sale, and Mortgagor occupies the portion of the Mortgaged Estate so sold, or any part thereof, Mortgagor shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either tenant or landlord, at a reasonable rental per day based upon the value of the portion of the Mortgaged Estate so occupied, such rental to be due and payable daily to the purchaser. An action of unlawful detainer shall lie if the tenant holds over after a demand in writing for possession of such Mortgaged Estate and premises; and this agreement and a trustee's deed shall constitute a lease and agreement under which the tenant's possession arose and continued. Nothing contained in this Mortgage shall be construed to constitute Mortgagee as a "mortgagee in possession" in the absence of its taking actual possession of the Mortgaged Estate pursuant to the powers granted herein.

Section 5.07. Relief from Stay. In the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under

the Bankruptcy Code, subject to court approval, Mortgagee shall thereupon be entitled and Mortgagor irrevocably consents to relief from any stay imposed by Section 362 of the Bankruptcy Code on or against the exercise of the rights and remedies otherwise available to Mortgagee as provided in the Trust Indenture and Mortgagor hereby irrevocably waives its rights to object to such relief. In the event Mortgagor shall commence a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code, Mortgagor hereby agrees that no injunctive relief against Mortgagee shall be sought under Section 105 or other provisions of the Bankruptcy Code by Mortgagor or other person or entity claiming through Mortgagor, nor shall any extension be sought of the stay provided by Section 362 of the Bankruptcy Code.

Section 5.08. Cash Collateral. To the fullest extent allowed by applicable law, Mortgagor hereby acknowledges and agrees that in the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (i) that all of the Revenues are, and shall for purposes be deemed to be, “proceeds, product, offspring, rents, or profits” of the Project covered by the lien of the Mortgage, as such quoted terms are used in Section 552(b) of the Bankruptcy Code; (ii) that in no event shall Mortgagor assert, claim or contend that any portion of the Revenues are, or should be deemed to be, “accounts” or “accounts receivable” within the meaning of the Bankruptcy Code and/or applicable state law; (iii) that the Revenues are and shall be deemed to be in any such bankruptcy proceeding “cash collateral” of Mortgagee as that term is defined in Section 363 of the Bankruptcy Code; and (iv) that Mortgagee has valid, effective, perfected, enforceable and matured rights in and to the Revenues without any further action required on the part of Mortgagee to enforce or perfect its rights in and to such cash collateral, including, without limitation, providing notice to Mortgagor under Section 546(b) of the Bankruptcy Code.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Governing Law. This Mortgage shall be governed by the internal laws of the State without giving effect to its conflicts of law principles. In the event that any provision or clause of this Mortgage conflicts with applicable laws, such conflicts shall not affect other provisions of this Mortgage which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought and in accordance with the applicable provisions of the Trust Indenture. If any conflict shall arise between the terms of this Mortgage and the Trust Indenture, the terms of the Trust Indenture shall govern.

Section 6.02. Waiver of Rights. To the extent permitted by law, Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted (i) providing for any appraisal before sale of any portion of the Mortgaged Estate, or (ii) in any way extending the time for the enforcement of the collection of the Secured Obligations or creating or extending a period of redemption from any sale made in collecting the Secured Obligations. To the full extent Mortgagor may do so under the laws of the State, Mortgagor agrees that Mortgagee will

not at any time insist upon, plea, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension, redemption or homestead exemption, and Mortgagor, for Mortgagor, Mortgagor's representatives, successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Estate, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, homestead exemption, notice of election to mature or declare due the whole of the Secured Obligations and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Mortgagor, Mortgagor's heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Mortgagor expressly waives and relinquishes any and all rights, remedies and defenses that Mortgagor may have or be able to assert by reason of the laws of the State pertaining to the rights, remedies and defenses of sureties. The waivers and agreements contained in this section and elsewhere in this Mortgage are given by Mortgagor knowingly and voluntarily and upon advice of counsel.

Section 6.03. Limitation of Interest. All agreements between Mortgagor and Mortgagee, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid, to Mortgagee for the use, forbearance, or detention of the money to be held pursuant to the Trust Indenture or otherwise, or for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever fulfillment of any provision hereof at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by law, then, *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Mortgagee or holders of the Bonds shall ever receive as interest under the Bonds or this Mortgage or otherwise anything of value which would exceed interest at the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing under the Bonds or on account of other Secured Obligations and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Bonds and such other Secured Obligations, such excess shall be refunded to Mortgagor. All sums paid or agreed to be paid to Mortgagee for the use, forbearance, or detention of the Secured Obligations shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such obligations until payment in full so that the rate of interest on account of Secured Obligations is uniform throughout the term thereof. The terms and provisions of this paragraph shall control all agreements between Mortgagor and Mortgagee.

Section 6.04. [Reserved]

Section 6.05. Notices. Unless otherwise required by law, whenever Mortgagee or Mortgagor shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing and shall be deemed to have been given: (a) upon receipt if sent by hand delivery; (b) one day after deposit with overnight courier; or (c) two days after deposit in the case of certified mail, postage prepaid, addressed to the following mailing addresses:

If to Mortgagor: Charyl Stockwell Academy
9758 E. Highland Road
Howell, MI 48843
Attention: Principal
Telephone: (810) 632-2200
Facsimile: (810) 632-2201

If to Mortgagee: U.S. Bank Trust Company, National Association
ATTN: Global Corporate Trust
EP-MN-WS3C
60 Livingston Avenue
St. Paul MN 55107
Tel: (651) 466-6307
Fax: (651) 466-7429

Any party may at any time change its address for such notices by delivering to the other parties hereto, as aforesaid, a notice of such change.

Section 6.06. Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

Section 6.07. Invalidity of Certain Provisions; Conflicting Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the Secured Obligations, or if the lien is invalid or unenforceable as to any part of the Mortgaged Estate, the unsecured or partially secured portion of the Secured Obligations shall be completely paid prior to the payment of the remaining and secured portion of the Secured Obligations, and all payments made on such obligations, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the Secured Obligations which is not secured or fully secured by the lien of this Mortgage.

Section 6.08. Subrogation. To the extent that proceeds of the Bonds or advances under this Mortgage are used to pay any outstanding lien, charge or prior encumbrance against the Mortgaged Estate, such proceeds or advances have been or will be advanced by Mortgagee at Mortgagor's request, and Mortgagee shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released of record.

Section 6.09. Change in Ownership. If the ownership of the Mortgaged Estate or any part thereof or interest therein becomes vested in a person other than Mortgagor owning the same on the date hereof, Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest with reference to this Mortgage and the Secured Obligations in the same manner as with Mortgagor without in any way vitiating or discharging Mortgagor's liability hereunder or upon the Secured Obligations. No sale of the Mortgaged Estate, and no forbearance on the part of Mortgagee, and no extension of the time for the payment of the Secured Obligations, given by Mortgagee, shall operate to release, discharge, modify, change or affect the original liability, if any, of Mortgagor or the liability of any guarantors or sureties of Mortgagor, either in whole or in part; provided that Mortgagor may be released from its original

AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds

liability under this Mortgage upon transfer of the entire Mortgaged Estate with the written consent of Mortgagee and as permitted under the Trust Indenture.

Section 6.10. Assignment of Mortgagee's Interest. It is expressly agreed that any and all terms of this Mortgage, the Trust Indenture and all other agreements made or executed by Mortgagor or others in favor of Mortgagee, and all rights, powers, privileges, options and remedies conferred upon Mortgagee herein and therein, shall inure to and be for the benefit of, and may be exercised by, Mortgagee and its successors and assigns, and the words "Mortgagee" shall also mean and include the successor or successors and the assign or assigns of Mortgagee and its successors and assigns. Mortgagor hereby specifically grants unto Mortgagee the right and privilege, at Mortgagee's option, but subject nevertheless to the provisions of the Trust Indenture, to transfer and assign to any third person all or any part of Mortgagee's rights to receive funds or payments hereunder.

Section 6.11. Time Is of the Essence. Time is of the essence under this Mortgage and the Trust Indenture.

Section 6.12. Obligations of Mortgagor. The obligations of Mortgagor to make payments hereunder and under the Trust Indenture and to perform and observe all agreements on its part contained herein and therein shall be absolute and unconditional. Until this Mortgage is terminated or payment in full of all Bonds is made or is provided for in accordance with the Trust Indenture, Mortgagor (i) will not suspend or discontinue any payments under the Trust Indenture or neglect to perform any of its duties required thereunder or hereunder; (ii) will perform and observe all of its obligations set forth in the Trust Indenture, this Mortgage and the Bonds; and (iii) except as provided herein will not terminate the Trust Indenture or this Mortgage for any cause.

Section 6.13. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereon or under the Trust Indenture, this Mortgage or the Bonds or upon any obligation, covenant or agreement herein against any past, present or future officer, director, trustee, member, employee or agent of Mortgagor, whether directly or indirectly and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Bonds.

Section 6.14. Supplements; Amendments. This Mortgage may be supplemented or amended by written agreement between Mortgagor and Mortgagee in accordance with the applicable provisions of the Trust Indenture.

Section 6.15 Power of Attorney. Mortgagee may act as attorney-in-fact or otherwise on behalf of Mortgagor pursuant to Sections 1.22, 3.01 and 5.02(f) of this Mortgage. This power of attorney is coupled with an interest, is durable and is not affected by subsequent disability or incapacity of the principal or lapse of time.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed on the day and year set forth in the acknowledgment attached hereto and effective on the date first written above.

AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds
24

CHARYL STOCKWELL ACADEMY

By: David J. Price
David J. Price

Its: President

STATE OF MICHIGAN)
) ss:
COUNTY OF LIVINGSTON)

Personally came before me on August 2nd, 2023, the above named David J. Price, President of Charyl Stockwell Academy, to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of Charyl Stockwell Academy.

C SCHROEDER
Notary Public, State of Michigan
County of Wayne
My Commission Expires Nov. 03, 2028
Acting in the County of Livingston

C Schroeder
Name:
Notary Public, State of Michigan
My commission expires: 11-3-28
Acting in County of: Livingston



AMENDED AND RESTATED MORTGAGE
Charyl Stockwell Academy, Series 2015 and 2023 Bonds
25

EXHIBIT A

LEGAL DESCRIPTION

The land referred to in this Mortgage is located in the Township of Hartland, County of Livingston, State of Michigan, and described as follows:

Part of the East 1/2 of the Northeast 1/4 of Section 29, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan, described as: Commencing at the Northeast corner of said Section 29; thence South 02 degrees 11 minutes 10 seconds East along the East line of said Section 29, 424.00 feet to the Point of Beginning of the parcel to be described; thence continuing South 02 degrees 11 minutes 10 seconds East along said East line, 726.00 feet; thence South 86 degrees 10 minutes 17 seconds West 600.25 feet; thence North 02 degrees 11 minutes 10 seconds West 726.00 feet; thence North 86 degrees 10 minutes 17 seconds East, 600.25 feet to the Point of Beginning. Including the non-exclusive use of a 66 foot wide Private Road Easement for ingress and egress and public utilities as described below.

66-FOOTWIDE PRIVATE ROAD EASEMENT FOR INGRESS AND EGRESS AND PUBLIC UTILITIES:

Part of the East 1/2 of the Northeast 1/4 of Section 29, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan, described as:

Commencing at the Northeast corner of said Section 29; thence South 02 degrees 11 minutes 10 seconds East along the East line of said Section 29, 48.26 feet to the Point of Beginning of the Easement to be described; thence continuing South 02 degrees 11 minutes 10 seconds East along said East line, 375.74 feet; thence South 86 degrees 10 minutes 17 seconds West 66.07 feet; thence North 02 degrees 11 minutes 10 seconds West 361.08 feet to the Southerly Right-of-Way line of M-59 Highway; thence North 86 degrees 28 minutes 18 seconds East along said Right of Way line, 16.14 feet; thence along said Right of Way line, North 03 degrees 31 minutes 42 seconds West 15.00 feet; thence North 86 degrees 28 minutes 18 seconds East along said Right of Way line, 50.27 feet to the Point of Beginning.

Commonly known as: 9758 Highland Rd, Howell, MI 48843

The land referred to in this Mortgage is located in the City of Brighton, County of Livingston, State of Michigan, and described as follows:

Unit 2, Summit Pointe Commercial Campus, a condominium, according to the Master Deed recorded in Liber 3099, Page 92, Livingston County Records, and any amendments thereto, and designated as Livingston County Condominium Subdivision Plan No. 229, together with rights in general common elements and limited common elements as set forth in the above Master Deed and as described in Act 59 of the Public Acts of 1978, as amended.

Commonly known as: 1032 Karl Greimel Dr, Brighton, MI 48116.

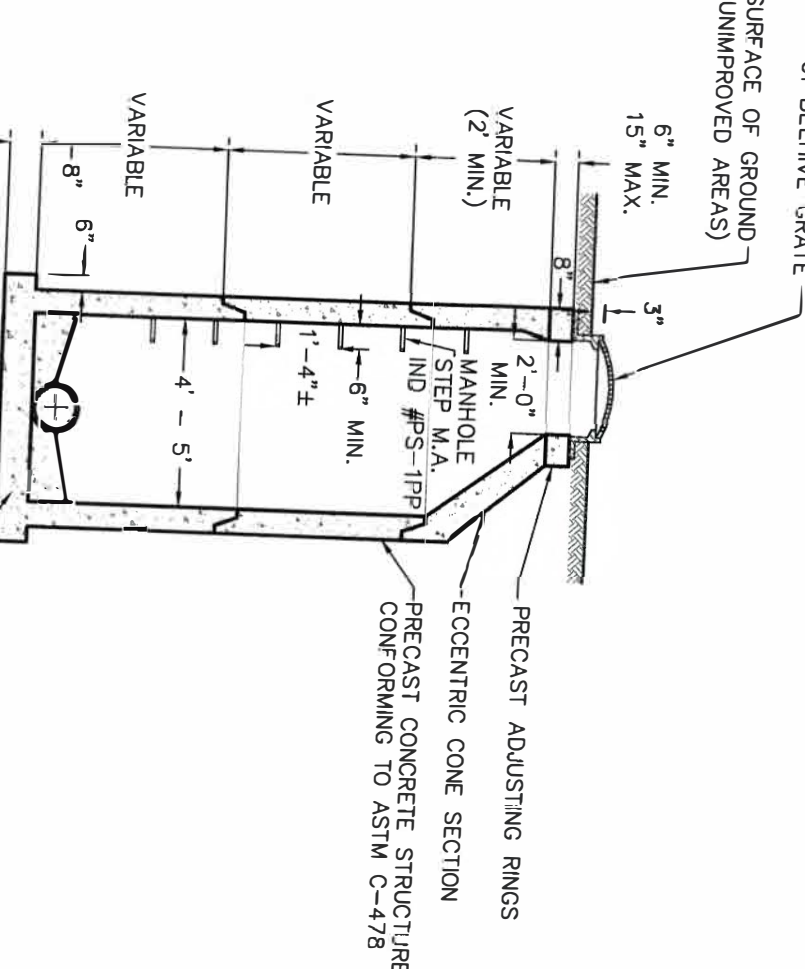
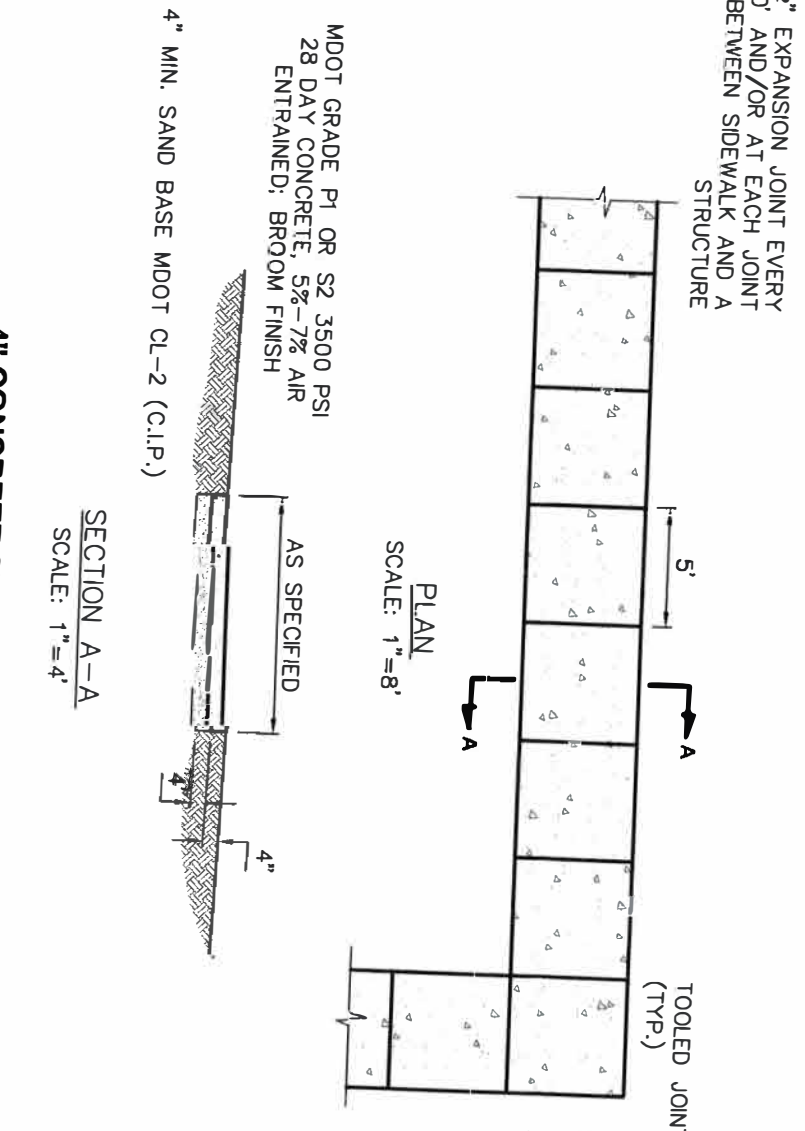
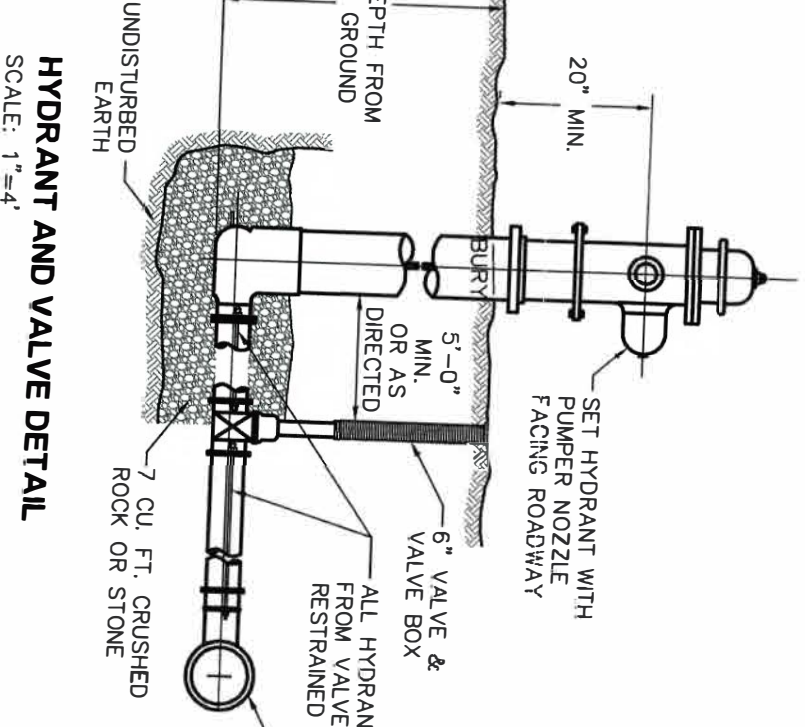
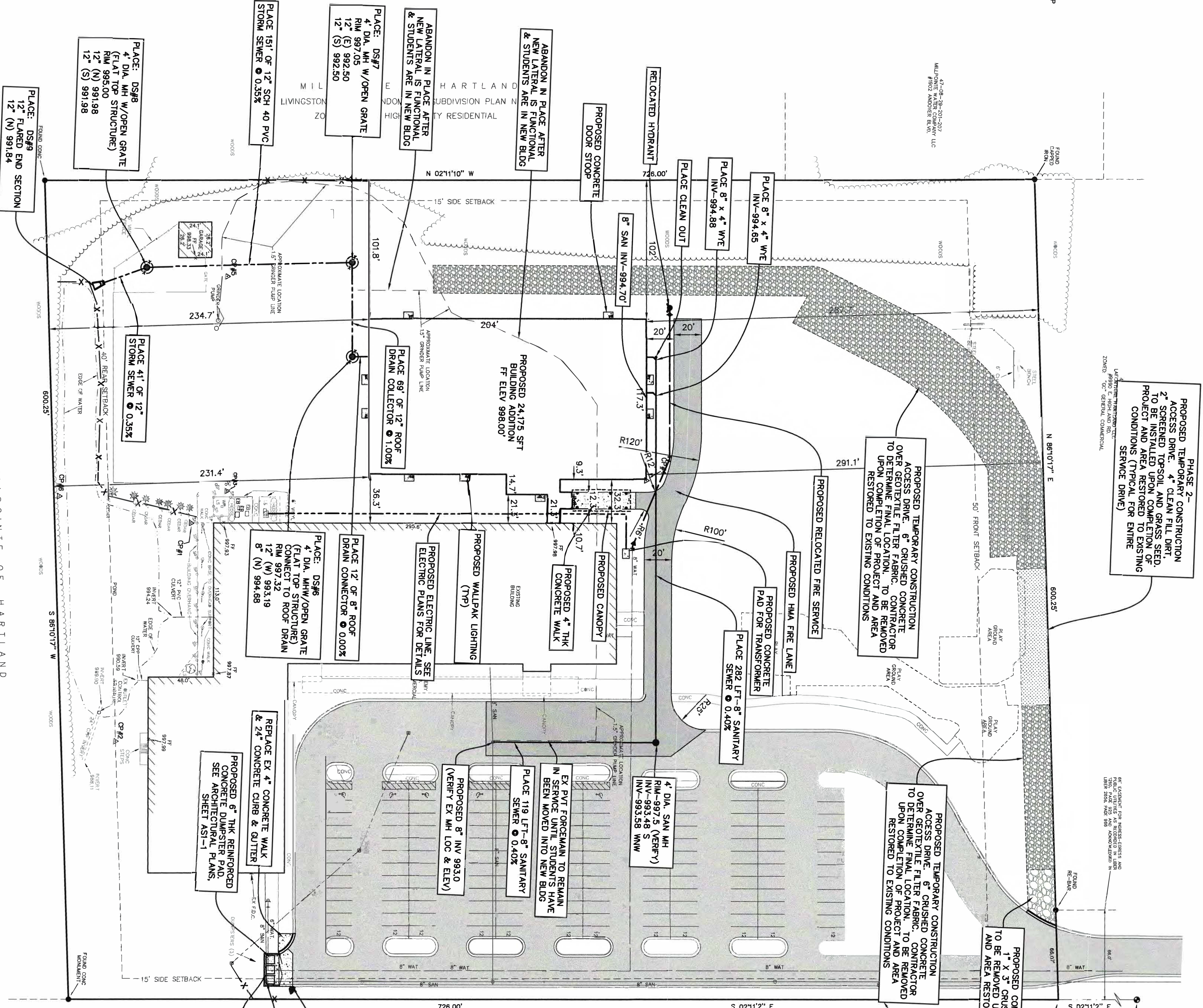
EXHIBIT B

PERMITTED EXCEPTIONS
AS DISCLOSED IN TITLE INSURANCE POLICY

39595906.1/155564.00008

Elementary School Site

BENCHMARKS - JAN08			
ELEVATION	988.27	TOP FANGE, BOIT ON WEST SIDE OF	
NORTH OF CHARTL	988.27	CHARTL STOCKWELL ACADEMY BUILDINGS	
CONTROL POINTS			
CP#1	RED CAP	N 3810'17" E	988.57
CP#2	RED CAP	N 3810'17" E	988.57
CP#3	RED CAP	N 3810'17" E	988.57
CP#4	RED CAP	N 3810'17" E	988.57
CP#5	RED CAP	N 3810'17" E	988.57
CP#6	RED CAP	N 3810'17" E	988.57
CP#7	RED CAP	N 3810'17" E	988.57
CP#8	RED CAP	N 3810'17" E	988.57
CP#9	RED CAP	N 3810'17" E	988.57
CP#10	RED CAP	N 3810'17" E	988.57
CP#11	RED CAP	N 3810'17" E	988.57
CP#12	RED CAP	N 3810'17" E	988.57
CP#13	RED CAP	N 3810'17" E	988.57
CP#14	RED CAP	N 3810'17" E	988.57
CP#15	RED CAP	N 3810'17" E	988.57
CP#16	RED CAP	N 3810'17" E	988.57
CP#17	RED CAP	N 3810'17" E	988.57
CP#18	RED CAP	N 3810'17" E	988.57
CP#19	RED CAP	N 3810'17" E	988.57
CP#20	RED CAP	N 3810'17" E	988.57
CP#21	RED CAP	N 3810'17" E	988.57
CP#22	RED CAP	N 3810'17" E	988.57
CP#23	RED CAP	N 3810'17" E	988.57
CP#24	RED CAP	N 3810'17" E	988.57
CP#25	RED CAP	N 3810'17" E	988.57
CP#26	RED CAP	N 3810'17" E	988.57
CP#27	RED CAP	N 3810'17" E	988.57
CP#28	RED CAP	N 3810'17" E	988.57
CP#29	RED CAP	N 3810'17" E	988.57
CP#30	RED CAP	N 3810'17" E	988.57
CP#31	RED CAP	N 3810'17" E	988.57
CP#32	RED CAP	N 3810'17" E	988.57
CP#33	RED CAP	N 3810'17" E	988.57
CP#34	RED CAP	N 3810'17" E	988.57
CP#35	RED CAP	N 3810'17" E	988.57
CP#36	RED CAP	N 3810'17" E	988.57
CP#37	RED CAP	N 3810'17" E	988.57
CP#38	RED CAP	N 3810'17" E	988.57
CP#39	RED CAP	N 3810'17" E	988.57
CP#40	RED CAP	N 3810'17" E	988.57
CP#41	RED CAP	N 3810'17" E	988.57
CP#42	RED CAP	N 3810'17" E	988.57
CP#43	RED CAP	N 3810'17" E	988.57
CP#44	RED CAP	N 3810'17" E	988.57
CP#45	RED CAP	N 3810'17" E	988.57
CP#46	RED CAP	N 3810'17" E	988.57
CP#47	RED CAP	N 3810'17" E	988.57
CP#48	RED CAP	N 3810'17" E	988.57
CP#49	RED CAP	N 3810'17" E	988.57
CP#50	RED CAP	N 3810'17" E	988.57
CP#51	RED CAP	N 3810'17" E	988.57
CP#52	RED CAP	N 3810'17" E	988.57
CP#53	RED CAP	N 3810'17" E	988.57
CP#54	RED CAP	N 3810'17" E	988.57
CP#55	RED CAP	N 3810'17" E	988.57
CP#56	RED CAP	N 3810'17" E	988.57
CP#57	RED CAP	N 3810'17" E	988.57
CP#58	RED CAP	N 3810'17" E	988.57
CP#59	RED CAP	N 3810'17" E	988.57
CP#60	RED CAP	N 3810'17" E	988.57
CP#61	RED CAP	N 3810'17" E	988.57
CP#62	RED CAP	N 3810'17" E	988.57
CP#63	RED CAP	N 3810'17" E	988.57
CP#64	RED CAP	N 3810'17" E	988.57
CP#65	RED CAP	N 3810'17" E	988.57
CP#66	RED CAP	N 3810'17" E	988.57
CP#67	RED CAP	N 3810'17" E	988.57
CP#68	RED CAP	N 3810'17" E	988.57
CP#69	RED CAP	N 3810'17" E	988.57
CP#70	RED CAP	N 3810'17" E	988.57
CP#71	RED CAP	N 3810'17" E	988.57
CP#72	RED CAP	N 3810'17" E	988.57
CP#73	RED CAP	N 3810'17" E	988.57
CP#74	RED CAP	N 3810'17" E	988.57
CP#75	RED CAP	N 3810'17" E	988.57
CP#76	RED CAP	N 3810'17" E	988.57
CP#77	RED CAP	N 3810'17" E	988.57
CP#78	RED CAP	N 3810'17" E	988.57
CP#79	RED CAP	N 3810'17" E	988.57
CP#80	RED CAP	N 3810'17" E	988.57
CP#81	RED CAP	N 3810'17" E	988.57
CP#82	RED CAP	N 3810'17" E	988.57
CP#83	RED CAP	N 3810'17" E	988.57
CP#84	RED CAP	N 3810'17" E	988.57
CP#85	RED CAP	N 3810'17" E	988.57
CP#86	RED CAP	N 3810'17" E	988.57
CP#87	RED CAP	N 3810'17" E	988.57
CP#88	RED CAP	N 3810'17" E	988.57
CP#89	RED CAP	N 3810'17" E	988.57
CP#90	RED CAP	N 3810'17" E	988.57
CP#91	RED CAP	N 3810'17" E	988.57
CP#92	RED CAP	N 3810'17" E	988.57
CP#93	RED CAP	N 3810'17" E	988.57
CP#94	RED CAP	N 3810'17" E	988.57
CP#95	RED CAP	N 3810'17" E	988.57
CP#96	RED CAP	N 3810'17" E	988.57
CP#97	RED CAP	N 3810'17" E	988.57
CP#98	RED CAP	N 3810'17" E	988.57
CP#99	RED CAP	N 3810'17" E	988.57
CP#100	RED CAP	N 3810'17" E	988.57



MECHANICAL

These documents are approved for compliance with the STATE OF MICHIGAN MECHANICAL CODE and the conditions of approval.

PLUMBING

These documents are approved for compliance with the STATE OF MICHIGAN PLUMBING CODE and the conditions of approval.

BUILDING

These documents are approved for compliance with the STATE OF MICHIGAN BUILDING CODE and the conditions of approval.

- SITE & UTILITY PLAN GENERAL NOTES.**
1. THE CONTRACTOR SHALL OBTAIN ALL PERMITS AND SAFETY AS PART OF THIS WORK.
 2. THE CONTRACTOR SHALL CALL WEST DOW 3 WORKING DAYS PRIOR TO THE START OF CONSTRUCTION.
 3. ALL STORM SEWER PIPE SHALL BE 405 N-12 PLASTIC PIPE UNLESS OTHERWISE SPECIFIED.
 4. ALL CATCH BASINS AND MANHOLES SHALL BE MINIMUM 4' DIAMETER PRECAST CONCRETE UNLESS NOTED OTHERWISE.
 5. THE PAVED AREAS SUBJECT TO TRUCK TRAFFIC SHALL BE CONSTRUCTED WITH 12" MOOT CL-2 SAND SUBBASE (CLP) 2"-32 HMA LEVING COARSE 2"-53 HMA WEARING COURSE.
 6. THE CONTRACTOR SHALL BED AND BACKFILL ALL UNDERGROUND PIPING WITH MOOT CL-2 SAND TO A MINIMUM OF 95% MAXIMUM DRY DENSITY PER ASTM.
 7. BURNED SOIL SHALL NOT BE USED TO STAKE THE LOCATION OF PROPOSED BUILDINGS OR FOUNDATIONS. THE SURVEYORS ARE TO USE THE BUILDING FOUNDATION AREA TO A MINIMUM OF 80% MAXIMUM DRY DENSITY PER ASTM.
 8. THE CONTRACTOR SHALL PLACE AND COMPACT ALL UNDER THE PROPOSED BUILDING AREAS TO A MINIMUM OF 80% MAXIMUM DRY DENSITY PER ASTM.
 9. THE CONTRACTOR SHALL PLACE ALL BUILDING ROOF WATER TO THE STORM WATER DETENTION BASIN AND STORM AND SPECIFIED.
 10. THE CONTRACTOR SHALL PLACE ALL CONSTRUCTION STAGING BY EMAIL USING THE PLAN. COPIED REQUESTS WILL BE SCHEDULED. NOTE STAGING REQUESTS FROM STAGES ARE THE CONTRACTORS RESPONSIBILITY. ALL LOST AND DAMAGED WALL STAGES ARE THE CONTRACTORS RESPONSIBILITY. ALL LOST AND DAMAGED WALL STAGES ARE THE CONTRACTORS RESPONSIBILITY. ALL LOST AND DAMAGED WALL STAGES ARE THE CONTRACTORS RESPONSIBILITY.
 11. THE THREE EXISTING DUMPSTERS ON SITE SHALL BE DEMOLISHED WITH SPILT FACE (M) TO MATCH THE EXISTING SCHOOL BUILDING, WITH WOODEN GATES.

SITE DATA:

EXISTING ZONING: "OC" GENERAL COMMERCIAL

MIN LOT AREA: 120' X 120' = 14,400 SFT

MIN LOT WIDTH: 120'

MIN LOT DEPTH: 120'

MIN FRONT SETBACK: 75'

MIN REAR SETBACK: 50'

MIN SIDE SETBACK: 15'

MIN SIDE SETBACK: 35' OR 2.5 STORES, WHICHEVER IS LESS

PARKING REQUIREMENTS:

1/25 SFT ASSEMBLY SEATING AREA

EXISTING CLASSROOMS = 24 (24 SPACES REQUIRED)

PROPOSED CLASSROOMS = 18 (18 SPACES REQUIRED)

1680 SFT ASSEMBLY SEATING AREA/35 (47 SPACES REQUIRED)

TOTAL PARKING SPACES REQUIRED = 89

LOT COVERAGE CALCULATIONS:

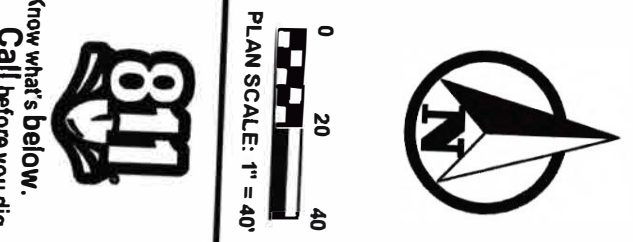
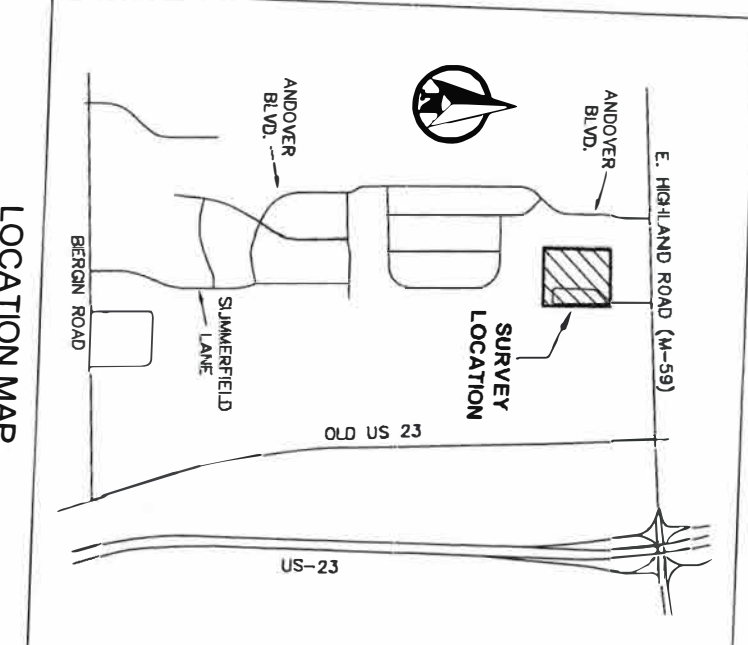
EXISTING BUILDINGS = 68,151 SFT (NO. GARAGE)

PROPOSED BUILDINGS = 70,368 SFT (NO. GARAGE)

EXISTING GARAGE = 6,315 SFT

PROPOSED BUILDING TOTAL = 70,368 SFT (16.2% COVERAGE)

LOT AREA = 435,600 X 0.75 = 326,700 SFT ALLOWABLE BLDG AREA



Moore+Bruggink
Consulting Engineers
2020 Monroe Ave.
Grand Rapids, MI 49505
(616) 363-9801 | mailbox@mtbce.com
PROJECT NO.: 220149.01

Integrated Architecture
840 Ottawa Avenue NW
Grand Rapids, MI 49503
2020 Monroe Ave.
Grand Rapids, MI 49505
(616) 363-9801 | mailbox@mtbce.com
www.intarch.com

Charyl Stockwell Academy
Classroom Addition
9758 East Highland Road
Howell, MI 48843



STATE OF MICHIGAN	08-23-22
RE: SITE PLAN ISSUE	07-27-22
DR: M&B/JFL	07-27-22
CHK: M&B/JFL	07-27-22
DATE: 08/23/22	
PROJECT NUMBER: 20220121	

Civil Set Sheet Schedule
C-10 BOUNDARY & TOPOGRAPHIC SURVEY
C-11 EXISTING NATURAL FEATURES INVENTORY
C-12 REMOVAL PLAN
C-13 SITE & UTILITY PLAN
C-14 GRADING & SOIL EROSION CONTROL

SITE & UTILITY PLAN
C-1.3

FLOOR PLAN NOTES

- [illegible]



BUILDING

These documents are approved
for compliance with the
STATE OF MICHIGAN BUILDING CODE
subject to field inspection and the
conditions of approval.

Aug 31, 2006 2:13 PM

No 4222 P. 2/2

RECEIVED 08-31-06 BY LA

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

**Building Permit No. LB021939
Charyl Stockwell Academy
9758 E Highland Road
Howell, Michigan
Livingston County**

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

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §123.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 110.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.



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

August 30, 2006

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: BLDG22-01714

9758 E HIGHLAND RD

HOWELL, MI 48843

COUNTY: LIVINGSTON

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: 08/30/2024

CERTIFICATE OF USE AND OCCUPANCY

TEMPORARY

**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.: BLDG22-01714
9758 E HIGHLAND RD
HOWELL, MICHIGAN
LIVINGSTON COUNTY**

The above-named building of Use Group E, Education and Construction Type 2B - Non Combustible (Non Rated Structural Elements) is approved for use and occupancy with an expiration date of November 13, 2024.

Conditions:

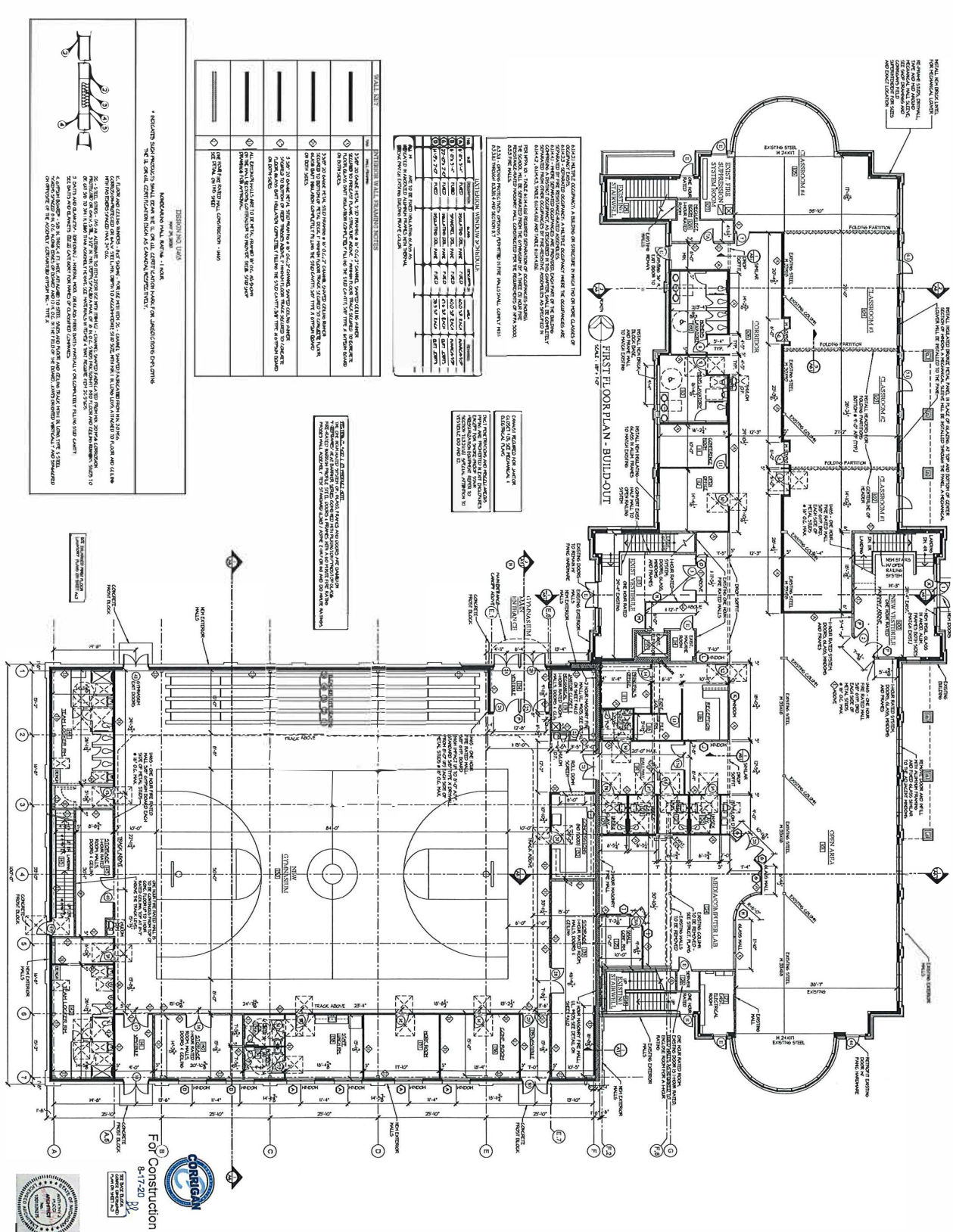
THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Tracie Pack

**Tracie Pack
Building Trades Section Manager
Bureau of Construction Codes**

August 13, 2024

Middle School Site



FOR CONSTRUCTION
8-17-20

CONCRETE

REVISIONS

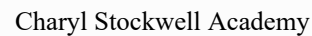
NO.	DATE	DESCRIPTION
1	8-17-20	ISSUED FOR CONSTRUCTION

PROJECT
CHARYL STOCKWELL ACADEMY
100 KARL GROSZEL DRIVE
BRIGHTON, MI 48116

SHEET NO.
FIRST FLOOR PLAN - BUILD-OUT

ANTHONY PUCCI ASSOCIATES, PC
ARCHITECTURE • PLANNING • DESIGN
P.O. BOX 201, BRIGHTON, MI 48116
PHONE: (313) 375-0750 • FAX: (313) 375-0751

SCALE
1" = 10'-0"



SECOND LEASE ADDENDUM

Landlord: STONE RIDGE OFFICE, L.L.C., 775 N. Second Street, Brighton, MI 48116

Tenant: CHARYL STOCKWELL ACADEMY, 9758 E. Highland Rd., Howell, MI 48843

Premises: 1021 Karl Greimel Drive, Brighton, MI 48116

This Second Lease Addendum is incorporated fully into the Lease between the parties dated September 25, 2019, wherein Landlord and Tenant entered into a written Lease for the above referenced premises, as amended by a First Lease Addendum. The Landlord and Tenant wish to amend the Lease with the following addendum. Landlord and Tenant agree as follows:

1. Paragraph 3(a) shall be deleted, in its entirety, and will be replaced with the following:

- a. The term of this Lease (the "Term") shall commence on the later occurring of: (i) July 1, 2021; or (ii) the day that Landlord tenders possession of the Premises to Tenant with the Landlord's Work Substantially Complete, which shall be no later than July 1, 2021, as set forth in Paragraph 7(b), below. The Term shall expire on June 30, 2031 (the "Expiration Date"), unless earlier terminated or extended as provided for herein. Landlord will provide and Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that Landlord's Work has been Substantially Completed.

2. Paragraph 3(b) shall be deleted, in its entirety, and will be replaced with the following:

- b. Tenant is a party to a Charter School Contract with Central Michigan University for the operation of a school (the "Charter School Contract"). If for any reason whatsoever the Charter School Contract is terminated, revoked, or is not renewed or extended, prior to the expiration of the Term hereof, then this Lease shall terminate simultaneously with such termination, non-renewal or non-extension, as the case may be, and neither Party shall have any right or cause of action against the other Party by reason of such termination. Notwithstanding the foregoing, in the event of a termination of the Charter School Contract for reasons other than cause, Tenant shall be permitted to attempt to secure another charter for a limited period of time (if, and only if, the Charter School Contract is terminated at the end of a school year), which charter will permit Tenant to operate a charter school in the same manner as chartered under the Charter School Contract, and in the event Tenant should procure such a charter timely, enabling it to continue full operations at the beginning of the following school year, this Lease shall be automatically revived and reinstituted. In the event that the Tenant is required to undergo a reconstitution pursuant to Section 507 of the Code, MCL 380.507, and the Charter Contract, and such reconstitution causes an amendment to or termination of this Lease Agreement, the parties agree that this Lease Agreement

shall be amended or terminated to implement the Academy reconstitution, with no cost or penalty to the Tenant, and the Landlord shall have no recourse against the Tenant or the University Board for implementing such site closure or reconstitution.

3. Exhibit A shall be deleted, in its entirety, and will be replaced with the following:

Unit 3, SUMMIT POINTE COMMERCIAL CAMPUS, a Condominium according to the Master Deed recorded in Liber 3099, Page 92, Livingston County Records, and designated as Livingston County Condominium Subdivision Plan No. 229, together with rights in general common elements and limited common elements as set forth in the above described Master Deed and Amendments thereto and as disclosed by Act 59 of the Public Acts of 1978, as amended.

Commonly known as: 1021 Karl Greimel Drive, Brighton, Michigan 48116
Tax ID No. 4718-25-202-006

4. Paragraph 7 shall be deleted, in its entirety, and replaced with the following:

7. Construction of Premises. The Rights of the Parties with regard to the construction of the Premises shall be as follows:

a. Tenant shall bear no expense for construction of the Premises through obtaining a Certificate of Occupancy, including but not limited to, obtaining approval from the Michigan Department of Licensing and Regulatory Affairs ("LARA") for construction and occupancy of the Premises for Tenant's Education Permitted Use, in accordance with the Approved Design attached hereto as **Exhibit B**.

b. Landlord must tender possession of the Premises to Tenant, constructed with 47,420 square feet of usable space as more particularly described on **Exhibit B**, attached hereto (the "Landlord's Work"), no later than July 1, 2021, with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed.. In the event Landlord cannot provide the Premises to Tenant in this condition on or before July 1, 2021, Tenant may elect to terminate this Lease by written notice delivered to Landlord on or before 5:00 p.m., local time, on or before the third business day following the completion deadline outlined above.

c. Landlord agrees to use its best efforts to have Landlord's Work substantially completed by its contractor(s) on or before July 1, 2021.

d. Landlord's Work shall be done in compliance with all applicable local, state and federal laws, rules regulations and ordinances including, without limitation, all laws, rules, regulations and ordinances pertaining to school building construction, being the Michigan Revised School Code, MCL 380.1 et seq., including, but not limited to

380.1264, as amended, the School Building Construction Act, MCL 388.851 et seq., as amended, the Stille-Derossett-Hale Single State Construction Code Act, MCL 125.1501 et seq., as amended, and the Michigan Building Code, as amended.

e. Landlord warrants Landlord's Work for one (1) year from the date of Substantial Completion. Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed., and provided further that Tenant will not be required to accept possession prior to July 1, 2021. Tenant shall be responsible for any and all maintenance required by the manufacturer of the respective products within the Premises during this warranty period.

5. Paragraph 4(a), including subparagraphs, of the Lease shall be deleted in its entirety, and replaced with the following:

Base Rent. Beginning on July 1, 2021, Tenant agrees to pay to Landlord base rent ("Base Rent") in the amount of \$11.17/square foot for the calendar year ending June 30, 2022. The total rent for the first calendar year is \$529,681.40. The Base Rent shall increase for each subsequent year at a rate of 2% for the Lease Term.

Year 2	\$540,275.02	Year 6	\$584,811.05
Year 3	\$551,080.52	Year 7	\$596,507.27
Year 4	\$562,102.13	Year 8	\$608,437.41
Year 5	\$573,344.17	Year 9	\$620,606.15
	Year 10		\$633,018.27

Rent shall be paid in equal monthly installments payable in advance on the first day of each month. If commencement of the Term is after July 1, 2021, Tenant shall not be responsible for any payments hereunder until the date of possession by Tenant of the Premises.

Notwithstanding the foregoing, Tenant shall be requested to make a one-time payment of \$250,000 on or before 6/30/2021 ("Prepayment"). If the Prepayment is made, it shall be applied to the Base Rent owing for the calendar year ending June 30, 2022, resulting in a remaining Base Rent balance for that year of \$279,681.40. The Prepayment shall have no effect on the Base Rent for the remaining years of the Lease set forth above.


6. Except as hereafter modified in writing all prior terms and conditions of the Lease dated September 25, 2019, and any subsequent addendums/amendments thereto, not inconsistent with this Addendum to Lease, shall remain in full force and effect. Any and all terms used in this

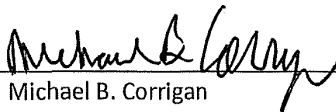
Addendum and defined in the Lease or amendments thereto shall be defined as set forth therein, unless otherwise defined herein.

IN WITNESS WHEREOF, the parties hereto have duly executed this lease as of the day and year first above written.

Signed in the presence of:

STONERIDGE OFFICE, L.L.C. (Landlord)

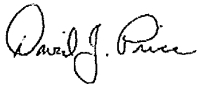

Print name
Jill Krol


By: Michael B. Corrigan
Its: Member

Signed in the presence of:

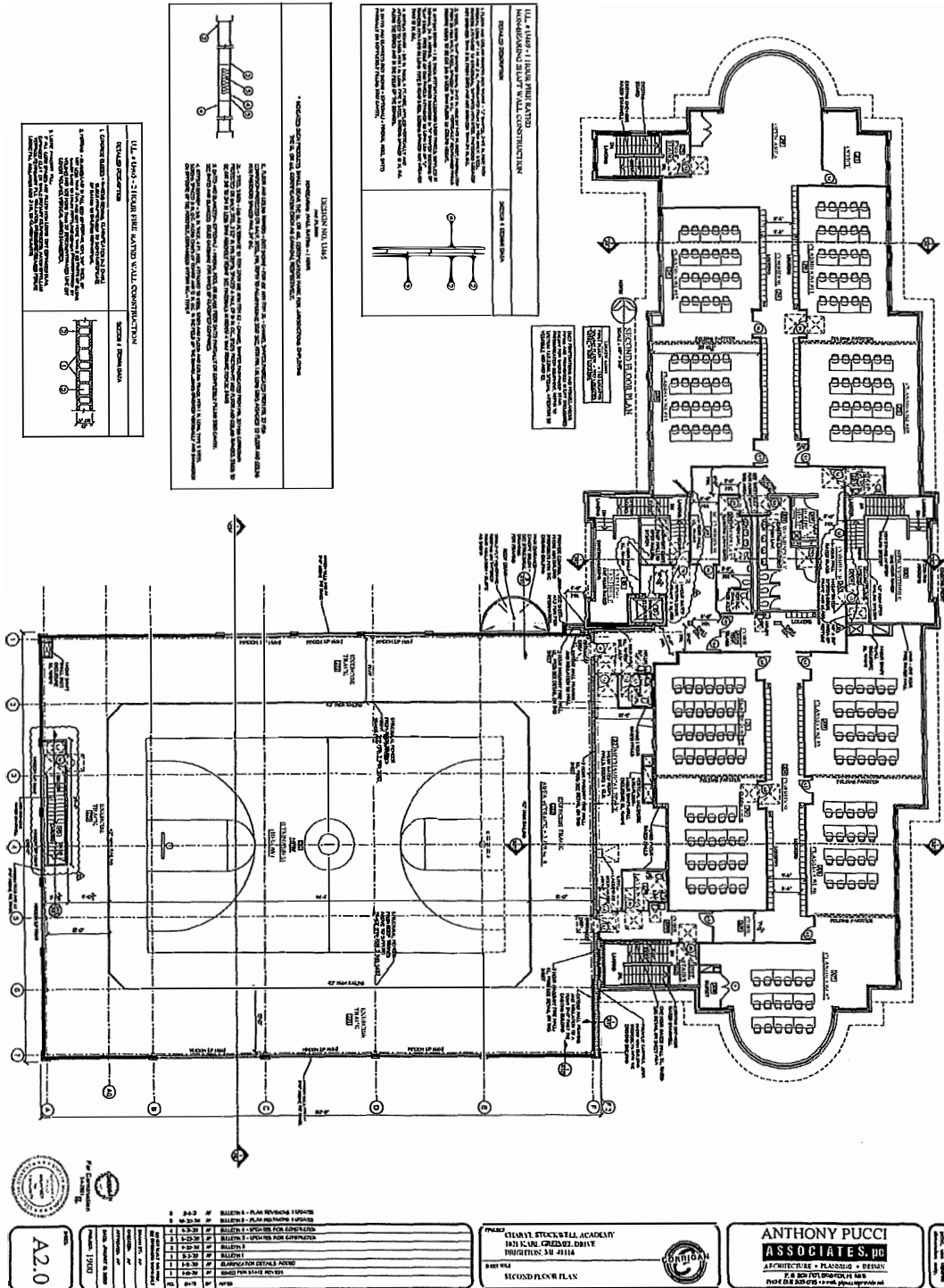
CHARYL STOCKWELL ACADEMY (Tenant)

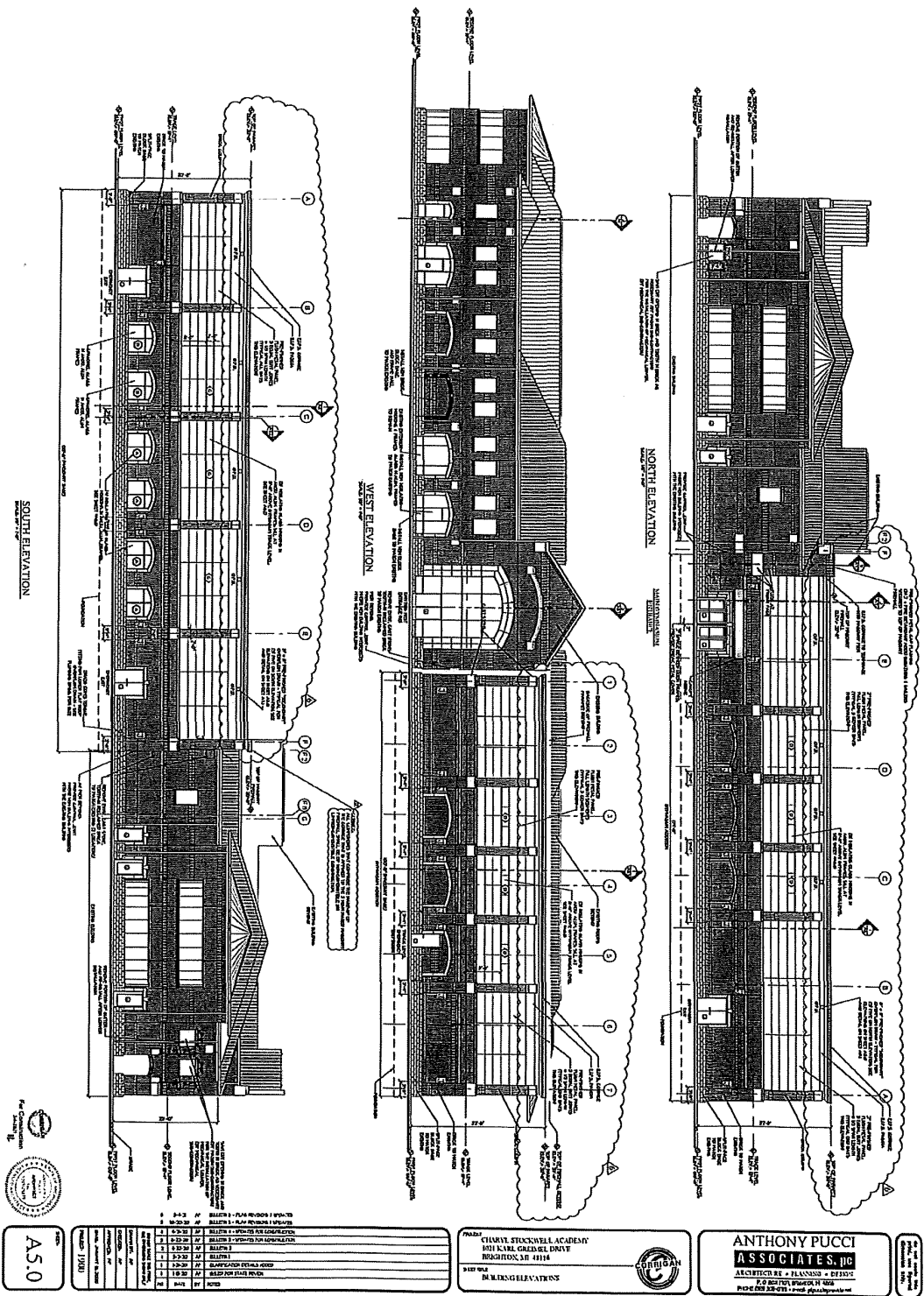
Print name

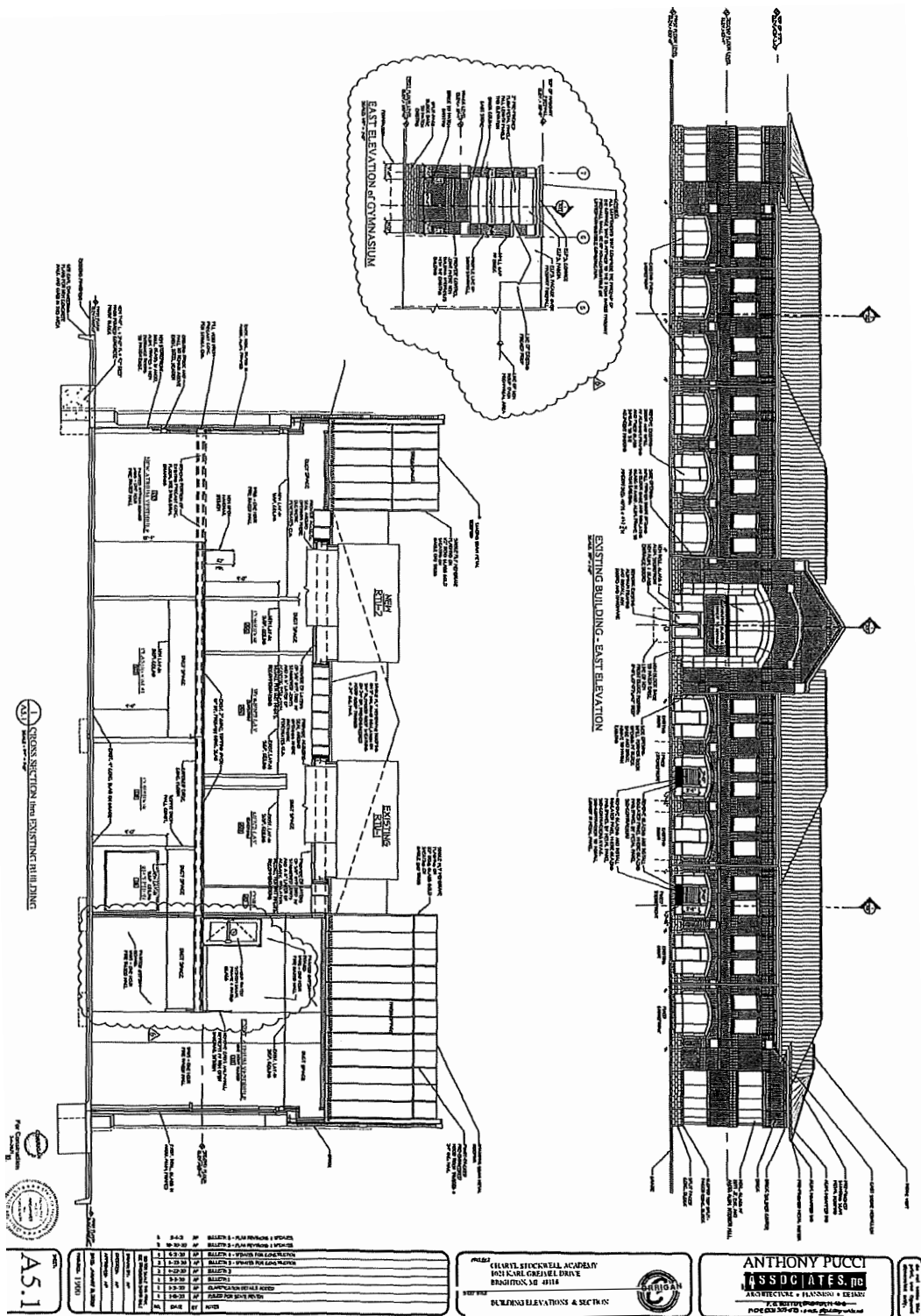

Digitally signed by David Price
Date: 2021.05.19 12:03:54
-04'00'
Adobe Acrobat version:
2017.011.30194

By: David J. Price
Its: President

[illegible]







FIRST LEASE ADDENDUM

Landlord: STONE RIDGE OFFICE, L.L.C., 775 N. Second Street, Brighton, MI 48116

Tenant: CHARYL STOCKWELL ACADEMY, 9758 E. Highland Rd., Howell, MI 48843

Premises: 1021 Karl Greimel Drive, Brighton, MI 48116

This First Lease Addendum is incorporated fully into the Lease between the parties dated September 25, 2019, wherein Landlord and Tenant entered into a written Lease for the above referenced premises. The Landlord and Tenant wish to amend the Lease with the following addendum. Landlord and Tenant agree as follows:

1. **Description of Leased Premises.** The Leased Premises is changed from 41,200 square feet to 47,420 square feet.

2. **Rent.**

Base Rent. Beginning on June 1, 2021, Tenant agrees to pay to Landlord base rent ("Base Rent") in the amount of \$11.17/square foot for the calendar year ending June 30, 2022. The total rent for the first calendar year is \$529,681.40. The Base Rent shall increase for each subsequent year at a rate of 2% for the Lease Term.

Year 2	\$540,275.02	Year 6	\$584,811.05	Year 10	\$633,018.27
Year 3	\$551,080.52	Year 7	\$596,507.27		
Year 4	\$562,102.13	Year 8	\$608,437.41		
Year 5	\$573,344.17	Year 9	\$620,606.15		

Rent shall be paid in equal monthly installments payable in advance on the first day of each month. If commencement of the Term is after June 1, 2021, Tenant shall not be responsible for any payments hereunder until the date of possession by Tenant of the Premises.

3. Except as hereafter modified in writing all prior terms and conditions of the Lease dated September 25, 2019, and any subsequent addendums/amendments thereto, not inconsistent with this Addendum to Lease, shall remain in full force and effect. Any and all terms used in this Addendum and defined in the Lease or amendments thereto shall be defined as set forth therein, unless otherwise defined herein.

INTENTIONALLY LEFT BLANK
SIGNATURES ARE ON THE FOLLOWING PAGES

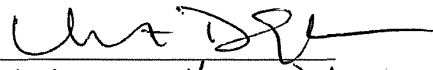
First Lease Addendum - Option 1

IN WITNESS WHEREOF, the parties hereto have duly executed this lease as of the day and year first above written.

Signed in the presence of:

STONE RIDGE OFFICE, L.L.C. (Landlord)

Print name

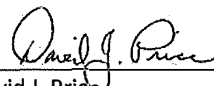

By: ~~Michael B. Corrigan~~ Vincent DeAngelis
Its: ~~Member~~ Representative

Signed in the presence of:

CHARYL STOCKWELL ACADEMY (Tenant)

David I.J. Price

Print name


By: David J. Price
Its: President

First Lease Addendum - Option 1

LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease") is made this 25th day of Sept, 2019 between Stone Ridge Office, L.L.C., a Michigan limited liability company ("Landlord"), having its address at 775 N. Second Street, Brighton Michigan, 48116, and Charyl Stockwell Academy, a Michigan nonprofit corporation, and public school academy ("Tenant"), having its address at 9758 E. Highland Rd, Howell, Michigan, 48843. Landlord and Tenant shall each be referred to herein as a "Party" and collectively as the "Parties".

RECITALS:

- A. Landlord is the owner of a building located in the City of Brighton, 1021 Karl Greimel Drive, Brighton, Michigan, (referred to herein as the "Premises").
- B. Tenant requires certain design and construction modifications to the premises.
- C. Landlord desires to lease to Tenant and Tenant desires to lease from Landlord the Premises for the operation of a public school academy, once the design and construction modifications by Landlord are complete.

AGREEMENT:

In consideration of the facts set forth in the Recitals above and the mutual promises contained herein, Landlord and Tenant agree as follows:

- c. Landlord obtaining an agreement for the construction of the Landlord's Work, for a price and on terms and conditions satisfactory to the Landlord, in its sole discretion;

Tenant acknowledges and agrees that in the event that any of the foregoing events or agreements should fail to occur to Landlord's satisfaction by the dates set forth above, the Landlord, in its sole discretion, may terminate this Lease Agreement, rendering it null and void, and of no further effect. In the event the Landlord does not terminate this Lease by August 1, 2019, Landlord, or its contractor or agent, shall commence Landlord's Work immediately thereafter, including, but not limited to, permitting, engineering, and architecture services involved with Landlord's Work, and shall commence construction of Landlord's Work by November 1, 2019.

- 1. **Lease of Premises.** Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, upon the terms and conditions set forth herein.
- 2. **Description of Leased Premises.** The Leased Premises is described as follows:

41,200 square feet of 1021 Karl Greimel Drive, Brighton, Michigan

3. **Term.**

a. The term of this Lease (the "Term") shall commence on the latter of: (i) June 1, 2020; or (ii) the day that Landlord tenders possession of the Premises to Tenant with the Landlord's Work Substantially Complete, which shall be no later than August 1, 2020, as set forth in Paragraph 7(b), below. The Term shall expire on June 30, 2030 (the "Expiration Date"), unless earlier terminated or extended as provided for herein. Landlord will provide and Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed.

b. Tenant is a party to a Charter School Contract with Central Michigan University for the operation of a school (the "Charter School Contract"). If for any reason whatsoever the Charter School Contract is terminated, revoked, or is not renewed or extended, prior to the expiration of the Term hereof, then this Lease shall terminate simultaneously with such termination, non-renewal or non-extension, as the case may be, and neither Party shall have any right or cause of action against the other Party by reason of such termination. Notwithstanding the foregoing, in the event of a termination of the Charter School Contract for reasons other than cause, Tenant shall be permitted to attempt to secure another charter for a limited period of time (if, and only if, the Charter School Contract is terminated at the end of a school year), which charter will permit Tenant to operate a charter school in the same manner as chartered under the Charter School Contract, and in the event Tenant should procure such a charter timely, enabling it to continue full operations at the beginning of the following school year, this Lease shall be automatically revived and reinstituted.

4. **Rent**

a. **Base Rent.** Beginning on July 1, 2020, Tenant agrees to pay to Landlord base rent ("Base Rent") in the amount of \$11.86/square foot for the calendar year ending June 30, 2021. The total rent for the first calendar year is \$488,632. The Base Rent shall increase for each subsequent year at a rate of 2% for the Lease Term.. Rent shall be paid in equal monthly installments payable in advance on the first day of each month. From the commencement of the Term as defined in 3(a) above until July 1, 2020, Tenant will not be responsible for any payment of Base Rent, Additional Rent or any taxes and assessments, nor any interest or penalties accrued thereon on or related to the Premises as defined in 4(b) below. However, if commencement of the Term is after July 1, 2020, Tenant shall not be responsible for any payments hereunder until the date of possession by Tenant of the Premises.

The Base Rent shall be subject to adjustment as follows:

i. The agreed Base Rent, reflected above, is based on a school building with 41,200 square feet of usable space, the design of which has been approved by Tenant ("Approved Design"), as set forth in the plans of Anthony Pucci &

Associates, dated _____, which Approved Design is incorporated herein by this reference. In the event that the overall usable square footage changes through Landlord's Work, as documented to Tenant, the Base Rent shall be adjusted by the square footage multiplier above.

ii. In the event that Tenant decides that changes are needed to the Approved Design of the Building, such change from the Approved Design shall only be permitted in the event that the Parties mutually agree to an amendment to this Agreement, inclusive of an increase in Base Rent.

b. **Additional Rent.** The Base Rent shall be net to Landlord and, as such, Tenant shall pay Landlord, when the bill rendered to Landlord is presented to Tenant showing the actual expense owed by Landlord, for the following expenses related to the Premises: (a) taxes and assessments which may be levied or assessed against the Premises or any portion thereof; (b) utility costs relating to the Premises (unless paid directly by Tenant to the utility suppliers); and (c) operating costs relating to the Premises as defined in Paragraph 10 of this Lease. In addition, Tenant shall be liable for any and all costs and expenses incurred by the Landlord which are the result of the acts or omissions of Tenant or any of its employees, agents, or invitees arising out of Tenant's use of the Premises.

c. **Rent.** The term "Rent" shall mean all amounts payable under this Lease including Base Rent and Additional Rent. Rent shall be payable to the Landlord by Tenant monthly, without previous demand therefore and without deduction, setoff, adjustment or abatement of any nature. If the Term begins or ends on a date which is other than the first or last day of a calendar month, respectively, then Base Rent and Additional Rent for such partial month shall be prorated based on the number of days of such month included within the Term. All amounts due from Tenant hereunder shall be paid in lawful money of the United States to Landlord at its address set forth on the first page hereof, or to such other person or at such other place as Landlord from time to time may designate. Any Base Rent or Additional Rent due to Landlord not received within ten (10) business days of its due date will incur a late charge equal to five (5%) percent of amount past due - this penalty shall be considered Additional Rent.

5. **Use of the Premises.** Tenant shall have the right to use the Premises only for any and all lawful educational purposes and all activities associated with such operation of an educational facility (an "Education Permitted Use").

6. **Governmental Approvals and Compliance with Law.**

a. During the Term, Tenant at all times shall comply with conditions and requirements of permits and approvals for such occupancy and operation, including but not limited to the Charter School Contract, except those related to Landlord's Work as referenced in Paragraph 7 below, which shall be Landlord's sole responsibility.

b. Except as otherwise provided in this Lease, Tenant covenants and agrees that during the Term, Tenant shall promptly comply with all applicable laws, ordinances, orders, rules, regulations and requirements of the federal, state, county, city and municipal governments or any of their departments, bureaus, boards, commissions and officials thereof and fire insurance regulations with respect to the Premises, or the use or occupancy thereof, whether said compliance shall be ordered or directed to or against Landlord or Tenant or both. Upon written request by Tenant, Landlord shall provide reasonable cooperation, at Tenant's cost, in Tenant's compliance with the foregoing obligations under this Paragraph 6.

c. Tenant shall have the right during the Term, at its sole cost and expense, after prior notice to Landlord, to contest by appropriate legal proceedings which shall be conducted diligently and in good faith in the name of Tenant and without cost or expense to Landlord, the validity or applicability of any law, ordinance, order, rule or regulation of the nature herein above referred to in this Paragraph 6, and Tenant shall have the right to delay observance thereof and compliance therewith until such contest is finally determined and is no longer subject to appeal, provided that observance and compliance therewith pending the prosecution of such proceeding is a) permissible by law, and b) does not subject Landlord to any civil or criminal liability or fine. Landlord agrees timely to execute and deliver any appropriate documents or other instruments which may be necessary or proper to permit Tenant to so contest the validity or application of any such law, ordinance, order, rule, or regulation and to cooperate reasonably with Tenant in such contest. Nothing in this section shall be construed to permit Tenant to sue in the name of Landlord, or to require Landlord to sue on Tenant's behalf, or participate in Tenant's lawsuit as a named party. In the event that Landlord is involuntarily added as a necessary party to a proceeding involving Tenant under this section, Tenant shall bear the cost and expense of Landlord's legal defense.

7. **Construction of Premises.** The Rights of the Parties with regard to the construction of the Premises shall be as follows:

a. Tenant shall bear no expense for construction of the Premises through obtaining a Certificate of Occupancy, including but not limited to, obtaining approval from the Michigan Department of Licensing and Regulatory Affairs ("LARA") for construction and occupancy of the Premises for Tenant's Education Permitted Use, in accordance with the Approved Design attached hereto as **Exhibit B**.

b. Landlord must tender possession of the Premises to Tenant, constructed with 41,200 square feet of usable space as more particularly described on **Exhibit B**, attached hereto (the "Landlord's Work"), no later than August 1, 2020, with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed.. In the event Landlord cannot provide the Premises to Tenant in this condition on or before August 1, 2020, Tenant may elect to terminate this Lease by written notice delivered to Landlord on or before 5:00 p.m., local time, on or before the third business day following the completion deadline outlined above.

c. Despite the August 1, 2020 date set forth above, Landlord agrees to use its best efforts to have Landlord's Work substantially completed by its contractor(s) on or before June 1, 2020.

d. Landlord's Work shall be done in compliance with all applicable local, state and federal laws, rules regulations and ordinances including, without limitation, all laws, rules, regulations and ordinances pertaining to school building construction, being the Michigan Revised School Code, MCL 380.1 et seq., including, but not limited to 380.1264, as amended, the School Building Construction Act, MCL 388.851 et seq., as amended, the Stille-Derossett-Hale Single State Construction Code Act, MCL 125.1501 et seq., as amended, and the Michigan Building Code, as amended.

e. Landlord warrants Landlord's Work for one (1) year from the date of Substantial Completion. Tenant will accept the Premises when Landlord tenders possession of the Premises to Tenant with a Certificate of Occupancy for a use category including the Permitted Educational Use, provided that the Landlord's Work has been Substantially Completed, and provided further that Tenant will not be required to accept possession prior to June 1, 2020. Tenant shall be responsible for any and all maintenance required by the manufacturer of the respective products within the Premises during this warranty period.

8. **Alterations.**

a. **Alterations by Tenant.** Except for Tenant's work which is approved by Landlord, Tenant shall make no changes, alterations, additions or improvements in or to the Premises of any nature (including, without limitation, the installation or attachment of climate regulating systems, air conditioning, cooling, heating or sprinkler systems, or television or radio antennae, satellite dishes, heavy equipment, apparatus or fixtures) without Landlord's prior written consent, which consent shall not be unreasonably withheld. Tenant shall, at Tenant's expense, have the right to install exterior signage subject to Landlord's consent, which shall not be unreasonably withheld. Notwithstanding the foregoing, provided that Tenant is not in default under this Lease, Landlord's consent shall not be required for any non-structural alterations if all of the following conditions apply: (i) the alterations or improvements are entirely contained within the Premises and will not have an adverse effect on the Premises; (ii) the alterations or improvements will have no effect on the foundation, load bearing walls or structural elements of the Premises; (iii) there will be no adverse effect on any of the heating, ventilation, air conditioning, sprinkler and fire suppression, mechanical, electrical and plumbing and sewerage systems servicing the Premises; and (iv) the total cost of such alterations or improvements do not exceed Ten Thousand and 00/100 (\$10,000.00) Dollars. Alterations and improvements shall not be subdivided for purposes of circumventing the dollar value limitation in this Paragraph. Tenant shall be responsible for obtaining all governmental permits or approvals required for any alterations performed by Tenant.

b. **Alterations by Landlord.** Landlord shall, before making any changes, alterations, additions, installations or improvements, at its sole expense, obtain all

licenses, permits, approvals and certificates required by any governmental or quasi-governmental bodies and (upon completion) certificates of final approval thereof and shall deliver promptly duplicates of all such permits, approvals and certificates to Tenant upon request. Landlord hereby agrees to carry and will cause Landlord's contractors and sub-contractors carry any such workman's compensation, general liability, personal and property damage insurance as Tenant may reasonably require. Unless otherwise agreed in writing, all such changes, alterations, additions, or improvements, when made, installed in or attached to the Premises, shall belong to and become the property of Landlord and shall be surrendered with the Premises and as part thereof upon the expiration or sooner termination of this Lease. Except that upon Tenant's Purchase of the Premises in accordance with Paragraph 26 hereof, all such changes, alterations, additions, or improvements, when made, installed in or attached to the Premises shall be deemed a part of the sale.

9. Taxes and Assessments.

a. Tenant shall pay all taxes and special assessments which are assessed against the Premises during the Term (excluding those excepted by 3(a) above) , including, but not limited to, ad valorem taxes, personal property taxes, school taxes, and special improvement district levies, and all water charges and other governmental impositions (collectively, the "Impositions") affecting or pertaining to the Premises. Impositions that may be permitted by law to be paid in installments may be paid in installments as and when such installments become due. Tenant shall pay such Impositions when Landlord' provides Tenant with the invoice, and prior to the date upon which a penalty for non-payment or late payment of the Impositions may be assessed (the "penalty date"). In the event Tenant does not pay such Impositions when due under this Lease and provide evidence of payment prior to the penalty date, Landlord, after giving three (3) days' notice to Tenant, may pay them and any interest and penalties due thereon and charge such payment to Tenant as Additional Rent.

b. Provided that Landlord does not elect to contest any Imposition, including without limitation, any appeal of the assessed value of the Premises, Tenant shall have the right during the Term, at its sole cost and expense, after giving notice to Landlord, and with permission of Landlord, prior to an applicable penalty date to contest by appropriate legal proceedings which shall be conducted diligently and in good faith in the name of Landlord or Tenant, or both, and without cost or expense to Landlord, the validity or amount of any Imposition, in which event Tenant may defer the payment thereof until such contest is finally determined and is no longer subject to appeal, provided that the delay of making such payment will not subject Landlord to any civil or criminal liability or fine. Landlord agrees timely to execute and deliver any appropriate documents or other instruments which may be necessary or proper to permit Tenant to so contest the validity or amount of such Imposition.

c. Landlord agrees to cooperate in reasonable and lawful ways with efforts by Tenant, undertaken at Tenant's sole cost and expense, to seek and obtain exemption from ad valorem taxes upon the Premises, but no such efforts shall have or be likely to have any adverse impact on the tax exempt status of the Landlord's other property or of the Landlord's business.

10. Utilities and Operating Expenses.

a. Tenant shall pay when due all charges for electricity, gas, water, sewer, heat, telecommunication services, cable, exterior lighting, lawn and landscaping and all operating expenses of or concerning the operation of the Premises or for carrying out the obligations of Tenant under this Lease. If Tenant fails to pay any such charges and expenses when due, Landlord may make payment of such charges and expenses, at its sole option, and charge Tenant therefore as Additional Rent. The obligation of Tenant to pay for such utilities shall commence as of the date on which possession of the Premises is delivered to Tenant without regard to any free rental period or formal commencement date of this Lease.

b. The Parties acknowledge that the Premises, once constructed, shall be serviced by utilities, including water, sanitary sewer, gas and electricity. Tenant shall have the right to use the utility services which exist on the Premises. Once the Premises are constructed and utilities are operational, Landlord shall not be liable for any failure of or interruption in water supply or electric current or any service by any utility, for injury to persons, including death, or damage to property resulting from steam, gas, electricity, water, rain or snow which may flow or leak from any part of the Premises or from any pipes, appliances or plumbing works from the street or subsurface or from any other place, or for interference with light or other easements, however caused, except if due to the affirmative negligence of the Landlord or its contractor(s).

c. If the existing services are required to be modified or replaced for any reason by any utility company or authorized agency, governmental or otherwise, in connection with Tenant's occupancy of the Premises, then Landlord shall comply with the same at its own cost and expense. Notwithstanding the foregoing, in the event that the existing services are required to be modified or replaced for reasons caused by the Tenant, then Tenant shall solely pay for the cost of the modified or replaced utilities.

11. Condition of Premises; Care of Premises. Once Tenant is provided with a Certificate of Occupancy for the Educational Permitted Use, by taking possession of the Premises Tenant accepts the Premises in its "as is" condition and with all faults, and the Premises are deemed in good order, condition, and repair.

a. Tenant's Obligations for Maintenance and Repair. Except to the extent covered by the warranty set forth in Paragraph 7(e), above, Tenant shall, at its sole cost and expense:

i. keep and maintain the Premises and the adjoining sidewalks, walkways, curbs and passageways:

(1) in a clean, sanitary and safe condition, free from unlawful obstructions, including, but not limited to snow, ice and trash removal; and

(2) in accordance with applicable laws of the State of Michigan, all directions, rules and regulations of the health officer, fire marshal, building inspector, or other property officials of the governmental agencies having jurisdiction, at the sole cost and expense of Tenant.

ii. keep and maintain the Premises, every part thereof and any and all appurtenances thereto in as good condition and repair as they were upon commencement of the Term of this Lease, normal wear and tear, insured casualty and condemnation excepted, other than as set forth in Paragraph (b). This maintenance obligation, other than as set forth in Paragraph (b), shall include making all necessary maintenance and repairs to the Premises, interior and exterior, structural and non-structural, ordinary and extraordinary, and foreseen and unforeseen including but not limited to maintenance and repair of the following:

(1) reasonable preventative maintenance of the following within the Premises:

(a) all plumbing, storm sewers, sprinkler system, including free flow and clearance of blockages up to the main sewer line, grease and hair traps, hot water heater and tank;

(b) all HVAC systems, including, but not limited to: air conditioning equipment, heating equipment, and exhaust fan systems; and

(c) hot water heater and tank, electrical, mechanical.

(2) small pothole repair (any hole 3 feet in diameter in any direction);

(3) repair of all glass, whether windows, plate glass, store front, or otherwise;

(4) the exterior and interior portion, hardware and mechanisms of all doors, overhead doors, walls, floors, ceilings and finishes, including painting as necessary;

(5) door checks;

(6) fire extinguishers, fire alarm and security systems;

- (7) light bulb replacement, interior and exterior, including parking area, if applicable;
- (8) fixtures;
- (9) electrical systems, whether exterior or interior.
- (10) Lawn maintenance, landscaping and fertilizer;
- (11) Snow and ice removal;

iii. install and maintain fire extinguishers and other fire protection devices as may be required from time to time by any agency having jurisdiction over the Premises and the insurance underwriters insuring the Building in which the Premises are located.

iv. comply with all requirements of law, ordinance and otherwise, affecting the Premises.

v. comply with any and all requirements of the insurance underwriters insuring the Premises.

b. Landlord's Obligations for Maintenance and Repair. Landlord shall, at its sole expense, keep and maintain those portions of the Premises set forth below, in as good order, condition and repair as they were upon commencement of the Term of this Lease, normal wear and tear, insured casualty and condemnation excepted. This maintenance obligation shall be limited to making the necessary maintenance and repairs, interior and exterior, structural and non-structural, ordinary and extraordinary, and foreseen and unforeseen as follows:

- i. foundation;
- ii. roof;
- iii. exterior load-bearing walls of Premises (including any exterior window repairs and replacements);
- iv. any major repairs on parking lots and sidewalks on the premises (including pothole repair with a diameter of greater than 3 feet in any direction, striping, and parking lot sealant treatment); and
- v. repair of plumbing, electrical, mechanical, heating and air conditioning (HVAC), storm sewer and sprinkler systems and any capital improvements related to the Premises during the Term of this Lease.

c. Tenant shall be responsible for any repairs or maintenance of any of the aforementioned systems as required by Landlord when the repairs and/or maintenance required are due to Tenant's action or failure to perform such reasonable preventative maintenance per this Lease, normal wear and tear excepted.

d. Landlord Right to Inspect and Repair.

- i. Landlord or Landlord's agent shall have the right to enter into the Premises at all reasonable times to inspect the Premises; and in the event Landlord determines that the Premises are in need of repairs it shall have the

right to require Tenant to commence and complete said repairs, if such repairs are the responsibility of the Tenant as set forth above.

ii. If Tenant refuses or neglects to commence and/or complete the repairs required by subparagraph (1) of this Section promptly and adequately, Landlord may, but shall not be required to, make and complete said repairs, and Tenant shall pay the cost thereof to Landlord upon demand, as additional Rent.

e. Provisions Governing Repairs.

i. The term "repairs", as used in this Paragraph 11 shall include all necessary replacements, renewals, alterations, additions, and betterments.

ii. For any of the construction and/or maintenance required by this section, in an amount less than that set forth in MCL 380.1267, as amended or adjusted, Corrigan Construction LLC shall have the right of first refusal as to performance of the construction and/or maintenance.

iii. Prior to performing non-emergency repairs costing more than or equal to the amount set forth in Paragraph (2), above, Tenant shall deliver to Landlord written plans and specifications for all such work and obtain the written approval of Landlord as to the materials to be used and the manner of making such repairs, which approval shall not be unreasonably withheld. All repairs shall be made by Tenant in a good and workmanlike manner and in compliance with all applicable permits and authorizations and building and zoning laws and with all other laws, rules, regulations, and ordinances governing such work. All repairs made by Tenant shall be equal in quality and class to the original work. Tenant will perform all necessary shoring of foundations and walls and every other act or thing for the safety and preservation of the Premises which may be necessary by reason of any repairs, alterations, excavation or other building operation upon the Premises or any adjoining property or street, alley or passageway.

iv. Tenant shall keep the Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by or for Tenant, and agrees to bond against or discharge any construction lien within ten (10) days after written request by Landlord.

(1) Tenant shall reimburse Landlord for any and all costs and expenses which may be incurred by Landlord by reason of the filing of any such liens and/or the removal of same, such reimbursement to be made within ten (10) days after receipt by Tenant from Landlord of a statement setting forth the amount of such costs and expenses.

(2) The failure of Tenant to pay any such amount to Landlord within said ten (10) day period shall carry with it the same consequences as failure to pay any installment of Rent.

f. Tenant Waiver of Right to Repair at Landlord Expense. Tenant hereby waives the right to make repairs at the expense of Landlord pursuant to any law in effect at the time of the execution of this Lease or thereafter enacted, and assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance, and management of the Premises, as otherwise set forth in this Paragraph 11.

g. Condition at Surrender of Premises. At the time of the expiration of the Term, Tenant shall surrender the Premises, including all systems covering the same in good condition, reasonable wear and tear, loss by fire or other unavoidable casualty excepted.

12. Insurance. The following insurance obligations shall apply to the Premises during the Term of this Lease:

a. Tenant shall, at Tenant's sole cost, provide and keep in force during the Term of this Lease commercial general liability insurance insuring Tenant's use and occupancy of the Premises, and covering personal and bodily injury, death, and damage to others' property of not less than Five Million (\$5,000,000.00) Dollars for any one occurrence including Tenant's personal property. Such policy or policies shall include cross liability and severability of interests clauses, and be written on an occurrence, and not claims-made, basis. The insurance obtained by Tenant will also provide loss of rents coverage sufficient, as reasonably determined by Landlord, to cover the net rental and all other charges which are the obligation of Tenant under this Lease for a twelve (12) month period from the date of any casualty or loss. Each of these policies shall name Landlord, each secured lender, and any other party reasonably designated by Landlord as an additional insured ("Additional Insured"). The commercial general liability insurance carried by Landlord or other Additional Insured(s) pursuant to the terms of this Lease shall be non-contributing and Tenant's commercial general liability insurance shall be primary to any such insurance carried by Landlord or other Additional Insured(s).

b. Tenant shall obtain all risk insurance (including standard extended coverage endorsement perils, leakage from fire protective devices, and other water damage) covering the full replacement cost (no co-insurance) of the Premises and all improvements that are a part of them.

c. Insurance provided by Tenant shall be carried by an insurance company or companies licensed to do business in Michigan, have a rating of not less than A - and a Financial Class Size of not less than VIII by A.M. Best Company, and be on terms approved by Landlord. Duplicate original copies of said policies shall be delivered to Landlord. Notwithstanding the foregoing, in no event shall the manner, forms, companies, amounts, or length of terms be less than that required by a first mortgagee according to the terms and provisions of said first mortgage.

d. Each such policy shall include: (i) a provision that the policy shall not be changed or canceled without at least thirty (30) days' prior written notice to the Landlord and any Additional Insured(s); and (ii) a provision that any forfeiture of the policy due to an act of the Tenant shall not affect the validity insofar as the Landlord is concerned.

13. Indemnification.

a. Indemnification by Tenant. To the fullest extent permitted by law, Tenant shall pay, protect, indemnify and save harmless Landlord from and against all liabilities, damages, costs, expenses (including reasonable attorneys' fees and disbursements), causes of action, suits, claims, demands or judgments of any nature whatsoever which may be imposed upon or incurred by or asserted against Landlord by reason of (a) any acts or omissions by Tenant or its agents, invitees, licensees, contractors or employees arising out of Tenant's occupancy of the Premises, (b) any failure by Tenant to perform or comply with any of the terms of this Lease, or of any contracts, agreements, restrictions, or applicable laws affecting the Premises or any part thereof, or (c) a breach of any representation or warranty of Tenant hereunder.

b. Indemnification by Landlord. Landlord shall pay, protect, indemnify and save harmless Tenant from and against all liabilities, damages, costs, expenses (including reasonable attorney's fees and disbursements), causes of action, suits, claims, demands or judgments of any nature whatsoever which may be imposed upon or incurred by or asserted against Tenant by reason of (a) any acts or omissions by Landlord or its agents, invitees, licensees, contractors or employees arising out of Landlord's ownership of the Premises, (b) any failure by Landlord to perform or comply with any of the terms of this Lease, or (c) a breach of any representation or warranty of Landlord hereunder.

c. Survival of Indemnity. The indemnity obligations contained in this Paragraph 13 shall survive the expiration or earlier termination of this Lease.

14. Restoration and Repair.

a. In case of any damage to or destruction of the Premises or any part thereof (a "loss"), Tenant shall give immediate written notice thereof to Landlord. Landlord, at its sole option, may, by written notice to Tenant, terminate this Lease if: (i) the cost to repair such damage or destruction exceeds Two Hundred Thousand and No/100 Dollars (\$200,000.00) or will take more than one hundred twenty (120) days or more to restore the Premises to habitability, or (ii) the loss occurs in the last six (6) weeks of the Term of this Lease, or (iii) the time to repair or replace such damage or destruction will take longer than the remaining balance of the then Term of this Lease, or (iv) the loss is uninsured. If Landlord does not terminate this Lease as provided in the preceding sentence, then Landlord shall repair, restore, or rebuild the Premises or the part thereof

so damaged, as nearly as possible to the value, condition and character the same was in immediately prior to such loss (such repair, restoration, rebuilding, together with any temporary repairs and properly protecting pending completion of the work being herein called "restoration"), subject, to all applicable laws and approvals pertaining to the construction, restoration, use and operation as a school, and such plans shall be mutually agreed to by the Parties. If the restoration costs exceed the available insurance proceeds, either a) Tenant may pay the excess costs, at its sole option, or b) Landlord may terminate the Lease.

b. If all or any portion of the Premises is rendered unusable by such casualty, Rent payable hereunder shall be abated in proportion to the part of the Premises which is unusable by Tenant for the period from the date of such damage to the date when the damage shall have been repaired. The occurrence of loss shall not entitle or permit Tenant to surrender or terminate this Lease or relieve Tenant from its liability to pay in full the Rent and other sums and charges payable by Tenant hereunder or from any of its other obligations under this Lease. Notwithstanding the foregoing, if more than fifty (50%) percent of the Premises is unusable by Tenant due to such casualty and/or it will take more than one hundred twenty (120) days or more to restore the Premises, then in that event Tenant, at its option, may terminate this Lease upon written notice to Landlord and shall have no further obligation or liability to Landlord hereunder.

15. Eminent Domain.

a. If all or any part of the Premises shall be taken by any governmental authority under power of eminent domain, or by private purchase in lieu thereof, all damages awarded for such taking shall belong to and be the property of the Landlord, whether such damages shall be awarded as compensation for the taking of or diminution in value to the leasehold or the fee of the Premises and Tenant hereby irrevocably assigns to Landlord any award or payment to which Tenant may become entitled as a result thereof, provided, however, that the Tenant shall be entitled to receive from such governmental authority compensation for its fixtures and personal property so taken.

b. In the event that only a part of the Premises are so taken, and the part not so taken cannot be completed as an architectural unit for the use described in Paragraph 5, either Landlord or Tenant shall have the option to terminate this Lease by giving written notice of termination to Landlord within sixty (60) days after the taking.

c. If only a part of the Premises shall be so taken such that the part not so taken can be completed as an architectural unit for the use described in Paragraph 5, the taking shall be considered as the occurrence of a "loss" and governed by Paragraph 14.

16. **Assignment; Permitted Lease.**

- a. Tenant shall not assign, transfer, or sublet the Premises or any part thereof or any interest in this Lease without first obtaining the written consent of the Landlord, which approval shall not be unreasonably withheld.
- b. Notwithstanding the above, consent shall not be required for an assignment to any entity controlling, controlled by, or under common control with or which acquires or succeeds to ownership of substantially all of Tenant's assets.
- c. In addition to the above, Tenant may sublease the Premises for the Educational Permitted Use, subject to the conditions provided in Paragraph 5 of this Lease (a "Permitted Lease") with Landlord's consent, which consent shall not be unreasonably withheld. Any Permitted Lease shall be subject to the terms of this Lease.

17. **Default; Remedies.**

- a. Tenant shall be in default of this Lease upon occurrence of any of the following events:
 - i. Failure by Tenant to pay Rent within ten (10) business days from the day it becomes due and payable and failure to pay amount past due with penalties within five (5) business days after delivery when mailed first class to Tenant's last known address, when written notice from Landlord notifying Tenant of failure to pay within those ten (10) business days.
 - ii. Failure by Tenant to perform or observe any other of the terms, conditions or covenants of this Lease to be observed or performed by Tenant for more than thirty (30) days after written notice of such default shall have been received by Tenant; provided, however, if the default alleged is of such a nature that it will reasonably require more than thirty (30) days to cure, then Tenant shall have that period of time reasonably necessary to cure the same.
 - iii. Tenant's becoming insolvent, as that term is defined by any federal or state law or regulation (the "Insolvency Laws"); the appointment of a receiver or custodian for all or a substantial portion of Tenant's property or assets; the institution of a foreclosure action upon all or a substantial portion of Tenant's real or personal property; the filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws; the filing of an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is either not dismissed within sixty (60) days of filing, or results in the issuance of an order for relief against the debtor, whichever is later; or

Tenant's making or consenting to an assignment for the benefit of creditors or a common law composition of creditors, or if the Tenant's leasehold interest herein shall be levied on execution (collectively an "Event of Bankruptcy").

b. In the event of default, Landlord may, in addition to any other remedy permitted by law, re-enter into and repossess the Premises and all other property leased hereunder and remove the Tenant and every other occupant, and may re-let the Premises or any part thereof for any term, either shorter, longer, or the same, at a higher, lower, or the same Rent, making such alterations as may be necessary, without working a termination of this Lease, provided, however, that Landlord at its option may in any of such events, terminate this Lease effective on the date specified in written notice from Landlord to Tenant.

c. If the Landlord shall, on any such default by the Tenant, obtain possession of the Premises by re-entry, summary proceedings, or otherwise, the Tenant shall pay to Landlord all expenses incurred in obtaining possession of the Premises, including reasonable attorney fees, all expenses and commissions which may be paid in and about the letting of the same, and all other damages resulting from Tenant's default.

d. No termination of this Lease pursuant to this Paragraph or repossession of the Premises or any part thereof or of any other property leased hereunder shall relieve Tenant of its liabilities and obligations under this Lease, all of which shall survive any such termination or repossession and, if the Premises or any part thereof shall not have been re-let, Tenant shall pay to Landlord as and for liquidated and agreed current damages the then present value of the Rent and other sums and charges to be paid by Tenant until what would have been the end of the Term in the absence of such termination or repossession. If the Premises shall have been re-let, Tenant shall pay the Landlord, as and for liquidated and agreed current damages for Tenant's default, the present value or the equivalent of the amount of the Rent and such other sums and other charges as would be payable under this Lease by Tenant if this Lease were still in effect, less the present value of the net proceeds, if any, of the re-letting effected pursuant to the provisions hereof, after deducting all of Landlord's expenses in connection with such re-letting, including, without limitation, all repossession costs, brokerage and management commissions, operating expenses, legal expenses, reasonable attorneys' fees, alteration costs and expenses of preparation of such re-letting. Exercise of any remedy hereunder by Landlord shall not exclude the right to exercise any other remedy hereunder.

e. Remedies Not Exclusive; Waiver

i. Each and every of the rights, remedies and benefits provided by this Lease are cumulative, and are not exclusive of any other of said rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.

ii. One or more waivers of any covenant or condition by Landlord will not be construed as a waiver of a further or subsequent breach of the same covenant or condition, and the consent or approval by Landlord to or of any act by Tenant requiring Landlord's consent or approval will not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

18. **Inspection.** Landlord shall have the right to enter upon the Premises after 24-hour notice (with the exception of an emergency situation) to inspect for compliance with the terms of this Lease. Tenant shall have the right to have an agent present while Landlord's representative is in the Premises.

19. **Environmental Matters.**

a. Tenant shall not use or store any Hazardous Materials (as defined in Paragraph 19(d)) on the Premises, except in compliance with Environmental Laws (as defined in Paragraph 19(d)).

b. Landlord represents that, as of the date of this Lease, its only knowledge with respect to the presence of Hazardous Materials on the Premises is based upon and limited to information contained in reports prepared by Innovative Environmental Solutions, Inc., 9948 E. Grand River Ave., Brighton, Michigan 48116, and/or other contractors, copies of which have been provided to Tenant (the "Environmental Reports"). Landlord has provided a copy of said Environmental Reports to Tenant prior to Tenant's execution of this Lease and has certified such Environmental Reports to Tenant. Landlord makes no warranties or representations of any nature whatsoever regarding the accuracy or applicability of the Environmental Reports themselves or any work, services, and testing or analysis described in the Environmental Reports.

c. For purposes of this Lease, Environmental Laws shall mean all federal, state and local health, safety and environmental laws, including, but not limited to, the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.) ("Clean Water Act"), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.) ("RCRA"), the Safe Drinking Water Act (42 U.S.C. §§ 300f-j-26), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §§ 9601 et seq.) ("CERCLA"), the Emergency Planning and Community Right to Know Act (42 U.S.C. §§

11001 et seq.) ("EPCRA"), the Occupational Health and Safety Act of 1970 (429 U.S.C. §§ 651 et seq.) ("OSHA"), the Michigan Natural Resources and Environmental Protection Act (MCL § 324.101 et seq.), the Michigan Occupational Health and Safety Act ("MIOSHA") (MCL § 408.1001 et seq.), the administrative rules and regulations promulgated under such statutes, or any other similar federal, state or local law or administrative rule or regulation of similar effect.

d. For purposes of this Lease, "Hazardous Materials" shall mean (i) any hazardous or regulated substance as defined by Environmental Laws (ii) any other pollutant, contaminant, hazardous substance, solid waste, hazardous material, radioactive substance, toxic substance, noxious substance, hazardous waste, particulate matter, airborne or otherwise, chemical waste, medical waste, crude oil or any fraction thereof, radioactive waste, petroleum or petroleum-derived substance or waste, asbestos, PCBs, radon gas, all forms of natural gas, or any hazardous or toxic constituent of any of the foregoing, whether such substance is in liquid, solid or gaseous form, or (iii) any such substance the release, discharge or spill of which requires activity to achieve compliance with Environmental Laws.

e. To the extent directly related to the conduct of Tenant, Tenant's use of the Premises, or the operation of its business thereon, Tenant shall defend, indemnify and hold Landlord harmless, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (1) the presence, disposal or release of any Hazardous Materials by Tenant on, over, under, from or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons or animals on the Premises in violation of Environmental Laws and caused by Tenant; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials existing on the Premises in violation of Environmental Laws and caused by Tenant; (3) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials existing on the Premises in violation of Environmental Laws and caused by Tenant; and/or (4) any violation of laws, orders, regulations, requirements or demands of government authorities which are based upon or in any way related to such Hazardous Materials existing on the Premises in violation of Environmental Laws and caused by Tenant including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses.

f. Tenant shall promptly notify Landlord as soon as it knows of or suspects that any Hazardous Material has been released or that there is a threatened release on the Premises and it shall take such action at its sole expense and with due diligence, as is necessary to ensure timely compliance with all Environmental Laws.

g. The provisions of this Paragraph 19 shall be in addition to any and all obligations and liabilities of Tenant and Landlord may have to each other at common law, and shall survive the expiration and termination of the Lease for any reason.

20. **Liens.** Tenant will not create nor permit to be created, or to remain and will promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Premises or any part thereof, or upon Tenant's leasehold interest therein, placed on the Premises or Tenant's leasehold interest therein by Tenant, its agents, contractors or employees, or as a result of their actions or inactions.

21. **Estoppel Certificate.** Landlord and Tenant shall execute and deliver to each other, within twenty (20) days of such time or times as either Landlord or Tenant may request, a certificate evidencing:

- a. whether or not this Lease is in full force and effect;
- b. whether or not this Lease has been amended or modified in any respect, and submitting copies of such amendments or modifications, if any;
- c. whether or not there are any existing defaults hereunder to the knowledge of the party executing the certificate, and specifying the nature of such default, if any, and;
- d. such other matters as may be reasonably requested by the other party. Unless such estoppel certificates are required by third persons having a bona fide interest in the information to be furnished, such as the holder of a mortgage, insurers, bonding companies, accountants and auditors of the parties, and governmental "authorities, a request for an estoppel certificate shall be made no more often than twice annually.

22. **Subordination.** Tenant agrees that Landlord may choose to make this Lease and any Lease subordinate or paramount to any mortgages, trust deeds and ground or underlying leases now or hereafter affecting the Premises and to any and all advances to be made thereunder or to be secured thereby, and to the interest and charges thereon, and all renewals, replacements and extensions thereof, provided the mortgagee, Landlord or trustee named in any such mortgages, trust deeds or leases agrees to recognize the Lease of Tenant in the event of foreclosure if Tenant is not in default. Tenant will execute promptly any instrument or certificate that Landlord may request to confirm such subordination. Notwithstanding the foregoing, Tenant's right to possession of the Premises under this Lease shall not be disturbed

by the mortgagee or other party unless Tenant breaches any of the provisions of this Lease and Tenant's right to possession is lawfully terminated.

23. **Notices.** All notices and communications required under this Lease shall be served personally or by registered or certified mail or by prepaid courier service or express mail service as long as in each case there is written evidence of the person to whom delivery was made and the date of delivery signed by the person delivering the notice, on the Landlord and on Tenant at the address indicated on page 1 hereof, or at such other address as may be designated in writing to the other party hereto by notice in accordance with this Paragraph.

24. **Quiet Enjoyment.** Landlord covenants and agrees that Tenant may peaceably and quietly enjoy the use and occupancy of the Premises, subject, however, to Tenant's fulfillment of the covenants and agreements contained in this Lease and to the rights of anyone claiming by or through Tenant.

25. **End of Term; Holding Over.**

a. Upon the termination of this Lease, Tenant shall quit and surrender the Premises and all property leased hereunder, broom clean, to Landlord without delay and in good order, condition and repair, ordinary wear and tear excepted, free and clear of all lettings and occupancies, (except those previously approved by Landlord), and free and clear of all liens and encumbrances caused by Tenant, except that part of the Premises which have been taken through eminent domain, if any, after the delivery hereof, without any payment therefor by Landlord. Any personal property owned by Tenant or other occupant of the property (except that of subtenants previously approved by Landlord), which shall remain on the Premises after the termination of this Lease, and the removal of Tenant or such other occupant from the Premises, may at the option of Landlord, be deemed to have been abandoned and may be disposed of without accountability, as Landlord may see fit, without prejudice to the rights of any such other occupant as against the Tenant.

b. If Tenant remains in possession of the Premises after the expiration of this Lease, Tenant will be deemed to be occupying the Premises as a Tenant at will, subject to all the provisions of this Lease to the extent that they can be applicable to a tenancy at will, including the monthly Rent provision contained in Paragraph 4(a).

26. **Right of First Refusal.** In consideration of Tenant's payment to Landlord in the amount of One Hundred and No/100 (\$100.00) Dollars, contemporaneous with the execution of this

Lease, Landlord shall immediately notify Tenant, in the event that Landlord receives a bona fide offer to purchase or exchange (a 1031 exchange) all or any part of the Premises which Landlord desires to accept. Landlord shall immediately notify Tenant of the terms and provisions of the offer, giving Tenant a copy thereof. Tenant shall have the prior exclusive option to buy the Premises at the same price and on the same terms and conditions as contained in such offer. Tenant shall have thirty (30) days from the receipt of such notice to notify Landlord in writing if it elects to exercise this option; provided that, Tenant has the opportunity to inspect the Premises in order to be deemed an "innocent purchaser" under applicable laws. If Tenant fails to notify Landlord within said thirty (30) days period Tenant shall be deemed to have elected not to exercise said option. If Tenant does exercise said option, Landlord shall execute a Contract of Sale for the Premises within thirty (30) days thereafter, and the transaction shall be closed as soon as reasonably practicable. Tenant's "first refusal" option shall run with the land and continue in force so long as Tenant is leasing the Premises from Landlord.

27. **No Broker.** Landlord and Tenant hereby represent and warrant that they have not dealt with any consultants, brokers, agents, finders or similar parties in connection with this transaction. Landlord and Tenant to the fullest extent permitted by law shall defend, indemnify, and hold one another and their respective affiliates harmless from and against any costs, claims, liabilities, or expenses, including reasonable attorneys' fees and costs, arising out of any breach of the foregoing representation and warranty. The representations and indemnification obligations under this Paragraph 27 will survive the termination of this Lease.

28. **Miscellaneous.**

a. References in this Lease to persons, entities, and items have been generalized for ease of reading. Therefore, references to a single person, entity, or item will also mean more than one person, entity, or thing whenever such usage is appropriate (for example, "Tenant" may include, if appropriate, a group of persons acting as a single entity, or as Tenants-in-common). Similarly, pronouns of any gender should be considered inter-changeable with pronouns of other genders.

b. Any waiver or waivers by Landlord of any of the provisions of this Lease will not constitute a waiver of any later breach of that provision, and any consent or approval given by Landlord with respect to any act, neglect or default by Tenant will not waive or make unnecessary Landlord's consent or approval with respect to any later similar act, neglect or default by Tenant.

c. Topical headings appearing in this Lease are for convenience only. They do not define, limit, or construe the contents of any paragraphs or clauses.

d. Entire Agreement. With respect to the subject matter hereof, this Lease (i) contains the entire agreement and understanding of the parties hereto, and (ii) supersedes all prior and contemporaneous agreements, negotiations, discussion, and understandings, written or oral, between the parties pertaining to the leasing of the Premises. This Lease may not be modified, amended, or terminated except in a writing signed by the party against whom enforcement is sought.

e. All provisions of this Lease are and will be binding on the heirs, executors, administrators, personal representatives, successors and assigns of Landlord and Tenant.

f. Governing Law. This Lease shall be governed and construed in accordance with the laws of the State of Michigan. Any dispute hereunder shall be reviewed in the Circuit Court for the County of Livingston.

g. If any term or provision of this Lease shall, to any extent, be invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

h. Time is of the essence in all respects under this Lease.

i. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed to be one Lease.

j. Landlord acknowledges that Tenant is a non-profit corporation and the members of its board of directors are unpaid volunteers. The members of Tenant's board of directors shall not be personally liable for the obligations of Tenant under this Lease.

k. Tenant acknowledges that Landlord has not yet closed on the purchase of the Premises. Notwithstanding anything to the contrary contained in this Lease, if, for any reason Landlord fails to obtain ownership of the Premises on or before July 1, 2019, either Party shall have the right to terminate this Lease, in which event, this Lease shall be deemed null and void and neither Party shall have any obligation or liability hereunder.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

LANDLORD

Stone Ridge Office, L.L.C.

/s/ Michael B. Corrigan

By: Michael B. Corrigan

Its: Member

TENANT:

Charyl Stockwell Academy

/s/ David J. Price

By: DAVID J. PRICE

Its: PRESIDENT

EXHIBIT A

Legal Description of the Land

Commonly known as: _____

EXHIBIT B

Preliminary Plans of Landlord's Work

The Preliminary Plans are attached hereto, which plans may be updated as mutually agreed to by the Parties.

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: BLDG20-00748

1021 KARL GREIMEL DR

BRIGHTON, MI 48116

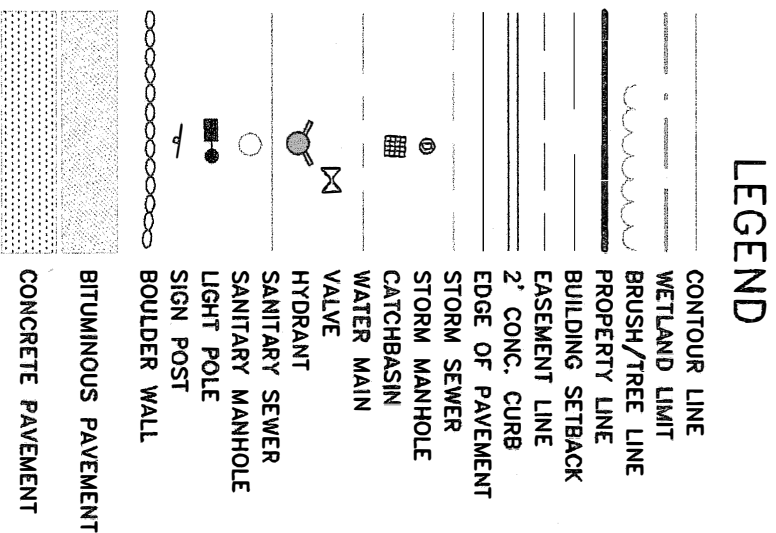
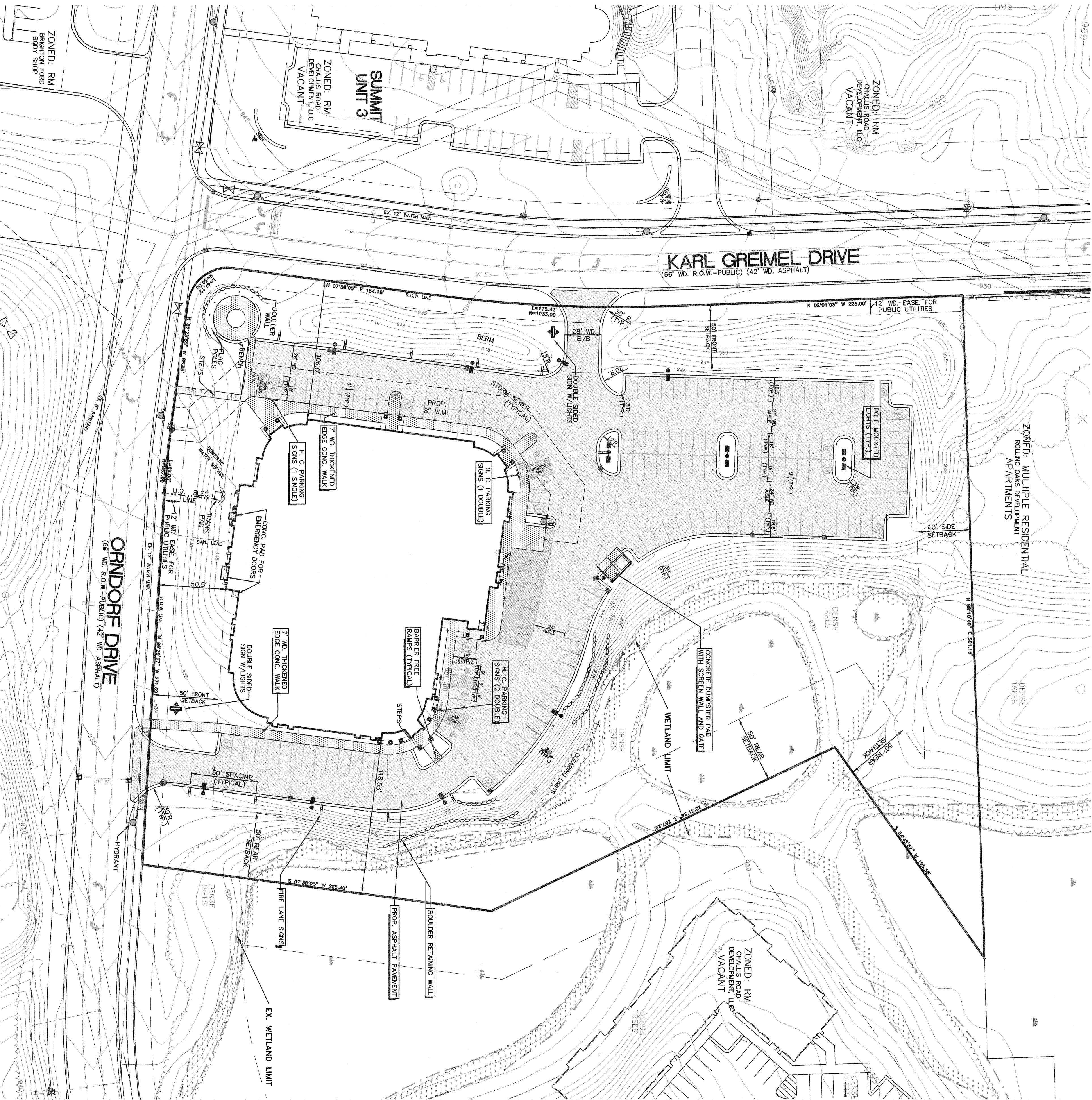
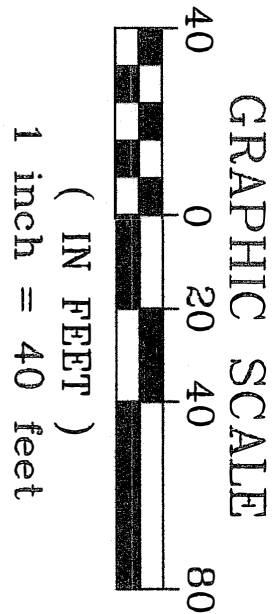
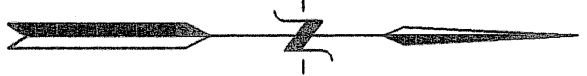
COUNTY: LIVINGSTON

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: 02/11/2022

High School Site



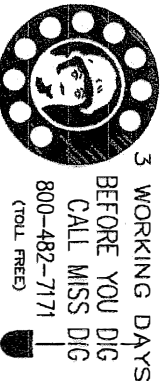
SITE DATA:

PROJECT AREA: 5.96 ac.
CURRENT ZONING: RM RESEARCH MANUFACTURING
PROPOSED USE: OFFICE/RESEARCH
BUILDING HEIGHT: 34 FEET
LOT COVERAGE: 45%
SETBACKS: FRONT 50.00' SIDE 34.34' REAR 118.53'
GROUND FLOOR AREA: 40,068 sq.ft.

PERCENT OF LOT COVERAGE OF BUILDINGS: 15%
IMPERVIOUS AREA: 117,400 SQ. FT. = 45%

BENCHMARK:

RIM OF SANITARY SEWER MANHOLE LOCATED AT THE
INTERSECTION OF ORNDORF DR. & KARL GREIMEL DR.
ELEVATION: 941.55 (USGS DATUM)



DESIGN INC.
(910) 277-9833
CIVIL ENGINEERS
LAND SURVEYORS
2103 PLESS DRIVE
BRIGHTON, MICHIGAN 48114

DESIGN:WMP	REVISION #	DATE	REVISION/DESCRIPTION
DRAFT: JHG			
CHECK: WMP			

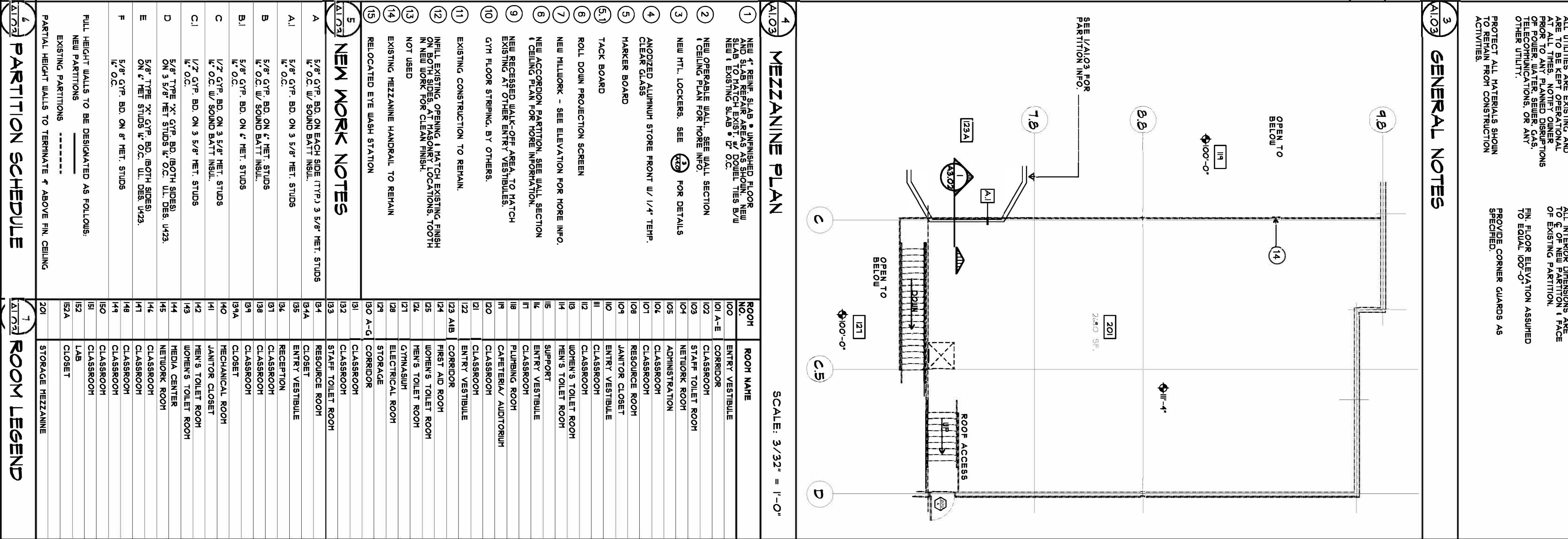
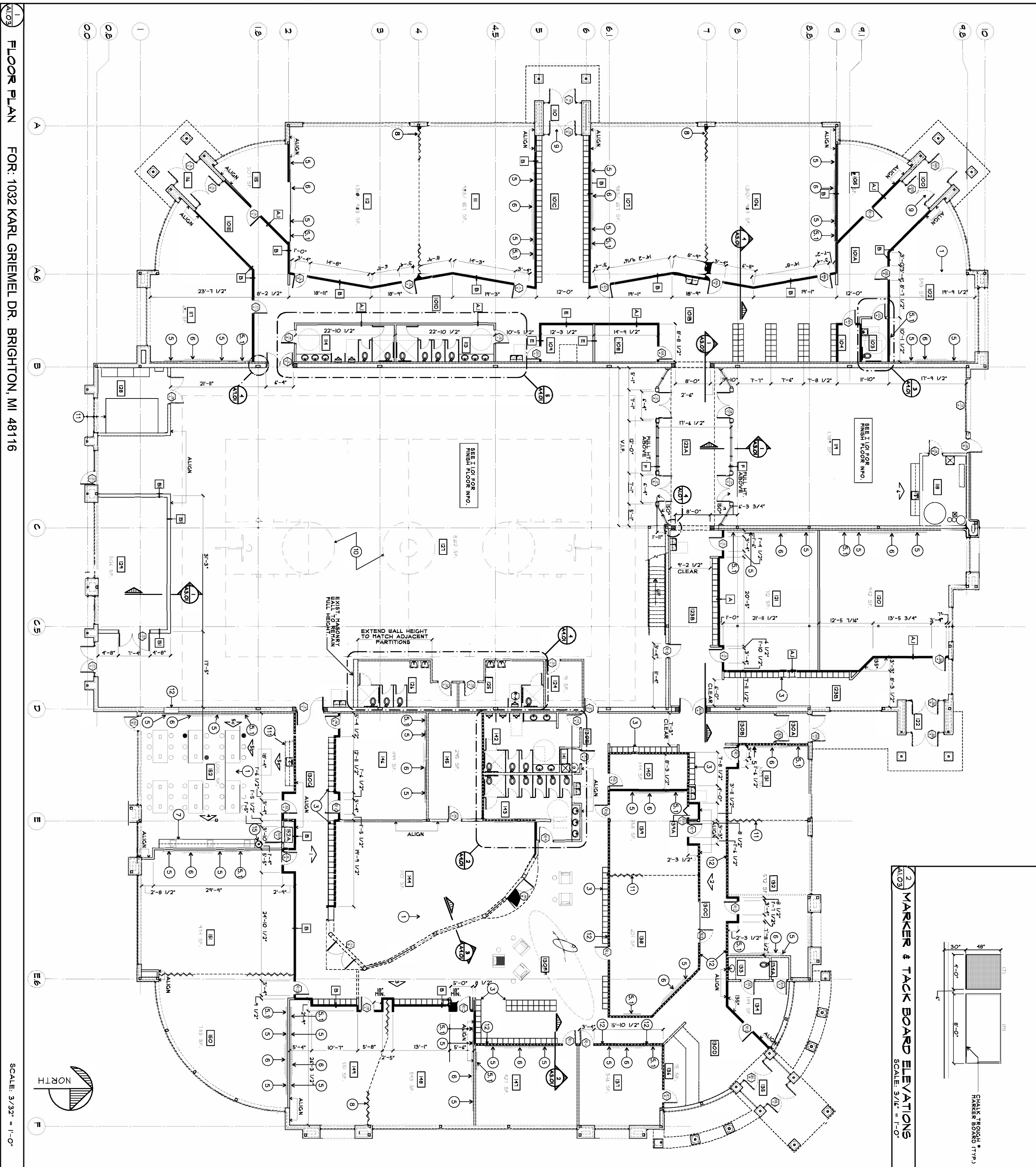
CHARYL STOCKWELL ACADEMY
BRIGHTON CAMPUS

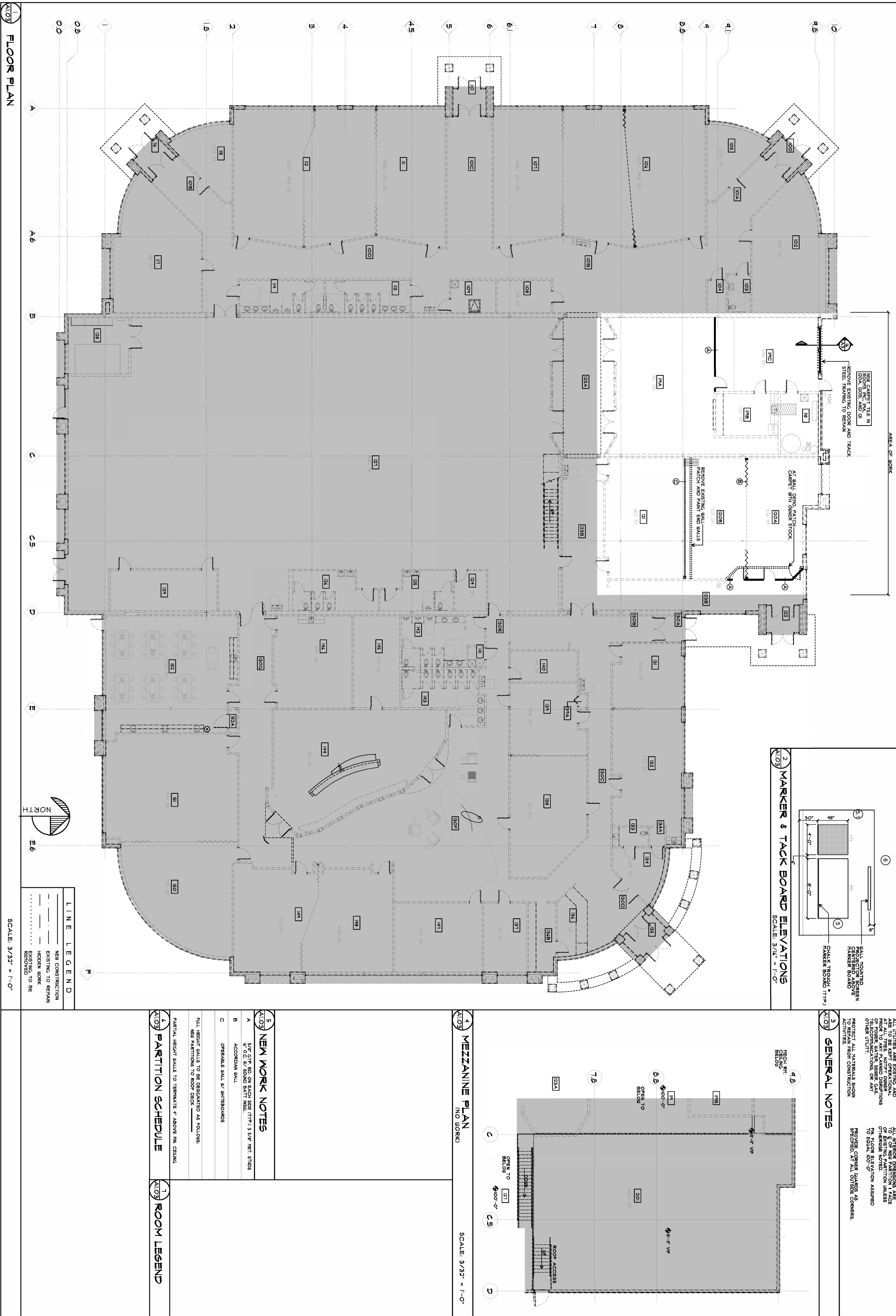
SITE PLAN

CLIENT:
CHAULIS ROAD DEVELOPMENT, LLC
775 N. SECOND STREET
BRIGHTON, MICHIGAN 48116
810-228-6323

SCALE: 1"=40'
PROJECT NO.: 9101655
DWG NAME: 1655-SP
ISSUED: MAR 18 2010

SP





CERTIFICATE OF USE AND OCCUPANCY

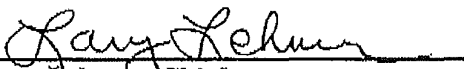
PERMANENT

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

**Building Permit: B029544
Cheryl Stockwell Prep Academy
1032 Karl Griemel Drive
Brighton, Michigan
Livingston County**

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

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


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

September 16, 2010

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: BLDG17-01327

1032 KARL GREIMEL DR

Brighton, MI 48116

COUNTY: Livingston

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: 09/27/2017

AMENDMENT NO. 4

to the
July 1, 2023 Contract to Charter
A Public School Academy and Related Documents

Issued To

CHARYL STOCKWELL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 4

CHARYL STOCKWELL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2023, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to CHARYL STOCKWELL ACADEMY (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

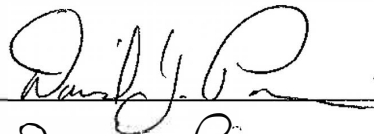
- 1.) Amend Schedule 6: Physical Plant Description, by inserting at the end of this Schedule the Parking Agreement related to the Elementary School Site, attached as Tab 1.

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 November 1, 2024.



Dated: 01/16/2025

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



Dated: 1/9/25

By: DAVID J. PRICE
Charyl Stockwell Academy
Designee of the Academy Board

Charyl Stockwell Academy

Contract Amendment No. 4

Tab 1

Parking Agreement

This parking agreement (the "Agreement") is made between **Charyl Stockwell Academy**, a Michigan public school academy (the "Academy"), 9758 E. Highland Road, Howell MI 48843 and **LAG Development LLC** ("LAG Development"), 4000 W. Highland Road, Howell MI 48843.

Terms and Conditions:


1. **Use:** The Academy will have the right to use for staff parking the approximately eighty (80) spaces located at 9990 E. Highland Road, Howell 48843, known as the LAG Development LLC ("Premises"), as highlighted on Exhibit A incorporated herein by reference. Academy staff will use the designated parking area Monday through Friday during school hours. This use may include other activities after school hours such as, but not limited to, athletic activities, parent-teacher conferences, book fairs, and other school related activities.
2. **Term:** The term of this Agreement starts on November 1, 2024 and ends on June 30, 2033. Either party may terminate this Agreement for any reason with a thirty (30) day written notice. If for any reason the Academy's Charter Contract with the Authorizer is terminated, not renewed or extended, prior to the termination of this Agreement, the Academy shall have the right to terminate this Agreement without penalty to the Academy. The Academy will notify the LAG Development soon as it is reasonable.
3. **Rent:** The Academy agrees to pay LAG Development the sum of \$500.00 per month for the Premises. All rental payments shall be made to LAG Development at the address specified above.
4. **Maintenance:** The Academy is responsible for striping the parking spaces, and the re-striping as needed. The Academy is not responsible for pavement maintenance and acknowledges that the pavement is to be used in as-is condition. LAG Development is responsible for upkeep to maintain the as-in condition. In addition, the Academy is responsible for installing and maintaining a walkway between the Academy's asphalt walkway and the parking lot. Snow removal is the responsibility of each property owner. The Academy will plow and salt the walkway, and LAG Development will plow their parking lot in the same fashion their staff have been previous to the Agreement. LAG Development will not be responsible for salting the leased portion of the lot.
5. **Indemnification:** To the extent permitted by law (but without waiving its entitlement to governmental immunity under any and all applicable laws), the Academy agrees to indemnify, defend and hold harmless LAG Development and LaFontaine Automotive Group, its officers, directors, staff and members from and against all claims, losses, damages, charges or expenses arising out of or resulting from the granting of any this Agreement.

LAG Development and LaFontaine Automotive Group agrees to indemnify, defend, and hold harmless the Academy, its staff, and Board of Directors against all claims, losses, damages, charges or expenses arising out of or resulting from the granting of this Agreement.

6. **Insurance:** The Academy shall maintain appropriate policies of liability insurance. Upon request, the Academy will present evidence to the other party that it maintains such requisite insurance. The Academy will provide a minimum thirty (30) day written notice of any termination or change of said policies.
7. **Modifications:** No change or modification of this Agreement shall be valid unless it is in writing and signed by both parties.
8. **Notices:** All notices under this Agreement shall be in writing and sent to the parties at the addresses set forth above.
9. **Execution:** This Agreement may be executed by facsimile or in counterparts, each of which, for all purposes, shall be deemed to constitute an original and all of which counterparts, when taken together, shall be deemed to constitute one and the same agreement, even though all of the parties hereto may not have executed the same counterpart.

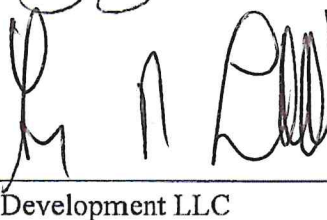
I have read the Terms and Conditions above and agree to fully abide by all such terms and conditions.

SIGNATURES:



Charyl Stockwell Academy

11/14/24
Date



LAG Development LLC

11/19/24
Date

