



CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY
AND RELATED DOCUMENTS

ISSUED TO

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

BY THE

CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

JULY 1, 2020

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REAUTHORIZING RESOLUTION

REAUTHORIZATION OF PUBLIC SCHOOL ACADEMY

Noor International Academy

Recitals:

1. At its April 30, 2015, meeting this board authorized the issuance of a contract to charter as a public school academy to Noor International Academy. On July 1, 2015, the contract was effective.
2. The contract of this academy expires June 30, 2020.
3. The Governor John Engler Center for Charter Schools has completed its evaluation and assessment of the operation and performance of Noor International Academy.
4. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to Noor International Academy. The term of the contract is recommended for a term not to exceed seven (7) years.

BE IT RESOLVED, That this board approves and authorizes the execution of a contract to charter as a public school academy to Noor International Academy for a term not to exceed seven (7) years and authorizes the chair of the board to execute a contract to charter as a public school academy and related documents between Noor International 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 Noor International Academy is able to comply with all terms and conditions of the contract.

CMU BDT APPROVED

Date: 12/5/19

Signature: Mary Jane Flanagan

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: 

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 Hanegea

TERMS AND CONDITIONS

**TERMS AND CONDITIONS
OF CONTRACT**

DATED: JULY 1, 2020

ISSUED BY

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

**CONFIRMING THE STATUS OF
NOOR INTERNATIONAL ACADEMY**

AS A

PUBLIC SCHOOL ACADEMY

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

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

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

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

WHEREAS, the Central Michigan University Board of Trustees ("University Board") has considered and has approved the issuance of a contract to Noor International Academy ("the Academy");

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

ARTICLE I DEFINITIONS

Section 1.1. Certain Definitions. For purposes of this 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 Noor International Academy which is established as a public school academy pursuant to this 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.
- (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 University President in accordance with Section 10.8 of these Terms and Conditions.
- (h) "Contract" means, in addition to the definition set forth in the Code, these Terms and Conditions, the Reauthorizing Resolution, the Method of Selection, Appointment, and Removal Resolution, the Schedules, the Educational Service Provider Policies, the Master Calendar and the Application.

- (i) "Department" means the Michigan Department of Education.
- (j) "Director" means a person who is a member of the Academy Board of Directors.
- (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, which contract has been submitted to the Center for review and has not been disapproved by the Center Director, and is consistent with the Educational Service Provider Policies, as they may be amended from time to time, and 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 a Management Agreement. 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.
- (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 which has been submitted to the Center for review and has not been disapproved by the Center Director.
- (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 University Board on December 5, 2019, approving the issuance of a Contract to the Academy.
- (r) "Schedules" means the following Contract documents of the Academy: 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 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, 2020, Issued by the Central Michigan University Board of Trustees Confirming the Status of Noor International Academy as a Public School Academy."
- (x) "The Governor John Engler Center for Charter Schools" or "The Center" means the office designated by the University Board as the initial point of contact for public school academy applicants and public school academies authorized by the University Board. The Center is also responsible for administering the University Board's 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 the 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 use of any gender in this Contract shall be deemed to be or include the other genders, including neuter, 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 a 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 an 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 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 same-sex 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 same-sex 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 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, Bureau of Commercial Services 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 time line 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 of Directors 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 time line 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 adopts 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.
 - (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.

- (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 388.166b. 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.

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:	<u>The Governor John Engler Center for Charter Schools</u> Attn: Executive Director Central Michigan University EHS 200 Mt. Pleasant, MI 48859
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General Counsel:	<u>General Counsel</u> Central Michigan University Mt. Pleasant, MI 48859
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Chief Financial Officer:	<u>Vice President Finance & Admin. Services</u> Central Michigan University Mt. Pleasant, MI 48859
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If to the Academy:	<u>Academy Board President</u> Noor International Academy 37412 Dequindre Sterling Heights, MI 48310
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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 seven (7) academic years and shall terminate on June 30, 2027, unless sooner revoked, terminated, or suspended pursuant to Article X of these Terms and Conditions. Pursuant to University Board policy, the standards by which the Academy may be considered for the issuance of a new contract will be guided by the following core questions:

Is the Academy's academic program successful?

Is the Academy's organization viable?

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

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

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 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.

- (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) 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.
 - (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. 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 set forth above.


CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

By: 
Tricia A. Keith, Chair

Date: May 28, 2020

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.

NOOR INTERNATIONAL ACADEMY

By: 
Board President

Date: 05-18-2020

Attachment: Noor T-C Signature Page (5234 : Charter Contract)

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



Form Revision Date 07/2016

NONPROFIT CORP ANNUAL REPORT (YEARS: 2015-PRESENT)

(Required by Section 911, Act 162, Public Act of 1982)

The identification number assigned by the Bureau is: 800927244

Annual Report Filing Year: 2018

1. Corporation Name:

NOOR INTERNATIONAL ACADEMY

2. The street address of the corporation's registered office and the name of the resident agent at that office:

1. Resident Agent Name: CLARK HILL

2. Street Address: 151 S. OLD WOODWARD AVE., SUITE 200

Apt/Suite/Other:

City: BIRMINGHAM

State: MI

Zip Code: 48009

3. Mailing address of the corporation's registered office:

P.O. Box or Street Address: 6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127

Apt/Suite/Other: PO BOX 1440

City: DEARBORN

State: MI

Zip Code: 48121

5. Provide the names and business or residence addresses of the corporation's board of directors and its president, treasurer, and secretary:

Title	Name	Residence or Business Address
PRESIDENT	JAAFAR CHEHAB	6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127 USA
TREASURER	HASSAN HIJAZI	6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127 USA
SECRETARY	SARAH CHAAR	6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127 USA
DIRECTOR	AHMAD MOUBADDER	6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127 USA
DIRECTOR	EIMAN ELZHENNI	6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127 USA
DIRECTOR	SARAH CHAAR	6919 N. WAVERLY ST., DEARBORN HEIGHTS, MI 48127 USA

6. Describe the purposes and general nature and kind of business in which the corporation engaged in during the year covered by this report:

PUBLIC SCHOOL ACADEMY - EDUCATIONAL SERVICES

Signed this 22nd Day of August, 2018 by:

Signature	Title	Title if "Other" was selected
Nawal Hamadeh	Authorized Agent	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify

that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

☐ Decline ☒ Accept

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
FILING ENDORSEMENT

This is to Certify that the 2018 ANNUAL REPORT

for

NOOR INTERNATIONAL ACADEMY

ID Number: 800927244

received by electronic transmission on August 22, 2018 ***, is hereby endorsed.***

Filed on August 22, 2018 ***, by the Administrator.***

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



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 23rd day of August, 2018.

Julia Dale, Director

Corporations, Securities & Commercial Licensing Bureau

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

FILING ENDORSEMENT

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

for

NOOR INTERNATIONAL ACADEMY

ID NUMBER: 70921F

received by facsimile transmission on September 1, 2017 is hereby endorsed.

Filed on September 7, 2017 by the Administrator.

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



Sent by Facsimile Transmission

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 7th day of September, 2017.

Julia Dale

***Julia Dale, Director
Corporations, Securities & Commercial Licensing Bureau***

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU																				
Date Received																				
	This document is effective on the date filed, unless a subsequent effective date within 90-days after received date is stated in the document.																			
<table border="1"> <tr> <td colspan="3">Name</td> </tr> <tr> <td colspan="3">Intesar A. Elder</td> </tr> <tr> <td colspan="3">Address</td> </tr> <tr> <td colspan="3">660 Woodward Ave., Ste. 2490</td> </tr> <tr> <td>City</td> <td>State</td> <td>Zip</td> </tr> <tr> <td>Detroit</td> <td>MI</td> <td>48226</td> </tr> </table>			Name			Intesar A. Elder			Address			660 Woodward Ave., Ste. 2490			City	State	Zip	Detroit	MI	48226
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**RESTATED ARTICLES OF INCORPORATION
For Use by Domestic Nonprofit Corporations**

OF

NOOR INTERNATIONAL 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: Noor International Academy.

The corporation identification number ("CID") assigned by the Bureau is: 70921F.

The corporation has used no other names.

The date of filing the original Articles of Incorporation was: December 13, 2010.

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: Noor International 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 Intesar A. Elder.

The address of its registered office in Michigan is: 660 Woodward Ave., Ste. 2490, Detroit, MI 48226.

The mailing address of the registered office in Michigan is: P.O. Box 1440, Dearborn, MI 48121.

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. 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 28th 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 28th day of August, 2017.

By:


Mr. Jaafar Chehab, President

CONTRACT SCHEDULE 2

AMENDED BYLAWS

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NOOR INTERNATIONAL ACADEMY

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**AMENDED BYLAWS
OF
NOOR INTERNATIONAL ACADEMY**

**ARTICLE I
NAME**

This organization shall be called Noor International 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 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 of Directors. 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 of Directors by resolution, except as prescribed by subparagraph d. The Center Director shall recommend qualified individuals to the University Board.
- 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 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 president, the Center Director 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.

Section 3. 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 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 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 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 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 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 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.

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 Board of 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 shall serve as a volunteer Director. By resolution of the 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, 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:

of Academy Board Positions

Five (5)

Seven (7)

Required for Quorum

Three (3)

Four (4)

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 Board of Directors 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 Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, 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 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 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 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 Board as may be prescribed by the Academy Board from time to time.

Section 6. Vice-President. The Vice-President of the Academy 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 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 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 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 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 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 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) 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 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 same-sex domestic partner:

- (a) Is employed by the Academy;
- (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 same-sex 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 Academy may amend its 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 Bylaws with regard to the disposition of assets upon dissolution.

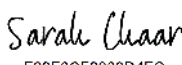
ARTICLE XII

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 18th day of May 2020, 2020.

DocuSigned by:

F99F8CF8803D4FC...
Secretary

Attachment: Noor Bylaws Signature Page (5231 : Adoption of Amended Bylaws)

CONTRACT SCHEDULE 3
FISCAL AGENT AGREEMENT

SCHEDULE 3

FISCAL AGENT AGREEMENT

This 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 Noor International 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 and in the Oversight 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 Account designated by a resolution of the Board of Directors of the Academy 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 content 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 content 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, an 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 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 Account established in the name of the Academy. 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.

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 Noor International Academy.

BY: Deborah M. Roberts
Deborah M. Roberts, Director
Bureau of State and Authority Finance
Michigan Department of Treasury

Date: January 7, 2020

CONTRACT SCHEDULE 4

**OVERSIGHT, COMPLIANCE
AND REPORTING AGREEMENT**

SCHEDULE 4

OVERSIGHT, COMPLIANCE AND REPORTING AGREEMENT

This 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 Noor International 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 the 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 the Contract.
- e. Comply with the Center's Educational Service Provider Policies, as may be amended.

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

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

CONTRACT SCHEDULE 5

DESCRIPTION OF STAFF RESPONSIBILITIES

DESCRIPTION OF STAFF RESPONSIBILITIES

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

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Administrator and Teacher Evaluation Systems	5-1
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Position Responsibilities	5-1
School Administrator(s)	5-1
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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 Hamadeh Educational Services, Inc., 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.

MANAGEMENT AGREEMENT

This Management Agreement ("Agreement") is made as of the 1st day of July, 2020, by and between **HAMADEH EDUCATIONAL SERVICES, INC.**, a Michigan corporation ("Hamadeh"), and **NOOR INTERNATIONAL ACADEMY**, a Michigan nonprofit corporation and public school academy (the "Academy") formed under Part 6A of the Revised School code (the "Code"), as amended, being Sections 380.501 to 380.507 of the Michigan Compiled Laws.

RECITALS

The Academy is a charter school organized as a public school academy under the Code. The Academy has been issued a contract (the "Contract") by the Central Michigan University Board of Trustees ("CMU") to organize and operate a Michigan public school academy. The Code permits a public school academy to contract with persons and entities for the operation and management of the public school academy.

The Academy and Hamadeh desire to work together to develop and bring about a system of educational excellence and innovation at the Academy based, in part, on Hamadeh's school design, comprehensive educational program, and management principles.

The Academy desires that the acquisition of instructional materials, equipment and supplies, all matters of compensation, fringe benefits, sick leave, long and short term disability, and certain matters pertaining to the daily work schedule for teachers and staff, as well as the employment of same, become the exclusive responsibility of Hamadeh, to the extent permitted by law.

The parties hereby desire to set forth their amended agreement as follows:

ARTICLE I. CONTRACTUAL RELATIONSHIP

1.1 Authority. The Academy represents that it is authorized by law to enter into a contract with a private entity for the provision of educational management services to the Academy. The Academy further represents that it has been granted a Contract by CMU to organize and operate a public school academy pursuant to the Code and applicable law. The Academy Board of Directors (the "Academy Board") is authorized by the Code to supervise and control the Academy, and is invested with all powers necessary or desirable for carrying out the Educational Program, as hereinafter defined and contemplated in this Agreement.

1.2 Contract. The parties agree that Hamadeh, to the extent permitted by law, shall provide all employees, materials and supervision necessary for the

provision of educational services to students of the Academy, and shall provide for the management, operation and maintenance of the Academy in accordance with the educational goals, curriculum, methods 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, all as previously adopted by the Academy Board, submitted in the Academy's application to CMU, and included in the Contract, as the same may be amended and supplemented from time to time by the Academy Board (the "Educational Program").

1.3 Status of the Parties. Hamadeh is not a division or any part of the Academy. The Academy is a body corporate and governmental entity authorized under the Code and is not a division or a part of Hamadeh. The relationship between the parties hereto was developed and entered into through arms-length negotiations and is based solely on the terms of this Agreement and those of any amendments executed pursuant to Section 16.7 hereof, that may exist from time to time.

1.4 Independent Contractor Status. The parties to this Agreement intend that the relationship between them created by this Agreement is that of an independent contractor, and not employer-employee, partner or agent. Hamadeh is not the agent of the Academy. No agent or employee of Hamadeh shall be determined to be the agent or employee of the Academy except as expressly acknowledged in writing by the Academy. Notwithstanding the foregoing, the Academy agrees to define "school official" in the Academy's annual notification of rights under 20 U.S.C. § 1232g, 34 C.F.R. § 99, the Family Educational Rights and Privacy Act ("FERPA") to include a contractor who performs an institutional service or function for which the Academy would otherwise use its own employees, who is under the direct control of the Academy with respect to the use and maintenance of personally-identifiable information from education records, and who is subject to the requirements of 34 C.F.R. § 99.33(a) governing the use and redisclosure of personally identifiable information from education records. The Academy Board designates Hamadeh and certain of its employees and subcontractors as school officials of the Academy having a legitimate educational interest such that they are entitled to access to educational records under FERPA. Hamadeh and its employees and subcontractors agree to comply with FERPA and corresponding regulations applicable to school officials. Hamadeh shall be solely responsible for its acts and the acts of its agents, employees, and subcontractors, whether or not those agents, employees or subcontractors are deemed to be acting as agents of the Academy.

1.5 Access. The Academy hereby grants to Hamadeh all access and occupancy to the Academy school building as necessary or convenient to Hamadeh for the purpose of fulfilling its responsibilities under this Agreement.

ARTICLE II. TERM

2.1 Term. This Agreement shall become effective as of July 1, 2020 and end on June 30, 2027 (the "Initial Term"). Notwithstanding the previous sentence, this Agreement is terminable by the Academy prior to the end of the Initial Term, without penalty or cause, by giving reasonable written notice before the end of the Initial Term in accordance with Article X of this Agreement.

ARTICLE III. DUTIES AND RESPONSIBILITIES OF HAMADEH

3.1 Responsibility. Hamadeh shall be responsible and accountable to the Academy Board for the administration, operation and performance of the Academy in accordance with the Contract and consistent with the implementation of the Educational Program. Neither Hamadeh nor the Academy shall be authorized to expend Academy funds on services in excess of the amount set forth in the Academy's annual budget approved annually by the Academy Board.

3.2 Educational Goals and Programs. Hamadeh agrees to implement the Educational Program. Should Hamadeh determine that it is necessary to modify the Educational Program, Hamadeh will make a recommendation to the Academy Board for the proposed changes. As required by the Contract, Hamadeh may implement such changes to the Educational Program only after they have been approved by the Academy Board and when required, CMU.

3.3 Specific Duties. Hamadeh shall be responsible for all of the management, operation, administration, and education at the Academy. Such duties include, but are not limited to:

(a) Implementation and administration of the Educational Program, including administration of any and all extra-curricular and co-curricular activities and programs;

(b) As requested by the Academy Board, acquisition of instructional materials, equipment and supplies in accordance with MCL 380.1274. Equipment and supplies provided, or caused to be provided, to the Academy by Hamadeh with funds Hamadeh has received from sources other than the Academy under Sections 5.1 or 5.3 shall remain the property of Hamadeh or the providing entity unless agreed in writing to the contrary;

(c) Hiring, management and supervision of all personnel, including provision of professional development for all instructional personnel and the personnel functions outlined in Article IX of this Agreement;

(d) Operation and maintenance of the school building to the extent consistent with any and all leases pertaining to the Academy site, and the

installation of technology integral to the school design as requested by the Board;

(e) Management of all aspects of the business administration of the Academy, including accounting for all funds belonging to the Academy at the direction of the Academy's Treasurer, from any and all sources;

(f) Any provision of transportation or food service, for the Academy as the Academy Board decides shall be implemented pursuant to the Contract; and

(g) Any other function requested by the Board for the administration of the Academy and implementation of the Educational Program.

3.4 Subcontracts. Subject to this Agreement, Hamadeh may subcontract the services it agrees to provide to the Academy, including, but not limited to transportation and/or food service. However, Hamadeh shall not subcontract the management, oversight or operation of the teaching and instructional program, or any other service for which the subcontractor would be paid twenty percent (20%) or more of the fee paid to Hamadeh pursuant to Section 5.1, except as specifically permitted and approved by the Academy Board. Any services to be provided by Hamadeh that are included in the management fee but are performed by a subcontractor shall not be charged to, or reimbursed by, the Academy.

3.5 Place of Performance. Hamadeh shall implement the instruction portion of the Educational Program at the Academy school building. Hamadeh may perform functions other than instruction, such as purchasing, professional development, and administrative functions, at any Hamadeh office, if any, unless prohibited by the Contract or applicable law. Student records and financial books and records belonging to the Academy shall be maintained at the Academy school building in accordance with the Contract and in compliance with the Code and other applicable law.

3.6 Student Recruitment. The Academy Board shall establish recruitment and admission policies. Hamadeh shall implement such policies. Students shall be selected in accordance with the procedures set forth in the Contract and in compliance with the Code and other applicable law.

3.7 Due Process Hearings. The Academy Board shall establish student discipline policies and procedures. Hamadeh shall implement such policies and procedures, which shall include, but not be limited to, providing students with due process hearings in conformity with the requirements of state and federal law regarding discipline, special education, confidentiality and access to records. The Academy Board shall provide students with a right to appeal directly to the

Academy Board for any matter of discipline that includes the possibility of expulsion.

3.8 Other Legal Requirements. Hamadeh shall provide educational services that meet federal, state, and local requirements, and the requirements imposed under the Code, the Educational Program and the Contract.

3.9 Rules and Procedures. Hamadeh shall recommend reasonable rules, regulations and procedures applicable to the Academy and is authorized and directed to enforce such rules, regulations and procedures as are approved by the Academy Board.

3.10 School Year and School Day. The school year and the school day shall be as provided in the Contract.

3.11 Reporting. Hamadeh shall be responsible for and accountable to the Academy Board for student academic performance and the performance of Hamadeh's responsibilities as set forth herein. Hamadeh shall provide student academic performance information to the Academy Board on a quarterly basis or upon request with 30 days' notice to enable the Academy Board to reasonably monitor the students' academic performance and Hamadeh's performance under this Agreement.

3.12 Student and Financial Records.

a. Notwithstanding anything in Section 3.5 to the contrary, all student, educational and financial books and records pertaining to the Academy are Academy property and are subject to the provisions of the Michigan Freedom of Information Act. All Academy records shall be kept at the Academy school building and available for public inspection upon reasonable request in accordance with the Contract and in compliance with the Code and other applicable law. All records shall be kept in accordance with applicable state and federal requirements.

b. Except as permitted under the Code, Hamadeh 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 Hamadeh receives information that is part of an Academy student's education records, Hamadeh shall not sell or otherwise provide the information to any other person except as permitted 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.

3.13 Pupil Performance Standards and Evaluation. Hamadeh shall implement pupil performance evaluations that permit evaluation of the educational progress of each Academy student. Hamadeh shall be responsible for

and accountable to the Academy Board for the performance of students who attend the Academy. At a minimum, Hamadeh will utilize assessment strategies required by the Contract and the Educational Program. The Academy Board and Hamadeh will cooperate in good faith to identify other measures of and goals for students and school performance, including but not limited to parent satisfaction.

3.14 Services to Disabled Students and Special Education. Hamadeh shall provide special education services to students who attend the Academy in conformity with the contractual requirements of applicable law. Hamadeh may subcontract as necessary and appropriate, subject to the provisions of Section 3.4 for the provision of services to students whose special needs cannot be met within the Educational Program. Such services shall be provided in a manner that complies with the Contract and applicable law.

3.15 Additional Programs and Services. The services provided by Hamadeh to the Academy under this Agreement consist of the Educational Program during the school year and school day, and age and grade levels, as set forth in the Contract, as such school year, school day, and age and grade levels may change from time to time. The Academy Board may authorize Hamadeh to provide additional programs, including, but not limited to pre-kindergarten, summer school, academic camps and latch-key programs. In such event, Hamadeh may charge tuition if permitted by law and retain the full amount of any and all revenue collected from such additional programs. If Hamadeh retains the full amounts, Hamadeh shall be responsible for the full cost of providing such additional programs, including, but not limited to the costs of any additional liability insurance or costs incurred for personal injury lawsuits filed in connection with the provision of such additional programs.

3.16 Compliance with Academy's Contract. Hamadeh 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 Central Michigan University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement.

ARTICLE IV. OBLIGATIONS OF THE ACADEMY BOARD

4.1 Good Faith Obligation. Subject to constraints of applicable law, requirements of the Contract, and its fiduciary obligations to the Academy, the Academy Board shall exercise good faith in considering the recommendations of Hamadeh, including but not limited to, Hamadeh's recommendations concerning school policies, rules, regulations, procedures, curriculum, and budgets. Hamadeh shall not adopt or implement such recommendations without obtaining Academy Board approval. The Academy Board shall retain any authority it may possess to

make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including regulations relative to the conduct of pupils while in attendance at the Academy or en route to and from the Academy.

4.2 Academy Purchases. The Academy Board shall further retain the obligations, as provided in Section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials, and equipment; nevertheless, unless otherwise prohibited by law, all procurement of supplies, materials, and equipment shall be through Hamadeh, provided that Hamadeh 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 Academy Board's policies promulgated pursuant to Section 1274 and that such equipment, materials and supplies shall be and remain the property of the Academy. Hamadeh shall not include any added fees or charges with the cost of equipment, materials and supplies purchased from third parties.

4.3 Academy Funds. The Academy Board shall determine the depository of all funds received by the Academy be placed in the Academy's depository account as required by law. The signatories on the Academy Board accounts shall solely be Academy Board members or properly designated Academy Board employees. Interest income earned on Academy accounts shall accrue to the Academy.

ARTICLE V. COMPENSATION AND PAYMENT OF COSTS

5.1 Compensation for Services.

(a) For the term of this Agreement, the Academy Board shall pay Hamadeh an annual fee, based upon the state school aid that the Academy receives, directly or indirectly, from the State of Michigan pursuant to the State School Aid Act of 1979, as amended (the "State Aid Act"), for the particular students enrolled in the Academy ("SSA") less the statutory fee payable to CMU (collectively, "Net SSA"). The SSA will change according to annual amendments to the State Aid Act. For each school year, Hamadeh shall receive as compensation for its services a fee equal to fourteen percent (12%) of the Academy's Net SSA.

(b) Hamadeh's compensation under this Agreement is reasonable compensation for services rendered. Hamadeh's compensation for services under this Agreement will not be based, in whole or in part, on a share of net profits from the operation of the Academy. The Academy Board's operation of the Academy is not-for-profit.

5.2 No Related Parties or Common Control. As stated in Section 1.4 hereof, the relationship between the parties is that of independent contractor. Hamadeh does not have any role or relationship with the Academy that in any way limits the Academy's ability to exercise its rights, including cancellation rights, under this Agreement. The Academy Board may not include any director, officer or employee of Hamadeh. It is agreed between the Academy and Hamadeh that none of the voting power of the governing body of the Academy will be vested in Hamadeh or its directors, members, managers, officers, shareholders, and employees, and none of the voting power of the governing body of Hamadeh will be vested in the Academy or its directors, members, managers, officers, shareholders, and employees. Further, the Academy and Hamadeh will not be members of the same controlled group, as defined in Section 1.150-1(f) of the regulations under the Internal Revenue Code of 1986, as amended, or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code of 1986, as amended.

5.3 Payment of Costs. In addition to the fee described in Section 5.1, the Academy shall reimburse Hamadeh for such costs that are consistent with each Academy annual budget approved by the Academy Board and incurred and expended by Hamadeh in providing the Educational Program and other goods and services pursuant to Articles III and Article IX of this Agreement. Such costs include, but are not limited to, salaries of Hamadeh non-executive employees providing direct services at or in connection with the Academy, employee benefits, professional development costs, and subcontract services providing direct services at or in connection with the Academy, recruitment, advertising, printing, and legal fees, Academy insurance, taxes, technology services, curriculum and instructional materials, textbooks, library books, computer and other equipment, software and applications, supplies, food service, transportation, special education, psychological services, athletic program services, and medical services for students, if any. 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 Hamadeh nor any other corporate costs.

(a) Hamadeh shall submit an invoice for reimbursement of such costs as necessary to be approved and reimbursed by the Academy Board in a form satisfactory to the Academy Board (the "Statement of Costs"). In any event, no such costs shall be reimbursed unless the cost constitutes an actual and direct expense paid by Hamadeh to an unrelated party within the meaning of Internal Revenue Service Revenue Procedure 97-13.

(b) The Academy shall reimburse Hamadeh for any such costs incurred or paid by Hamadeh as a result of services provided or actions taken pursuant to

Articles IV, VII, VIII, IX, X, and Section 13.3 (except as otherwise specifically indicated) in this Agreement.

(c) All acquisitions made by Hamadeh for the Academy with funds Hamadeh received pursuant to this Section 5.3 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.

(d) Hamadeh may, at its election, submit on a monthly basis a request for an advance of anticipated reasonable and necessary monthly costs of the Academy together with an itemized description of the anticipated reasonable and necessary monthly costs in a form satisfactory to the Academy Board (the "Monthly Statement of Anticipated Costs"). In any event, no such costs shall be advanced unless the cost constitutes an actual and direct expense to be paid by Hamadeh to an unrelated party within the meaning of Internal Revenue Service Revenue Procedure 97-13. The Academy Treasurer or designee will issue a check on a monthly basis to cover anticipated reasonable and necessary monthly costs upon presentation of the Monthly Statement of Anticipated Costs. Documentation for the previous month's fees and expenses are provided for Academy Board ratification and reconciled on the next month's Monthly Statement of Anticipated Costs.

5.4 Time and Priority of Payments. The fee due to Hamadeh pursuant to Section 5.1 shall be calculated for each school year at the same time as the State of Michigan calculates the SSA, and adjustments to such calculation shall occur at the same time as the State of Michigan makes adjustments to the SSA. Hamadeh shall receive its fee under Section 5.1, as calculated pursuant to the preceding sentence, in such monthly installments as provided in the State Aid Act for the payment of SSA to the Academy. Installment amounts shall be due and payable within ten (10) days of receipt by the Academy of its monthly SSA.

(a) Reimbursement of all costs listed in a Statement of Costs that has been delivered as provided in Section 5.3(a) shall be made by the Academy to Hamadeh within 30 days of invoicing the Academy.

(b) The Academy shall satisfy its payment obligations under this Article to Hamadeh in the following order of priority: (1) to reimburse Hamadeh pursuant to Section 5.3 for sums due and owing for previous months; (2) to reimburse Hamadeh pursuant to Section 5.3 for sums due and owing for the current month; (3) to pay Hamadeh for installment payments due and owing pursuant to Section 5.1 for previous months; and (4) to pay Hamadeh for installment payments due and owing pursuant to Section 5.1 for the current month.

ARTICLE VI. REVENUE OF THE ACADEMY

6.1 Revenue Sources. 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, the Academy Board and Hamadeh shall endeavor to obtain revenue from other sources. In this regard:

(a) With prior Academy Board approval, the Academy and/or Hamadeh shall solicit and receive grants and donations consistent with the mission of the Academy;

(b) With prior Academy Board approval, the Academy and/or Hamadeh may apply for and receive grant money, in the name of Hamadeh or the Academy;

(c) To the extent permitted under the Code, Hamadeh may charge fees to students for extra services such as summer and after school programs, athletics, and charge non-Academy students who participate in such programs approved by the Academy Board; and

(d) All funds received by the Academy or by Hamadeh on behalf of the Academy from such other revenue sources shall inure to and be deemed the property of the Academy.

ARTICLE VII. AGREEMENTS WITH OTHER EDUCATIONAL INSTITUTIONS

The Academy acknowledges that Hamadeh may enter into similar management agreements with other public or private schools or educational institutions ("Other Institutions"). Hamadeh, at the direction or with the approval of the Academy Board's Treasurer, shall maintain separate accounts for all of the Academy funds and reimbursable expenses incurred on behalf of the Academy. If Hamadeh incurs authorized reimbursable expenses on behalf of Academy and Other Institutions which are not capable of precise allocation between the Academy and such Other Institutions, then Hamadeh shall allocate such expenses among all such Other Institutions and the Academy, on a pro-rata basis based upon the number of students enrolled at the Academy and the Other Institutions, or upon such other equitable basis as is acceptable to the parties. All grants or donations received by the Academy, or by Hamadeh for the specific benefit of the Academy, shall be maintained in separate accounts and used solely for the Academy. Notwithstanding anything stated to the contrary above, the Academy Board Treasurer shall direct that the deposit of all funds received by the Academy be placed in the Academy's depository account as required by law.

ARTICLE VIII. REPORTING

8.1 Financial Reporting. Hamadeh shall provide the Academy Board with:

(a) A projected annual budget for the Academy prior to each school year in accordance with the terms of the Contract and applicable law.

(b) Detailed monthly statements of all revenues received, from whatever source, with respect to the Academy, and detailed monthly statements of all direct expenditures for services rendered to or on behalf of the Academy, whether incurred on-site or off-site. Monthly financial statements no more than forty-five (45) days in arrears at least one week 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 a comparison of budget to actual revenue and expenditures and explanations of variances, and a cash flow statement.

(c) Monthly Statements of Costs as provided in Section 5.3 of this Agreement.

(d) Annual audited financial statements in compliance with state law and regulations showing the manner in which funds are spent at the Academy. The Academy shall be responsible for selecting, retaining, engaging and paying the independent auditor directly.

(e) Any other fiscal or student performance reports required by the Academy, CMU or the Michigan Department of Education, or as otherwise provided by law.

8.2 Reports on Academy Operations and Student Performance. Hamadeh shall provide, upon the request of the Academy Board, CMU or the State of Michigan, or on quarterly basis, operations and student performance reports.

8.3 Other Information. Hamadeh shall provide the Academy other information on a periodic basis to enable the Academy Board to monitor Hamadeh's educational performance and the efficiency of its operations of the Academy.

8.4 Access to Records. Hamadeh shall keep accurate financial records pertaining to its operation of the Academy, together with all Academy financial records prepared by or in the possession of Hamadeh, and retain all of said records in accordance with applicable state and federal requirements. Hamadeh and the Academy shall maintain the proper confidentiality of personnel, students and other records as required by law. All Academy financial and other records retained by Hamadeh pertaining to the Academy shall be available to the Academy, the

Academy's independent auditor and CMU for inspection and copying upon reasonable request and otherwise available as required by law, including, but not limited to, the Freedom of Information Act, MCLA §15.231 et seq.

8.5 Review of Budget. The Academy Board shall be responsible for reviewing, revising, and approving the annual budget of the Academy.

ARTICLE IX. PERSONNEL AND TRAINING

9.1 Personnel Responsibility. Subject to the Contract and Academy Board policies, Hamadeh shall have the sole responsibility and authority to recommend staffing levels, and to select, evaluate, assign, discipline and transfer personnel, consistent with state and federal law, and consistent with the parameters adopted and included within the Educational Program. No contract with staff assigned to the Academy (including by way of example and not limitation, administrators, teachers, counselors and the like) entered into after the effective date of the Third Amended and Restated Management Agreement dated February 25, 2019 shall contain non-compete agreements of any nature. Nothing in this paragraph shall be read to permit departing HES staff to remove, use, or otherwise exploit proprietary information he or she obtained while employed by HES and assigned to the Academy.

9.2 Principal. Because the accountability of Hamadeh to the Academy is an essential foundation of this Agreement, and because the responsibility of a principal ("Principal") is critical to its success, the Principal will be an employee of Hamadeh and Hamadeh will have the authority, consistent with state law, to select and supervise the Principal and to hold him or her accountable for the success of the Academy. The Principal shall hold the applicable certificate requirements as required by the Code. The employment contract with the Principal and the duties and compensation of the Principal shall be determined by Hamadeh consistent with the Academy Board's approved budget and the Contract. The Principal and Hamadeh, in turn, will have similar authority to select and hold accountable the teachers assigned to work at the Academy. Although the Principal will be a Hamadeh employee, Hamadeh agrees to consult with the Academy Board prior to hiring the Principal. If, at any time, the Academy Board is dissatisfied with the performance of the Principal, Hamadeh will remove the Principal from the Academy.

9.3 Teachers. Hamadeh shall recommend the number of teachers, and the applicable grade levels and subjects, required for the operation of the Academy. Hamadeh shall provide the Academy with such teachers, qualified in the grade levels and subjects required, as are required by the Academy per the Contract. The curriculum taught by such teachers shall be the curriculum set forth in the Contract. Such teachers may, in the discretion of Hamadeh, work at the Academy

on a full or part time basis. If assigned to the Academy on a part time basis, such teachers may also work at other schools managed or operated by Hamadeh. Each teacher assigned or retained to work at the Academy shall hold a valid teaching certificate and/or qualification issued by the State Board of Education under the Code and have undergone a criminal background check and unprofessional conduct check, as required under the Contract and the Code. Such criminal and unprofessional conduct background checks shall be performed by Hamadeh prior to the first day of work at the Academy for every teacher and all other staff assigned by Hamadeh to work at the Academy school building.

9.4 Support Staff. Hamadeh shall recommend the number and functions of paraprofessionals, substitutes, bus drivers, monitors, coaches, assistant coaches, other support staff, and subcontract services ("Support Services") required for the operation of the Academy. The parties anticipate that such support staff may include clerical staff, administrative assistants to the Principal, a bookkeeping staff, maintenance personnel, food service staff, bus drivers, coaches, assistant coaches and the like. Hamadeh shall provide the Academy with such Support Services, qualified in the areas required, as are required by the Academy. Such Support Services may, in the discretion of Hamadeh, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, such Support Services may also work at other schools managed or operated by Hamadeh.

9.5 Employer of Personnel. Except as specified in this Agreement, all teaching, Support Services, and other non-teaching personnel performing functions on behalf of the Academy shall be employees or subcontractors of Hamadeh. Compensation and evaluation systems shall comply with the Code. The Academy Board must be informed of the level of compensation and fringe benefits provided to employees of Hamadeh assigned to the Academy. Compensation of all employees of Hamadeh shall be paid by Hamadeh. For purposes of this Agreement, "Compensation" shall include salary, fringe benefits, and state, federal, local, and social security tax withholdings. Hamadeh shall be responsible for paying social security, unemployment, and any other taxes required by law to be paid on behalf of its employees. Hamadeh 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 irrespective of whether Hamadeh receives an advancement of its costs or the payment of services from the Academy. Unless required by applicable statute, court or administrative decision, or Attorney General's opinion, Hamadeh shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. Hamadeh shall be responsible for conducting criminal background checks and unprofessional conduct checks on its employees, as if it were a public school academy under the

Code. Teachers employed by Hamadeh shall not be considered teachers for purposes of continuing tenure under MCLA §38.71 et seq. Hamadeh or the Academy Board may remove the Principal or any teacher if the Academy Board is dissatisfied with their performance at the end of a fiscal year.

9.6 Training. Hamadeh shall provide training in its methods, curriculum, program, and technology, to all teaching personnel on a regular and continuous basis. In addition to outside training, Hamadeh's teaching staff shall utilize their own professional abilities to provide in-service training to each other. Non-instructional personnel shall receive such training as Hamadeh determines as reasonable and necessary under the circumstances.

9.7 Educational Consultant. At any time during the term of this Agreement, the Academy Board may contract with an educational consultant to review the operations of the Academy and the performance of Hamadeh under this Agreement. Such educational consultant shall be selected by the Academy Board. Hamadeh shall cooperate with such educational consultant in the performance of his or her responsibilities to the Academy Board. Notwithstanding anything contained in this Article IX or elsewhere in this Agreement to the contrary, Hamadeh shall have no authority to select, evaluate, assign, supervise or control any educational consultant selected by the Academy Board.

ARTICLE X. TERMINATION OF AGREEMENT

10.1 Termination.

(a) By Hamadeh. Hamadeh may terminate this Agreement prior to the end of the terms specified in Article II in the event the Academy Board fails to remedy a material breach within 60 days after receiving written notice from Hamadeh. A material breach includes, but is not limited to, Hamadeh's failure to receive any fee or reimbursement as required by the terms of Article V of this Agreement. Hamadeh may also terminate this Agreement if the Academy Board makes decisions regarding the personnel, curriculum, or program substantially inconsistent with the recommendations of Hamadeh. Termination shall not relieve the Academy of any obligations for payments outstanding to Hamadeh as of the date of termination. Hamadeh may also terminate this Agreement if the Contract is revoked by CMU if such revocation was not, in any way, caused by Hamadeh.

(b) By Academy. The Academy may terminate this Agreement prior to the end of the terms specified in Article II in the event that Hamadeh shall fail to remedy a material breach within 60 days after receiving written notice from the Academy Board. Material breach includes, but is not limited to: (1) failure to account for its expenditures or to pay Academy operating costs as required under this Agreement (provided funds are available to do so), (2) failure to substantially follow policies,

procedures, rules, regulations or curriculum duly adopted by the Academy Board which are not in violation of the Contract, this Agreement, or law, (3) any action or inaction by Hamadeh which causes the Contract to be revoked, terminated suspended or which causes the Contract to be put in jeopardy of termination, suspension or revocation by CMU, or (4) failure to abide by and meet educational goals set forth in the Contract.

(c) Termination by Either Party. If Hamadeh and the Academy Board are unable to agree on changes to the Educational Program or other policies that affect the Academy in a significant way, either party may elect to terminate this Agreement at the end of each fiscal year, provided the terminating party gives the other party at least ninety (90) days' written notice prior to termination and the opportunity within the ninety (90) day notice period to negotiate an agreement on the educational policies at issue.

(d) Revocation or Termination of Contract. If the Academy's Contract issued by CMU is revoked, 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.

10.2 Change in Law. If any federal, state or local law or regulation, or court or administrative decision or Attorney General's opinion has a material adverse impact on the ability of either party to carry out its obligations under this Agreement, then either party, upon written notice, may request renegotiation of this Agreement and if the parties are unable or unwilling to renegotiate the terms within 90 days after negotiations begin and after making good faith efforts which shall include the use of a third party arbitrator for alternative dispute resolution pursuant to Article XV, the party requesting the renegotiation may terminate this Agreement as of the end of the academic year.

The Academy and Hamadeh may amend or terminate this Agreement if, at any time, the laws regarding payments to the Michigan Public School Employees' retirement System or any other public retirement system on behalf of employees assigned by Hamadeh to work at the Academy, or the laws regarding tenure, change such that teachers or principals and assistant principals employed by Hamadeh must be covered by such retirement or tenure laws.

10.3 Time of Termination/Expiration and Disposition of Funds and Property.

(a) Effective Date of Termination. In the event this Agreement is terminated by either party prior to the end of the term specified in Article II, the termination will not become effective until the end of the academic year in which the notice of

termination was given. Notwithstanding the preceding sentence, any termination that results from a change in law as specified in Section 10.2, any violation of the applicable law or revocation of the Contract, shall be effective immediately upon receipt of notice of such termination. The Academy Board and Hamadeh 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 Board and Hamadeh agree to work cooperatively to transition management and operations of the school without disrupting the school's operations. Hamadeh shall perform this transition in a similar manner as described in Section 10.3c below.

(b) Personal Property. Upon termination or expiration of this Agreement, for any reason, Hamadeh shall have the option to reclaim any personal property upon proof of ownership which has been purchased, or leased from a party other than the Academy, with Hamadeh funds, provided Hamadeh was not reimbursed for such funds from the Academy pursuant to Section 5.3. All personal property purchased or leased by Hamadeh with funds received pursuant to Section 5.3 shall remain the personal property of the Academy.

(c) Accounting. Upon termination or expiration of the Agreement, or if the Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal, Hamadeh 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 employee compensation, benefit and tax obligations related to services provided by Hamadeh 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.

(d) Expenses. Upon termination or expiration of this Agreement, for any reason, the Academy shall pay Hamadeh for all incurred reimbursable expenses during the term of this agreement during the 2020-2027 school years.

In addition to the foregoing, all out-of-pocket expenses paid by Hamadeh with Hamadeh's own funds, which were incurred on or before receipt of notice of termination, shall be immediately repaid by the Academy unless otherwise agreed in writing by Hamadeh, provided such advances and expenses relate to Hamadeh's services and performance under this Agreement, as specified in Section 5.3 and are in accordance with the Academy Board approved budget. The Academy shall not be responsible for repayment of any amounts paid by Hamadeh, for any purpose, which are incurred after Hamadeh receives a termination notice, except those costs that Hamadeh may incur in connection with Section 10.4 below.

10.4 Transition. In the event of termination of this Agreement for any reason by either party prior to the end of this Agreement's term, Hamadeh shall, upon the request of the Academy Board, provide the Academy reasonable assistance for up to 90 days to assist in the transition back to a regular school program or another educational service provider.

ARTICLE XI. PROPRIETARY INFORMATION

11.1 Required Disclosure. The Academy shall be permitted to report any new teaching techniques or methods or significant revisions to known teaching techniques or methods to CMU and to the State Board of Education, which teaching techniques or methods may thereafter be made available to the public, as provided in Section 505(3) of the Code. To the extent required under the Code and the Freedom of Information Act, MCLA §15.231 *et seq.*, Hamadeh's educational materials and teaching techniques used at the Academy are subject to public disclosure.

11.2 Ownership. Curriculum or other educational materials designed or developed by Hamadeh with funds Hamadeh received pursuant to Section 5.3 shall be considered property of the Academy and Hamadeh and its associate schools will have the right to use curriculum or other educational materials for educational purposes but not for commercial uses. The Academy owns all proprietary rights to curriculum or educational materials that (i) are both directly developed and paid for by the Academy; or (ii) were developed by Hamadeh at the direction of the Academy with Academy funds.

ARTICLE XII. INDEMNIFICATION

12.1 Indemnification of Hamadeh. To the extent permitted by law, the Academy shall indemnify and save and hold Hamadeh and all of its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits 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 the representations and warranties of the Academy contained in or made pursuant to this Agreement. In addition, the Academy shall reimburse Hamadeh for any and all legal expenses and costs associated with the defense of any such claim, demand or suit.

12.2 Indemnification of Academy. Hamadeh shall indemnify and save and hold the Academy and all of its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits or other forms of liability that may arise out of, or by reason of, any noncompliance by Hamadeh with any agreements, covenants, warranties or undertakings of Hamadeh contained in or made pursuant to this Agreement, and any misrepresentations or breach of the representations and warranties of Hamadeh contained in or made pursuant to this Agreement. In addition, Hamadeh shall reimburse the Academy for any and all legal expenses and costs associated with the defense of any such claim, demand or suit.

12.3 [Reserved]

12.4 Indemnification for Negligence.

(a) To the extent permitted by law, the Academy hereby promises to indemnify, defend and hold harmless Hamadeh from and against all demands, claims, actions, suits, causes of action, losses, judgments, liabilities, damages, fines, penalties, demands, 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), 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, or which are incurred as a result of the reliance by Hamadeh upon information supplied by the Academy or the University, or which arise out of the Academy's failure to comply with the Contract or applicable law. The Academy shall also indemnify and hold harmless Hamadeh, and Hamadeh's board of directors, partners, officers, employees, agents and representatives, from any and all claims and liabilities which Hamadeh may incur and which arise out of the negligence of the Academy's directors, officers, employees, agents or representatives.

(b) Hamadeh shall indemnify and hold harmless the Academy, the Academy Board and its officers, employees, agents and representatives, from any and all claims and liabilities which the Academy may incur and which arise out of the negligence of Hamadeh's directors, officers, employees, agents or representatives.

12.5 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, Hamadeh hereby promises to indemnify, defend and hold harmless the University from and against all demands, claims, actions, suits, causes of action, losses, judgments, liabilities, damages, fines, penalties, demands, 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, Hamadeh's preparation for or operation of the Academy, or which are incurred as a result of the reliance by the University upon information supplied by Hamadeh, or which arise out of Hamadeh's failure to comply with the Contract or applicable law. The parties expressly acknowledge and agree that the University may commence legal action against Hamadeh to enforce its rights as set forth in this section of the Agreement.

ARTICLE XIII. INSURANCE

13.1 Insurance Coverage. The Academy shall maintain such policies of insurance coverage in the amounts as required by the Contract and the Michigan Universities Self-Insurance Corporation (M.U.S.I.C.). Hamadeh shall comply with any information or reporting requirements applicable to the Academy under the Academy's policy with its insurer(s), to the extent practicable. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this Article XIII.

13.2 Hamadeh Insurance Coverage. Hamadeh shall maintain such policies of insurance coverage in the amounts as required by the Contract and M.U.S.I.C., with the Academy listed as an additional insured. The Academy shall comply with any information or reporting requirements applicable to Hamadeh under Hamadeh's policy with its insurer(s), to the extent practicable. In the event that CMU or M.U.S.I.C. requests any change in coverage by Hamadeh, Hamadeh 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.

13.3 Workers' Compensation Insurance. Each party shall maintain workers' compensation insurance as required by law, covering their respective employees.

ARTICLE XIV. WARRANTIES AND REPRESENTATIONS

14.1 Academy Warranties and Representations. The Academy represents that it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement. The Academy Board warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

14.2 Hamadeh Warranties and Representations. Hamadeh warrants and represents that it is a corporation in good standing and is authorized to conduct business in the State of Michigan. Hamadeh represents that it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement. Hamadeh warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

14.3 Mutual Warranties. Each party to the Agreement warrants to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

ARTICLE XV. ALTERNATIVE DISPUTE RESOLUTION PROCEDURE

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 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, a three person arbitration panel shall be appointed, with each party appointing a single arbitrator, and the third arbitrator chosen by the two so appointed. All three arbitrators shall be neutral, and the arbitration shall be conducted in accordance with the rules of the American Arbitration Association then in effect, and with such variations as the parties and arbitrator(s) unanimously accept. The award shall be final and binding. A judgment on the award rendered by the arbitrator(s) may be entered in any court having appropriate jurisdiction. The cost of arbitration, including attorney fees, shall be awarded at the discretion of the arbitrator(s). A cause opinion (written explanation) as to the final decision shall be required. CMU shall be notified of said decision and, upon CMU's request, the cause opinion shall be made available. Any award decision shall be available for CMU to review.

ARTICLE XVI. MISCELLANEOUS

16.1 Sole Agreement. This Agreement supersedes and replaces any and all prior agreements and understandings between the Academy and Hamadeh.

16.2 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, flood, embargo, fire, explosion, sabotage, accident, labor strike, or other acts beyond its reasonable control, provided either party may terminate this Agreement under Article X if sufficient grounds exist as required by said Article X.

16.3 State Governing Law. The rights of all parties hereto shall be subject to the jurisdiction of and be construed according to the laws of the State of Michigan.

16.4 Agreement in Entirety. This Agreement (including any attachments) constitutes the entire agreement of the parties.

16.5 Official Notices. All notices and other communications required by the terms of this Agreement shall be in writing and sent to the parties hereto at the address set forth below. Any changes to the addresses set forth in this section shall be submitted in writing to the other party. Notice may be given by: (1) certified or registered mail, postage prepaid, return receipt requested, or (2) personal delivery. Notice shall be deemed to have been given on the date of personal delivery if given by mail. The address of the parties hereto for the purposes giving notices required by this Agreement shall be:

Noor International Academy,
a Michigan public school academy
P.O. Box 1440
Dearborn, MI 48121
Attn: Academy Board President

With a copy to:
Clark Hill PLC
151 S. Old Woodward Ave., Suite 200
Birmingham, Michigan 48009
Attn: Joseph B. Urban, Esq.

and to:
Hamadeh Educational Services, Inc.
37637 Five Mile Road, #200
Northville, MI 48168
Attn: Nawal Hamadeh

with a copy to:
Butler Davis, PLLC
P.O. Box 2411
Detroit, Michigan 48202
Attn: Erika L. Butler, Esq.

16.6 Assignment. This Agreement shall not be assigned by Hamadeh without the Academy's prior written consent (which consent shall not be unreasonably withheld or delayed) or by the Academy without Hamadeh's prior written consent (which consent shall not be unreasonably withheld or delayed), provided that Hamadeh may, without the consent of the Academy, delegate the performance of, but not responsibility for, any duties and obligations of Hamadeh hereunder to any independent contractor, expert or professional adviser, in accordance with the terms of this Agreement and that any assignment is done in accordance with CMU's Educational Service Provider Policies. However, this Agreement is not assignable without prior notification to CMU.

16.7 Amendment. This Agreement shall not be altered, amended, modified or supplemented except by written memorandum approved by the Academy Board and signed by both the President of the Academy and authorized officer of Hamadeh and in accordance with CMU's Educational Service Provider Policies.

16.8 Amendment for Obtaining Tax-Exempt Financing. Should the Academy determine that it is in the best interest of the Academy to obtain financing from the Michigan Municipal Bond Authority or any other type of financing that is tax-exempt pursuant to the federal Internal Revenue Code of 1986, as amended, and it is determined that this Agreement does not comply with Revenue Procedure 97-13 or any successor, then this Agreement shall be automatically amended so it can be determined that this Agreement complies with Revenue Procedure 97-13 or any successor. The parties shall promptly execute a written document reflecting such amendment, but the failure of the parties to do so shall not affect the effectiveness of the automatic amendment.

16.9 Waiver. No waiver of any provision 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.

16.10 Severability. The invalidity of any of the covenants, phrases or clauses in this Agreement shall not affect the remaining portions of this Agreement, and this Agreement shall be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement.

16.11 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.

16.12 No Third Party Rights. This Agreement is made for the sole benefit of the Academy and Hamadeh. Except as otherwise expressly provided, nothing in this Agreement shall create or be deemed to create a relationship between the parties to this Agreement, or either or them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

16.13 Survival of Termination. All representations, warranties, and indemnities made in this Agreement shall survive termination of this Agreement.

16.14 Delegation of Authority. Nothing in this Agreement shall be construed as delegating to Hamadeh any of the powers or authority of the Academy Board which are not subject to delegation by the Academy Board under Michigan law.

16.15 Compliance with Law. The parties agree to comply with the Contract, CMU's Educational Service Provider Policies and all applicable laws and regulations.

16.16 Non-Delegation/Interference with Public Body Obligations. No provision of this Agreement shall be construed to interfere with the Academy Board's constitutional duty to exercise its statutory, contractual and fiduciary responsibilities governing the operation of the Academy. No provision of this Agreement shall be construed to prohibit the Academy Board 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, Act 267 of 1976, MCL 15.261, et. seq.

16.17 Compliance with Rev. Proc. 2017-13. The Academy has entered into one or more transactions in which the Academy has warranted to comply with Section 103 of the Internal Revenue Code of 1986, as amended, and to take all necessary actions in order to maintain the federal tax exemption of the interest component of payments under such transactions, to this end, the Academy and HES make the following representations regarding this Agreement:

- (A) HES' compensation under the Agreement is reasonable and is not based, in whole or in part, on a share of the 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) The Agreement does not pass along to HES the burden of bearing any share of the net losses from the operation of the Academy or upon the disposition, damage or destruction of the Academy's property;

- (C) The term of the Agreement is not greater than 30 years or 80 percent of the useful life of the Academy's tax-exempt bond-financed school facility (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) HES 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.

Further, with regard to governance;

- (A) None of the voting power of the governing body of the Academy is vested in the directors, officers, shareholders, partners, members, and employees of the service provider, as such an arrangement would be contrary to Michigan law;
- (B) The governing body of the Academy does not include the chief executive officer of the service provider or the chairperson (or equivalent executive) of the service provider's governing body; and
- (C) The chief executive officer of the service provider is not the chief executive officer of the PSA or any of the PSA's related parties (as defined in §1.150-1(b)).

ARTICLE XVII. CMU ESP POLICY PROVISIONS

17.1. Chief Administrative Officer. The Chief Administrative Officer ("CAO") for the Academy shall be a member of the Academy Board. Neither Hamadeh or any owner, officer or employee of Hamadeh shall be the Academy's CAO. However, Hamadeh or any owner, officer or employee may assist the CAO in carrying out their duties and responsibilities.

17.2. Site Closure. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the State School Reform/Redesign Officer under Section [507] [528] [561] of the Code, MCL [380.507][380.528][380.561]; or (ii) to undergo a reconstitution pursuant to Section [507][528][561] of the Code, MCL [380.507][380.528][380.561], and the Contract Terms and Conditions, 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 Hamadeh shall have no recourse against the Academy or the University Board for implementing such site closure or reconstitution."

17.3. Public Disclosure of Private Information. On an annual basis, Hamadeh shall provide the Academy Board all of the same information pertaining to the Academy 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 in which the information is available. Within thirty (30) days of receiving the 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.

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

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first above written.

**HAMADEH EDUCATIONAL
SERVICES, INC.,**

a Michigan corporation

By: 

Nawal Hamadeh

Its: President

**NOOR INTERNATIONAL
ACADEMY,**

a Michigan public school academy

By: 

Its: President

CONTRACT SCHEDULE 6

PHYSICAL PLANT DESCRIPTION

PHYSICAL PLANT DESCRIPTION

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

Physical Plant Description 6-1

Site Plan 6-3

Floor Plan..... 6-4

Mortgage..... 6-5

Promissory Note..... 6-18

Certificate of Use and Occupancy 6-22

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 Noor International Academy (the "Academy") is as follows:

Address: 37412 Dequindre
Sterling Heights, MI 48310

Description: The Site consists of a one-story facility that contains approximately 11,140 square feet of space. The exterior of the facility is brick and it sits on a slab foundation. The facility contains 10 classrooms, 13 restrooms, an office with a reception area, a staff lounge, pantry, utility room and custodial room. The Site also includes two outdoor play areas.

Configuration of Grade Levels: Kindergarten through Sixth Grade.

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Warren Consolidated Schools
ISD: Macomb

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

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

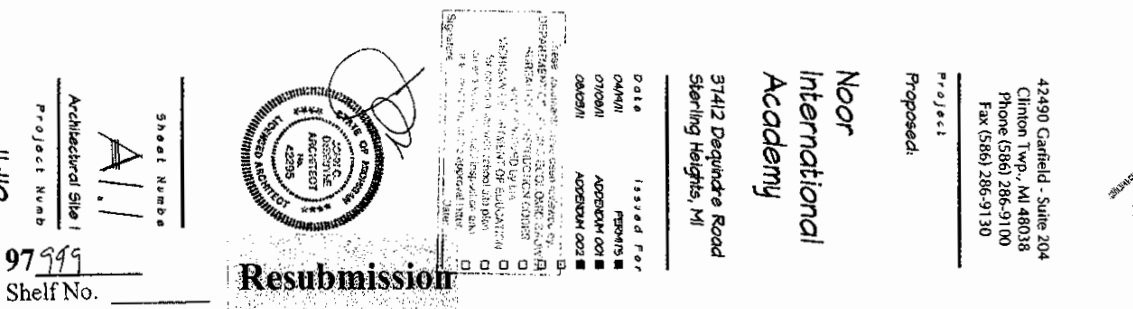
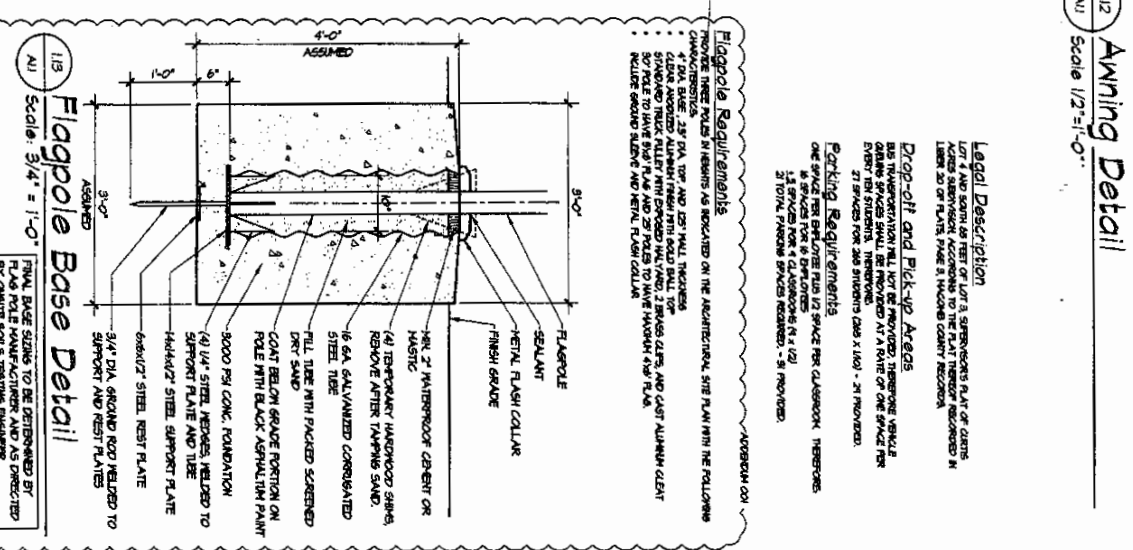
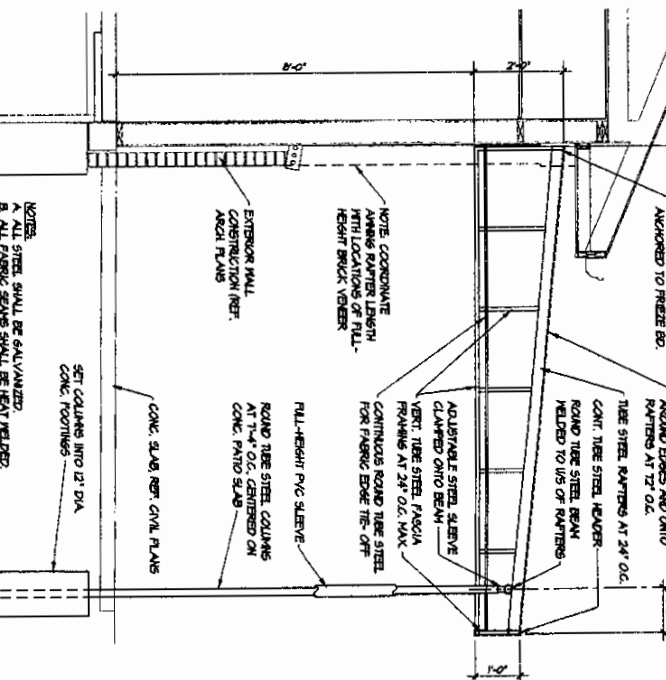
4. In addition, the Academy and the University Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire, health and safety approvals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

5. If the Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the University Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe, and agree upon the Academy's physical facilities. The Academy must submit to the University Board or its

designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted all the information described above, to the satisfaction of the University Board or its designee, and the amendment regarding the new site has been executed.

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

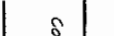
5 LANE CONCRETE ROAD



Schedule 6-3

NOTE: THESE PLANS DESCRIBE AN EXISTING BUILDING AND SITE. EXCEPTED WHERE HIGHLIGHTED IN A BUBBLED OUTLINE, ALL CONSTRUCTION IS EXISTING TO REMAIN

Construction Type: YB
Use Group: E



J. S. SCHREIER, INC.

Noor International Academy

THE DRAWINGS AND / OR SPECIFICATIONS HEREIN ARE THE EXCLUSIVE PROPERTY OF SOA ARCHITECTS, INC. AND SHALL NOT BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, WITHOUT PRIOR WRITTEN CONSENT.

NOTE: THESE PLANS DESCRIBE AN EXISTING BUILDING AND SITE. EXCEPTED WHERE HIGHLIGHTED IN A BUBBLED OUTLINE, ALL CONSTRUCTION IS EXISTING TO REMAIN

Construction Type: VB
Use Group: E



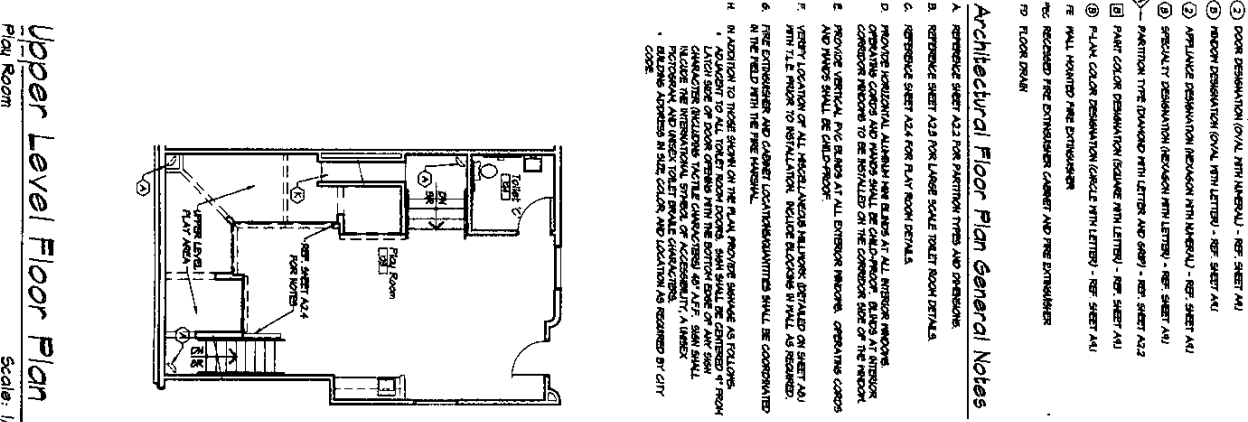
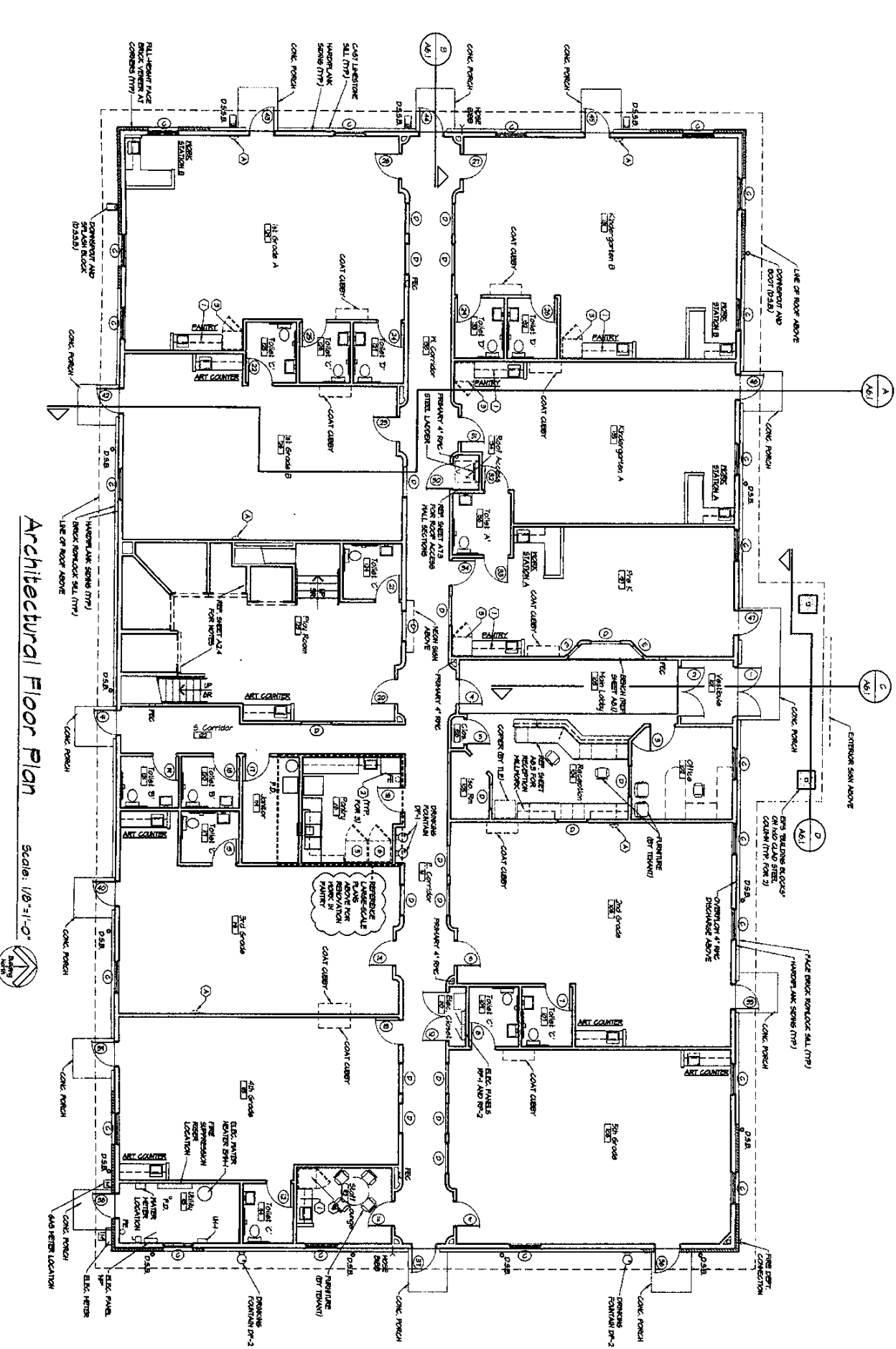
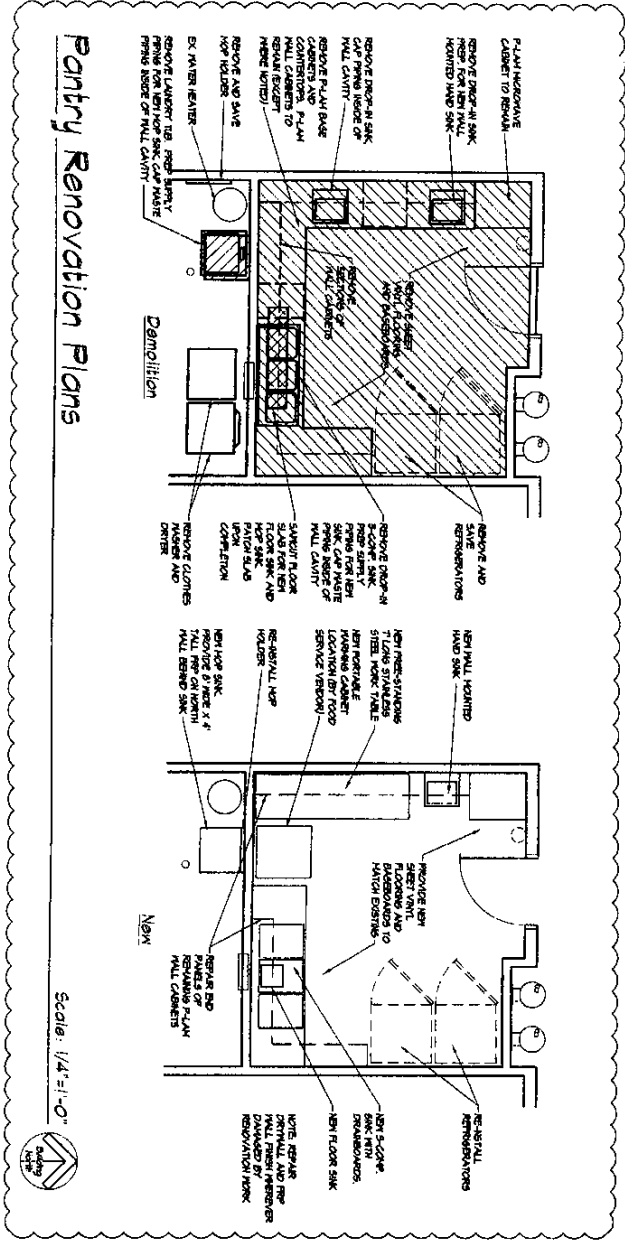
42490 Garfield - Suite 204
Clinton Twp., MI 48038
Phone (586) 286-9100
Fax (586) 286-9130

Project:
Proposed:

Noor
International
Academy
37412 Dequindre Road
Sterling Heights, MI

Date: Issued For
04/29/11

Sheet Number
A2.1
Architectural Floor Plan
Project Number
11-110



Symbols Legend

- ① DOOR DEMOLITION (CIRCLE WITH LETTER) - REF. SHEET A1
- ② ROOM DEMOLITION (CIRCLE WITH LETTER) - REF. SHEET A1
- ③ APPLIANCE DEMOLITION (CIRCLE WITH LETTER) - REF. SHEET A1
- ④ SPECIALTY DEMOLITION (CIRCLE WITH LETTER) - REF. SHEET A1
- ⑤ PARTITION TYPE DEMOLITION (CIRCLE WITH LETTER AND GEAR) - REF. SHEET A1
- ⑥ PLANT COLOR DEMOLITION (CIRCLE WITH LETTER) - REF. SHEET A1
- ⑦ WALL HORIZONTAL FIRE EXTINGUISHER
- ⑧ RECESSED FIRE EXTINGUISHER CABINET AND FIRE EXTINGUISHER
- ⑨ FLOOR DEMOLITION

Architectural Floor Plan General Notes

- A. REFERENCED SHEET A22 FOR PARTITION TYPES AND DEMOLITION.
- B. REFERENCED SHEET A23 FOR PLANT SCALE TOILET ROOM DETAILS.
- C. REFERENCED SHEET A24 FOR PLANT ROOM DETAILS.
- D. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- E. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- F. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- G. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- H. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- I. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
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- P. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
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- R. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- S. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- T. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- U. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- V. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- W. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- X. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- Y. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.
- Z. PROVIDE HORIZONTAL ALUMINUM HANGERS AT ALL INTERIOR ROOMS.

MORTGAGE

Loan Number 6400051090

THIS MORTGAGE ("*Mortgage*") is made effective as of May 22, 2018, by NOOR INTERNATIONAL ACADEMY, a Michigan nonprofit corporation, with an address at 37412 Dequindre Road, Sterling Heights, Michigan 48310 ("*Mortgagor*"), in favor of HANTZBANK, a Michigan banking corporation, with an address at 26200 American Drive, Southfield, Michigan 48034 ("*Lender*").

THIS MORTGAGE SECURES FUTURE ADVANCES AND IS A FUTURE ADVANCE MORTGAGE UNDER ACT NO. 348 OF THE PUBLIC ACT OF 1990, AS AMENDED (MCLA 565.901 ET SEQ.).

GRANTING CLAUSE

To secure the Indebtedness and as security for the purposes stated elsewhere in this Mortgage, the Mortgagor MORTGAGES AND WARRANTS to the Lender, its successors and assigns, the following described properties, rights, interests and privileges (collectively, the "*Mortgaged Property*"):

A. The parcel of real estate commonly known as 37412 Dequindre Road, Sterling Heights, Michigan 48310, described in Schedule A attached to this Mortgage and identified by the Tax Parcel Number(s) as provided therein ("*Real Estate*");

B. All buildings, structures, fixtures and improvements now located, or subsequently constructed or placed upon the Real Estate, including, without limit, all building materials and building equipment located on the Real Estate;

C. All machinery, apparatus, equipment, utility systems, appliances, fittings, fixtures, supplies, goods, and articles of personal property of every kind and nature located or subsequently located on the Real Estate and all attachments, accessions and replacements (individually and collectively, "*Equipment*"), and all of the right, title and interest of the Mortgagor in and to any Equipment which may be subjected to any title retention or security agreement superior in lien to the lien of this Mortgage. All Equipment being part and parcel of the Mortgaged Property and appropriated to the use of the Real Estate and, whether affixed or not, unless the Lender shall otherwise elect, deemed to be real estate and mortgaged under this Mortgage;

D. All easements, rights-of-way, licenses, privileges and appurtenances relating to the Real Estate;

E. All rents, issues, profits, revenues, proceeds, accounts and general intangibles arising from the Real Estate or relating to any business conducted by the Mortgagor on the Real Estate, or under present or future leases, reservation and/or purchase agreements, land contracts, licenses or otherwise, all of which are specifically assigned and transferred to the Lender including, without limit, all rights conferred by Act No. 210 of the Michigan Public Acts of 1953, as amended;

F. All right, title and interest of the Mortgagor in and to the land lying in the bed of any street, road, avenue, alley or walkway, opened or proposed or vacated, adjoining the Real Estate; and

G. Any and all awards or payments, including, without limit, interest on any awards or payments, and the right to receive them, which may be made with respect to the Mortgaged Property as a result of: the exercise of the right of eminent domain; the alteration of the grade of any street; any loss of or damage to any building or other improvement on the Real Estate; any other injury to or decrease in the value of the Mortgaged Property; any refund due on account of the payment of real estate taxes, assessments or other charges levied against or imposed upon the Mortgaged Property; or any refund of utility deposits or right to any tenant deposit.

INDEBTEDNESS SECURED BY THIS MORTGAGE

This Mortgage is made to secure all of the following (individually and collectively, the "*Indebtedness*"):

I. Payment of One Million One Hundred Forty-Seven Thousand Five Hundred and 00/100 Dollars (\$1,147,500.00), together with interest, costs and all other sums payable on that amount, to be paid according to the One Million One Hundred Forty-Seven Thousand Five Hundred and 00/100 Dollar (\$1,147,500.00) Promissory Note, dated as of even date herewith, made by Mortgagor, payable to Lender and all extensions, renewals, modifications, substitutions or replacements therefor (the "**Note**"); and the Loan Agreement, dated as of even date herewith, made by and between Mortgagor and Lender and all amendments and modifications thereof (the "**Loan Agreement**"); and any other note(s), guaranty(ies), loan and/or letter of credit agreement(s), indemnity agreement(s) or other evidence(s) of indebtedness to Lender made as of the date of this Mortgage by the Mortgagor; and any and all extensions, renewals, modifications, substitutions or replacements thereof. This reference to a particular dollar amount does not in any way limit the dollar amount secured by this Mortgage.

II. The payment of any and all amounts of any kind now owing or later to become due to the Lender from the Mortgagor during the term of this Mortgage, however created or arising, whether under the obligations specified above or under any other existing or future instrument or agreement between the Mortgagor and the Lender, or otherwise, and whether direct, indirect, primary, secondary, fixed, contingent, joint or several, due or to become due, together with interest, costs and all other sums on that amount and including, without limit, all present and future indebtedness or obligations of third parties to the Lender which is guaranteed by the Mortgagor, and the present or future indebtedness originally owing by the Mortgagor, to third parties and assigned by third parties to the Lender, and any and all renewals, extensions, modifications, substitutions or replacements of any of them.

III. The performance of the covenants and obligations due or to become due to the Lender, including, without limit, those due under this Mortgage, and the repayment of all sums expended by the Lender in connection with performance of those covenants and obligations and the enforcement of this Mortgage.

COVENANTS AND AGREEMENTS

1. **COVENANTS AND WARRANTIES.** The Mortgagor covenants and warrants to the Lender, as long as the Indebtedness remains outstanding, as follows:

1.1 **Authority; No Conflict.** The Mortgagor has the power and authority to execute, deliver and perform its obligations under this Mortgage. The execution, delivery and performance of this Mortgage by the Mortgagor does not, and will not violate or conflict with any provision of its organizational or charter documents or any agreement, court order or consent decree to which the Mortgagor is a party or by which the Mortgagor may be bound.

1.2 **Title to Mortgaged Property.** The Mortgagor is the owner and is lawfully seized and possessed of the Mortgaged Property. The Mortgagor has good right, full power and authority to mortgage the Mortgaged Property to Lender in accordance with the terms of this Mortgage. The Mortgaged Property is and shall remain free and clear of any liens and encumbrances excepting only the interests and matters identified on attached **Schedule B**. The Mortgagor shall pay when due all obligations which, if unpaid, may become a lien on the Mortgaged Property or which are secured by a lien on the Mortgaged Property with the Lender's consent.

1.3 **Payment of Indebtedness.** The Mortgagor will pay and perform the Indebtedness when due, whether by maturity, acceleration or otherwise.

1.4 **Maintenance of Mortgaged Property; Maintenance Reserve Account; and Waste.**

1.4.1 The Mortgagor shall preserve and maintain the Mortgaged Property in good repair, working order and condition, excepting ordinary wear and tear, shall replace any Equipment which requires replacement, shall procure all necessary utility services, and shall not commit or permit the commission of waste against the Mortgaged Property. The Mortgagor shall promptly protect, repair, replace or rebuild any part of the Mortgaged Property that is damaged or destroyed by fire or other casualty, or that may be effected by any eminent domain or condemnation proceedings.

1.4.2 If the Lender reasonably and in good faith determines that the Mortgagor is not maintaining the Mortgaged Property as required herein, in addition to all of the Lender's other remedies, the Lender may require the Mortgagor to pay into a non-interest bearing reserve account ("***Maintenance Reserve Account***") an amount estimated by the Lender to be sufficient to enable the Mortgagor to maintain the Mortgaged Property. If required by the Lender, such amount shall be payable in monthly installments (payable in addition to any other sums due under the Indebtedness) subject to adjustment, up or down, annually on the anniversary of the date hereof by the Lender at the Lender's sole discretion. The Maintenance Reserve Account shall be under the Lender's sole control and shall be additional security for the Indebtedness. The Lender shall make disbursements from the Maintenance Reserve Account for maintenance of the Mortgaged Property, or as otherwise provided by this Mortgage, at the Lender's sole discretion.

1.4.3 Failure, refusal or neglect of the Mortgagor to comply with **Section 1.4.1** or to pay any taxes or assessment or any utility rates levied, assessed or imposed upon the Mortgaged Property, and/or nonpayment of any premiums for insurance, shall constitute waste, and shall entitle the Lender to exercise the remedies provided in this Mortgage, as well as those afforded by law, including, without limit, MCLA Section 600.2927, as amended.

1.5 Payment of Taxes; Discharge of Liens.

1.5.1 The Mortgagor shall pay when due, and before any interest, collection fees or penalties accrue, all taxes, assessments, encumbrances, liens, mortgages, water or sewer charges and other charges and impositions (individually and collectively, "***Imposition(s)***") levied, assessed or existing with respect to the Mortgaged Property, or any part of it, and the Mortgagor will deliver to the Lender receipts showing payment of the Imposition(s). If the Mortgagor fails to pay any of the Imposition(s), the Lender, at its option, may pay such Imposition(s) and the monies paid shall be a lien upon the Mortgaged Property, added to the amount secured by this Mortgage, and payable immediately by the Mortgagor to the Lender, with interest at the higher of (i) the interest rate, if any, charged by the particular entity levying or assessing the Imposition(s), or (ii) the highest rate charged by the Lender on any of the Indebtedness (but in either case not to exceed the maximum interest rate permitted by law).

1.5.2 At the option of the Lender, the Mortgagor shall pay to the Lender, in advance on the first day of each month, a pro rata portion (as determined by the Lender) of all Imposition(s) levied, assessed or existing on the Mortgaged Property. In the event that sufficient funds have been deposited with the Lender to cover the amount of these Imposition(s) when they become due and payable, the Lender shall pay them. In the event that sufficient funds have not been deposited to cover the amount of these Imposition(s) at least thirty (30) days prior to the time when they become due and payable, the Mortgagor shall immediately pay the amount of the deficiency to the Lender. The Lender shall not be required to keep a separate account or to pay the Mortgagor any interest on the funds held by the Lender for the payment of the Imposition(s) pursuant to this Section 1.5 or for the payment of insurance premiums under Section 1.7 below, or on any other funds deposited with the Lender in connection with this Mortgage. The funds on deposit with the Lender are further security for the Indebtedness and if an Event of Default occurs under this Mortgage, any funds remaining on deposit with the Lender may be applied against the Indebtedness at any time after the Event of Default occurs, and without notice to the Mortgagor.

1.6 **Sale or Transfer of Mortgaged Property.** Without the prior written consent of the Lender, the Mortgagor will not (i) sell, assign, transfer or encumber all or any interest in the Mortgaged Property or (ii) enter into any agreement or grant an option for such purpose, or (iii) permit or suffer any change in the ownership of the Mortgaged Property. In the event ownership of the Mortgaged Property, or any part, becomes vested in any person(s) other than the Mortgagor, the Lender may deal with and may enter into any contract or agreement with the successor(s) in interest with reference to this Mortgage in the same manner as with the Mortgagor, without discharging or otherwise affecting the lien of this Mortgage or the Mortgagor's obligations under this Mortgage.

1.7 Insurance.

1.7.1 The Mortgagor shall keep the buildings and all other improvements on the Mortgaged Property insured for the benefit of the Lender against fire and other hazards and risks, including, without limit, vandalism and malicious mischief, as the Lender may require and shall further provide flood insurance (if the Mortgaged Property is situated in an area which is considered a flood risk area by the United States Department of Housing and Urban Development, and for which flood insurance is available under the National Flood Insurance Act of 1968, as amended), loss of rents insurance, public liability and product liability insurance and any other insurance as the Lender may reasonably require from time to time. All insurance shall be in amounts and in forms and with companies satisfactory to the Lender, and in the case of fire and extended coverage (or builder's risk) insurance shall not be for less than 100% of the full insurable value of the Mortgaged Property. The Mortgagor shall deliver to the Lender the policies evidencing the required insurance with premiums fully paid for one year in advance, and with standard mortgagee clauses (making all losses payable to the Lender). Renewals of the required insurance (together with evidence of premium prepayment for one (1) year in advance) shall be delivered to the Lender at least thirty (30) days before the expiration of any existing policies. All policies and renewals shall provide that they may not be canceled or amended without giving the Lender thirty (30) days prior written notice of cancellation or amendment.

1.7.2 Should the Mortgagor fail to insure or fail to pay the premiums on any required insurance or fail to deliver the policies or renewals as provided above, the Lender may have the insurance issued or renewed (and pay the premiums on it for the account of the Mortgagor) in amounts and with companies and at premiums as the Lender deems appropriate. If the Lender elects to have insurance issued or renewed to insure the Lender's interest, the Lender shall have no duty or obligation of any kind to also insure the Mortgagor's interest or to notify the Mortgagor of the Lender's actions. Any sums paid by the Lender for insurance, as provided above, shall be a lien upon the Mortgaged Property, added to the amount secured by this Mortgage, and payable immediately by the Mortgagor to the Lender, with interest on those sums at the highest rate charged by the Lender on any of the Indebtedness (but not to exceed the maximum interest rate permitted by law).

1.7.3 In the event of loss or damage, the proceeds of all required insurance shall be paid to the Lender. No loss or damage shall itself reduce the Indebtedness. The Lender or any of its employees is each irrevocably appointed attorney-in-fact for the Mortgagor and is authorized to adjust and compromise each loss without the consent of the

Mortgagor, to collect, receive and receipt for the insurance proceeds in the name of the Lender and the Mortgagor and to endorse the Mortgagor's name upon any check in payment of the loss. The proceeds shall be applied first toward reimbursement of all costs and expenses of the Lender in collecting the proceeds (including, without limit, court costs and reasonable attorneys' fees), and then toward payment of the Indebtedness or any portion of it, whether or not then due or payable and in whatever order of maturity as the Lender may elect. Notwithstanding the foregoing, if no Event of Default shall have occurred and be continuing, Lender shall allow the insurance proceeds, or any part of them, to be applied to the repair or rebuilding of the Mortgaged Property, provided that the Mortgagor and the Lender shall enter into a written agreement satisfactory to the Lender providing for the terms under which the insurance proceeds shall be released. Application of proceeds by the Lender toward later maturing installments of the Indebtedness shall not excuse the Mortgagor from making the regularly scheduled installment payments nor shall such application extend or reduce the amount of any of these payments.

1.7.4 In the event of a foreclosure of this Mortgage, or the giving of a deed in lieu of foreclosure, the purchaser or grantee of the Mortgaged Property shall succeed to all of the rights of the Mortgagor under the insurance policies including, without limit, any right to unearned premiums and to receive the proceeds.

1.7.5 At the option of the Lender, the Mortgagor shall pay to the Lender, in advance on the first day of each month, a pro rata portion of the annual premiums due (as estimated by the Lender) on the required insurance. In the event that sufficient funds have been deposited with the Lender to cover the amount of the insurance premiums when the premiums become due and payable, the Lender shall pay the premiums. In the event that sufficient funds have not been deposited with the Lender to pay the insurance premiums at least thirty (30) days prior to the time when they become due and payable, the Mortgagor shall immediately pay the amount of the deficiency to the Lender.

1.8 **Compliance With Law and Other Matters.** The Mortgagor will comply with all federal, state and local laws, ordinances, rules, regulations and restrictions relating to the ownership, use, occupancy and operation of the Mortgaged Property and will not permit the use of the Mortgaged Property for unlawful purposes. Further, the Mortgagor will comply with, perform the Mortgagor's obligations under, and enforce the obligations of all other parties to all building and use restrictions, ground leases, leases, reservation and/or purchase agreements, condominium documents and/or other instruments affecting or relating to the use and/or occupancy of the Mortgaged Property.

1.9 **No Removal of Improvements.** Without the prior written consent of the Lender, the Mortgagor will not remove, demolish or materially alter or add to any building, structure or other improvement forming part of the Mortgaged Property which changes the nature of the building from a school, nor otherwise reduce the value or usefulness of the Mortgaged Property, except for replacement, maintenance and renovation in the ordinary course of business.

1.10 **Recording.** The Mortgagor will cause this Mortgage, any supplemental mortgage and any financing and continuation statements required by the applicable Uniform Commercial Code to be recorded and filed at the Mortgagor's expense in such manner and in such place as may be, in the Lender's opinion, necessary or proper.

1.11 **Additional Assurances.** The Mortgagor will execute and deliver additional instruments and take additional actions as Lender may reasonably request to carry out the terms and conditions of this Mortgage.

1.12 **Books and Records; Inspection Rights.** The Mortgagor will at all times maintain accurate and complete books and records, and copies of all building and use restrictions, ground leases, leases, reservation and/or purchase agreements, condominium documents, contracts and/or other instruments with respect to the Mortgaged Property. The Lender may inspect and make copies of those books and records and any other data relating to the Mortgaged Property. The Lender may inspect and test the Mortgaged Property at such reasonable times as Lender shall determine, and the Mortgagor will permit the Lender and its representatives and inspectors all necessary access to the Mortgaged Property. The Mortgagor will promptly provide to the Lender reports concerning the income, expenses and financial and other conditions of the Mortgaged Property as may be required from time to time by the Lender. Lender shall comply with applicable privacy laws that are binding on Lender.

1.13 **Environmental Representation, Warranty and Indemnification.** Notwithstanding anything in this Mortgage to the contrary, the Mortgagor represents, covenants and warrants to the Lender as follows, to Mortgagor's knowledge and except as specifically set forth in the Phase I Report obtained by the Mortgagee:

1.13.1 For the purpose of this Section the following terms shall have the given meanings:

1.13.1.1 ***"Relevant Environmental Laws"*** shall mean all applicable federal, state and local laws, rules, regulations, orders, judicial determinations and decisions or determinations by any judicial, legislative or executive body of any governmental or quasi-governmental entity, whether in the past, the present or the future, with respect to: (i) the installation, existence or removal of, or exposure to, Asbestos on the Mortgaged Property; (ii) the existence on, discharge from, or removal from the Mortgaged Property of Hazardous Materials; and/or (iii) the effects on the environment of the Mortgaged Property or of any activity now, previously, or hereafter conducted on the Mortgaged Property.

1.13.1.2 “*Asbestos*” shall have the meanings provided under the Relevant Environmental Laws, and shall include, without limited, asbestos fibers and friable asbestos, as such terms are defined under the Relevant Environmental Laws.

1.13.1.3 “*Hazardous Materials*” shall mean any of the following (as defined by the Relevant Environmental Laws): solid wastes; toxic or hazardous substances, wastes, or contaminants, including, without limit, polychlorinated biphenyls, paint containing lead, and urea formaldehyde foam insulation; and discharges of sewage or effluent.

1.13.2 At all times since Mortgagor has acquired any interest or rights in the Mortgaged Property, whether through lease, land contract, deed or otherwise and, to Mortgagor’s knowledge at all times prior to Mortgagor’s acquisition of such interest or rights in the Mortgaged Property: there are no and have been no violations of the Relevant Environmental Laws at the Mortgaged Property and no consent orders have been entered with respect to the Mortgaged Property; there are no and have been no Hazardous Materials or Asbestos either at, upon, under or within, or released, discharged or emitted at or from, the Mortgaged Property; no Hazardous Materials or Asbestos have released, emitted or otherwise become present at the Mortgaged Property from neighboring land; and no Hazardous Materials or Asbestos have been removed from the Mortgaged Property, except in compliance with the Relevant Environmental Laws.

1.13.3 The Mortgagor is not aware of any claims of litigation, and has not received any communication, concerning the presence or possible presence of Hazardous Materials or Asbestos at the Mortgaged Property or concerning any violation or alleged violation of the Relevant Environmental Laws respecting the Mortgaged Property. The Mortgagor shall promptly notify the Lender of any such claims and shall furnish the Lender with a copy of any such communications received after the date of this Mortgage.

1.13.4 The Mortgagor shall ensure that the Mortgaged Property complies in all respects with the Relevant Environmental Laws, shall notify Lender promptly and in reasonable detail in the event that the Mortgagor becomes aware of the presence of Hazardous Materials or Asbestos or a violation of the Relevant Environmental Laws at the Mortgaged Property, and shall conduct all required clean-up, closure or other remediation of any condition necessary to maintain compliance with the Relevant Environmental Laws.

1.13.5 Should the Mortgagor use or permit the Mortgaged Property to be used or maintained so as to subject the Mortgagor, the Lender or the use of the Mortgaged Property to a claim of violation of the Relevant Environmental Laws (unless contested in good faith by appropriate proceedings satisfactory to the Lender), the Mortgagor shall immediately remedy and fully cure, at its own cost and expense, any conditions arising therefrom.

1.13.6 The Mortgagor shall pay immediately when due the cost of compliance with the Relevant Environmental Laws. Further, the Mortgagor shall keep the Mortgaged Property free of any lien imposed pursuant to the Relevant Environmental Laws.

1.13.7 In the event that the Mortgagor fails to comply with any of the requirements of this Section 1.13, after notice to the Mortgagor and the earlier of the expiration of any applicable cure period under this Mortgage or the expiration of the cure period permitted under the Relevant Environmental Laws, if any, the Lender may exercise its right to do one or more of the following: (i) elect that such failure constitutes a default under this Mortgage; and/or (ii) take any and all actions, at the Mortgagor’s expense, that the Lender deems necessary or desirable to cure such failure of compliance. Any costs incurred the Lender pursuant to this Section 1.13, shall become immediately due and payable without notice and with interest thereon at a rate equal to the highest interest rate charged on the Indebtedness (but not to exceed the maximum interest rate permitted by law), and such amount, including interest, shall, if incurred prior to the foreclosure of this Mortgage or the delivery of a deed in lieu of foreclosure, be added to amounts owing under the Indebtedness and shall be secured by this Mortgage.

1.13.8 The Lender shall not be liable for and the Mortgagor shall immediately pay to and indemnify, defend and hold the Lender harmless from and against, all loss, cost, liability, damage and expense (including, without limit, reasonable attorneys’ fees and costs incurred in the investigation, defense and settlement of claims) that the Lender may suffer or incur (as holder of this Mortgage, as mortgagee in possession or as successor in interest to the Mortgagor as owner of the Mortgaged Property by virtue of foreclosure or acceptance of a deed in lieu of foreclosure) as a result of or in connection in any way with the Mortgagor’s failure to comply with the terms and provisions of this Section 1.13.

1.13.9 The provisions of this Section 1.13 shall survive the repayment of the Indebtedness and the performance of all duties and obligations related thereto, the foreclosure of this Mortgage, the delivery of a deed in lieu of foreclosure and/or the discharge of this Mortgage.

2. APPLICATION OF CONDEMNATION AWARDS.

2.1 Condemnation Award. Any eminent domain or condemnation proceeds shall be paid directly to the Lender and applied toward reimbursement of all the Lender’s costs and expenses incurred in connection with collecting the award (including,

without limit, court costs and reasonable attorneys' fees), and the balance applied upon the Indebtedness whether or not then due or payable in whatever manner the Lender deems advisable. Application by the Lender of any condemnation award or portion of it toward the last maturing installments of the Indebtedness shall not excuse the Mortgagor from making the regularly scheduled payments nor extend or reduce the amount of these payments.

2.2 **Appointment of Lender.** The Lender or any of its employees is each irrevocably appointed attorney-in-fact for the Mortgagor and is authorized to receive, receipt for, discharge and satisfy any condemnation award or judgment, whether joint or several, on behalf of the Mortgagor, the Mortgagor's legal representatives, successors and assigns; provided, however, that the Lender shall not be liable for failure to collect any condemnation award.

3. **ADDITIONAL SECURITY.**

3.1 **Security Interest in Personal Property.** The Mortgagor grants the Lender a security interest in any present and future Equipment, fixtures, accounts, general intangibles, instruments, and other personal property pursuant to the Uniform Commercial Code and shall constitute a fixture filing to be filed in the appropriate real property records. Mortgagor agrees, upon request of Mortgagee from time to time, to promptly furnish a detailed list of personal property subject to this Mortgage and, upon request by Mortgagee, to immediately execute, deliver and/or file any mortgage, security agreement or financing statement to include specifically this list of personal property and to immediately take such other actions as deemed necessary or desirable by Mortgagee to evidence, perfect or continue the security interests granted in this Mortgage; and Mortgagee or any agent of Mortgagee is hereby authorized in its own name, and is also hereby irrevocably appointed (which appointment is coupled with an interest) the true and lawful attorney in fact for Mortgagor (with full power of substitution) in the name and place of Mortgagor, to execute and file such security agreements and financing statements and to take such other actions as deemed necessary or desirable by Mortgagee to evidence, perfect or continue the security interests granted in this Mortgage. Upon the occurrence of any Event of Default under this Mortgage, Mortgagee shall have all of the rights and remedies of a secured party under the Uniform Commercial Code or otherwise provided by law or by this Mortgage including, but not limited to, the right to require Mortgagor to assemble the personal property and make it available to Mortgagee at a place to be designated by Mortgagee which is reasonably convenient to both parties, the right to take possession of the personal property with or without demand and with or without process of law and the right to sell and dispose of it and distribute the proceeds according to law. Mortgagor agrees that any requirement of reasonable notice shall be met if Mortgagee sends notice to Mortgagor at least ten (10) days prior to the date of sale, disposition or other event giving rise to the required notice. Mortgagor agrees that the proceeds of any disposition of the personal property may be applied by Mortgagee first to Mortgagee's reasonable expenses in connection with the disposition including, but not limited to, attorneys' fees, and then to payment of the Indebtedness. At any sale or other disposition of the personal property pursuant to this paragraph, Mortgagee disclaims all warranties which would otherwise be given under the Uniform Commercial Code, including, but not limited to, a disclaimer of any warranty relating to title, possession, quiet enjoyment or the like, and Mortgagee may communicate these disclaimers to a purchaser at such disposition. This disclaimer of warranties will not render the sale commercially unreasonable. Mortgagor agrees that Mortgagee shall be under no obligation to accept any noncash proceeds in connection with any sale or disposition of the personal property covered by this Mortgage, unless failure to do so would be commercially unreasonable. If Mortgagee agrees in its sole discretion to accept noncash proceeds (unless the failure to do so would be commercially unreasonable), Mortgagee may ascribe any commercially reasonable value to such proceeds. Without limiting the foregoing, Mortgagee may apply any discount factor in determining the present value of proceeds to be received in the future or may elect to apply proceeds to be received in the future only as and when such proceeds are actually received in cash by Mortgagee. Mortgagor represents that its exact name is its name as set forth in this Mortgage and that Mortgagor is located (as determined pursuant to Article 9 of the Uniform Commercial Code) in Michigan, unless otherwise expressly specified in this Mortgage. Mortgagor will give Mortgagee not less than 90 days' prior written notice of all contemplated changes in Mortgagor's name, location, chief executive office, or principal place of business, but the giving of this notice shall not cure any Event of Default caused by this change. "***Uniform Commercial Code***" means Act No. 174 of the Michigan Public Acts of 1962, as amended, revised or replaced from time to time, including, but not limited to, as amended by Act No. 348 of the Michigan Public Acts of 2000. Notwithstanding the foregoing, the parties intend that the terms used herein which are defined in the Uniform Commercial Code have, at all times, the broadest and most inclusive meanings possible. Accordingly, if the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more broadly or inclusively than the Uniform Commercial Code in effect on the date of this Mortgage, then such term, as used herein, shall be given such broadened meaning. If the Uniform Commercial Code shall in the future be amended or held by a court to define any term used herein more narrowly, or less inclusively, than the Uniform Commercial Code in effect on the date of this Mortgage, such amendment or holding shall be disregarded in defining terms used in this Mortgage.

3.2 **Licenses and Permits.** As additional security for the Indebtedness, the Mortgagor assigns to the Lender all of the Mortgagor's rights and interest in all licenses or permits affecting the Mortgaged Property. This assignment shall not impose upon the Lender any obligations with respect to any license or permit. The Mortgagor shall not cancel or amend any of the licenses or permits assigned (nor permit any of them to terminate if they are necessary or desirable for the operation of the Mortgaged Property) without first obtaining the written approval of the Lender.

3.3 **Contracts.** As additional security for payment of the Indebtedness, the Mortgagor assigns to and grants the Lender a security interest in all existing and future agreements and contracts for the design, development, improvement, construction, maintenance, alteration, repair, testing, operation and management of the Mortgaged Property.

3.4 **Deposits and Accounts.** As additional security for the payment of the Indebtedness and performance of this Mortgage, the Mortgagor grants a security interest to the Lender in all deposits or other accounts with the Lender.

3.5 **Assignment of Rents and Leases.**

3.5.1 As additional security for the payment of the Indebtedness and performance of this Mortgage, the Mortgagor assigns to the Lender all of the Mortgagor's right, title and interest in and to all existing and future written and oral leases and occupancy agreements covering the Mortgaged Property or any part of it (collectively, the "*Leases*") (but without an assumption by the Lender of liabilities of the Mortgagor under any of these Leases or occupancy agreements by virtue of this assignment), and the Mortgagor assigns to the Lender the leases, rents, issues and profits of the Mortgaged Property and any guaranties of any of the Leases.

3.5.2 At least annually, and more frequently if requested by the Lender, the Mortgagor shall provide the Lender with a certified rent roll and such other information regarding the Leases as the Lender may reasonably require.

3.5.3 If an Event of Default occurs under this Mortgage, the Lender may receive and collect the rents, issues and profits personally, or through a receiver, so long as the Event of Default exists and during the pendency of any foreclosure proceedings and during any redemption period. The Mortgagor consents to the appointment of a receiver.

3.5.4 The Lender shall at no time have any obligation whatever to attempt to collect rents or other amounts from any tenant of the Mortgaged Property. Further, the Lender shall have no obligation to enforce any other obligations owed by any tenant of the Mortgaged Property. No action taken by the Lender under this Mortgage shall make the Lender a "mortgagee in possession."

3.5.5 The Mortgagor shall not collect advance rent under any of the Leases in excess of one month (other than as a security deposit) and the Lender shall not be bound by any prepayment made or received in violation of this prohibition.

3.5.6 At the option of the Lender, this Mortgage shall become subordinate, in whole or in part (but not with respect to priority as to insurance proceeds or any condemnation award) to any or all Leases upon the execution and recording by the Lender of an affidavit to that effect.

3.5.7 The Mortgagor shall timely perform the obligations under the Leases and not permit or suffer any event or condition which gives any tenant a right to cancel, terminate, or assert any defense or offset under any of the Leases.

4. **EVENTS OF DEFAULT AND REMEDIES.**

4.1 **Events of Default.** Any of the following events shall, for purposes of this Mortgage, constitute an "*Event of Default*":

4.1.1 Any amount owing on part of the Indebtedness is not paid within ten (10) days after its due date whether by maturity, acceleration or otherwise.

4.1.2 Any failure to comply with, or breach of, any of the terms, provisions, warranties or covenants of this Mortgage, or any other agreement or instrument which is part of the Indebtedness, any guaranty of any of the Indebtedness, or any other agreement or commitment between the Mortgagor or any guarantor or subordinator and the Lender, and such breach, other than Mortgagor's bankruptcy, insolvency, existence and/or obligation to maintain insurance, shall continue for thirty (30) days after written notice from the Lender to the Mortgagor or any guarantor specifying the breach and demanding that the same be remedied.

4.1.3 The termination, cancellation or disclaimer of liability or enforceability of any guaranty or subordination agreement given in connection with the Indebtedness.

4.1.4 Institution of foreclosure proceedings or other exercise of rights and remedies under any mortgage or other lien against the Mortgaged Property or any portion thereof.

4.1.5 The insolvency of the Mortgagor or any guarantor or the admission in writing of the Mortgagor's or any guarantor's inability to pay debts as they mature.

4.1.6 Any statement, representation or information made or furnished by or on behalf of the Mortgagor or any guarantor or subordinator to the Lender in connection with or to induce the Lender to provide any of the Indebtedness shall prove to be false or materially misleading when made or furnished.

4.1.7 Institution of bankruptcy, reorganization, insolvency or other similar proceedings by or against the Mortgagor or any guarantor; or the appointment of a receiver, custodian or trustee for the Mortgagor, any guarantor or any substantial portion of either's assets.

4.1.8 Any loss, theft, substantial damage or destruction to the Mortgaged Property unless insured as required by this Mortgage or other document; or the entry of any judgment against the Mortgagor or any guarantor, individually and/or in the aggregate, which exceeds the sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00), or the issuance or filing of any attachment, levy, garnishment or the commencement of any related proceeding or other judicial process upon or in respect to the Mortgagor or any guarantor or the Mortgaged Property.

4.1.9 Sale or other disposition by the Mortgagor or any guarantor of any substantial portion of assets or property, or death, dissolution, merger, consolidation, termination of existence, insolvency, business failure or assignment for the benefit of creditors of or by the Mortgagor or any guarantor.

4.1.10 If there is any failure by the Mortgagor or any guarantor to pay when due any indebtedness (other than to the Lender) or in the observance or performance of any term, covenant or condition contained in any document evidencing, securing or relating to such indebtedness.

4.1.11 There is a substantial change in the existing or prospective financial condition or worth of the Mortgagor, any guarantor or the Mortgaged Property, which the Lender in good faith determines to be materially adverse.

4.2 **Remedies Upon Event of Default.** Upon the occurrence of any Event of Default, the Lender shall have the following rights, power and authority:

4.2.1 Declare all or part of the Indebtedness immediately due and payable.

4.2.2 Demand that the Mortgagor immediately surrender the possession of the Mortgaged Property to the Lender and the Mortgagor consents to the Lender taking possession of the Mortgaged Property and the books and records relating to the Mortgaged Property.

4.2.3 Foreclose the interest of the Mortgagor in the Mortgaged Property by action pursuant to applicable law. Commencement of such an action shall be deemed a declaration of acceleration pursuant to clause 4.2.1 above.

4.2.4 The Lender is authorized and empowered to sell or cause to be sold the Mortgaged Property and to convey the same to the purchaser thereof, pursuant the authority and power hereby granted and the provisions of MCLA Section 600.3201 et seq., as amended, pertaining to foreclosure by advertisement, which statute does not require that the Mortgagor be personally notified of such sale or that a judicial hearing be held before the sale is conducted. The Lender may direct the sale of the Mortgaged Property to be in one parcel or several parcels and in any order as the Lender may elect in its sole discretion. The Mortgagor further agrees that the Lender is authorized and empowered to retain out of the sale proceeds such monies as are due under the terms of this Mortgage, including the costs and charges of such sale, including the attorney's fees and expenses, rendering the surplus moneys, if any, to the Mortgagor.

4.2.5 Collect and receive all payments, rents, profits and other amounts that are due or shall subsequently become due under the terms of any leases, land contract, or other agreements by which the Mortgagor is leasing or selling the Mortgaged Property or any interest in the Mortgaged Property. The Lender may also exercise any other rights or remedy of the Mortgagor under any or any lease, land contract or other agreement, and the costs and expenses thereof shall be for the account and expense of the Mortgagor. However, the Lender shall have no obligation to make any demand or inquiry as to the nature of sufficiency of any payment received or to present or file any claim or take any other action to collect or enforce the payment of any amounts to which the Lender may become entitled under this Mortgage. Similarly, the Lender shall not be liable for any of the Mortgagor's obligations under any such lease, land contract or other agreement.

4.2.6 Exercise all rights, remedies and privileges afforded a "secured party" under Article 9 of the Michigan Uniform Commercial Code. Require the Mortgagor to assemble the personal property subject to this Mortgage and make it available to the Lender at a place to be designated by the Lender which is reasonably convenient to both parties. Collect all accounts receivable, take possession of the personal property with or without demand and with or without process of law, and sell and dispose of it and distribute the proceeds according to law. For these purposes, the Mortgagor agrees that any requirement of reasonable notice, if any, shall be met if the Lender sends notice to the Mortgagor at least five (5) days prior to the date of sale, disposition or other event giving rise to the required notice.

4.2.7 Enter upon the Mortgaged Property and take other actions as the Lender deems appropriate to perform the Mortgagor's obligations under this Mortgage, to inspect, repair, protect or preserve the Mortgaged Property, to investigate or test for the presence of any Hazardous Materials, and/or to appraise the Mortgaged Property. All of the Lender's expenditures for these purposes shall be part of the Indebtedness and shall bear interest at the highest rate applicable to any of the Indebtedness.

4.2.8 Pursue any other available remedy at law or equity to enforce the payment of the Indebtedness.

4.3 **Remedies Generally.**

4.3.1 **WARNING: THIS MORTGAGE CONTAINS A POWER OF SALE AND UPON DEFAULT MAY BE FORECLOSED BY ADVERTISEMENT. IN FORECLOSURE BY ADVERTISEMENT AND THE RELATED SALE OF THE MORTGAGED PROPERTY, NO HEARING IS REQUIRED AND THE ONLY NOTICE REQUIRED IS TO PUBLISH NOTICE IN A LOCAL NEWSPAPER AND TO POST A COPY OF THE NOTICE ON THE MORTGAGED PROPERTY.**

4.3.2 **WAIVER: THE MORTGAGOR WAIVES ALL RIGHTS UNDER THE CONSTITUTION AND LAWS OF THE UNITED STATES AND UNDER THE CONSTITUTION AND LAWS OF THE STATE OF MICHIGAN TO A HEARING PRIOR TO SALE IN CONNECTION WITH ANY FORECLOSURE BY ADVERTISEMENT AND ALL NOTICE REQUIREMENTS EXCEPT AS SET FORTH IN THE STATUTE PROVIDING FOR FORECLOSURE BY ADVERTISEMENT.**

4.3.3 All remedies provided for in Section 4.2 shall be available to the extent not prohibited by law. Each remedy shall be cumulative and additional to any other remedy of the Lender at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of, or acquiescence in, any such default or Event of Default.

4.3.4 The Lender may waive any Event of Default and may rescind any declaration of maturity of payments on the Indebtedness. In case of such waiver or rescission the Mortgagor and the Lender shall be restored to their respective former positions and rights under this Mortgage. Any waiver by the Lender of any default or Event of Default shall be in writing and shall be limited to the particular default waived and shall not be deemed to waive any other default.

4.3.5 The Lender may release the obligation of any person liable for any of the Indebtedness and may extend time for payment or otherwise modify any terms of any of the Indebtedness without notice to or consent of the Mortgagor or any other person and without impairing the lien or priority of lien of this Mortgage.

4.4 **Receivers.** Upon an Event of Default and commencement of foreclosure proceedings to enforce the rights of the Lender under this Mortgage, the Lender shall be entitled to the appointment of a receiver or receivers of the Mortgaged Property and of the rents, issues and profits of the Mortgaged Property, pending such proceedings.

4.5 **Application of Proceeds.** Any proceeds received by the Lender from the exercise of remedies pursuant to Section 4.2 of this Mortgage shall be applied as follows:

4.5.1 First, to pay all costs and expenses incidental to the leasing, foreclosure, sale or other disposition of the Mortgaged Property. These costs and expenses shall include, without limit, reasonable compensation to the Lender, its agents and attorneys and any taxes and assessments or other liens and encumbrances prior to the lien of this Mortgage.

4.5.2 Second, to all sums expended or incurred by the Lender directly or indirectly in carrying out any term, covenant or agreement under this Mortgage or any related document, together with interest as provided in this Mortgage.

4.5.3 Third, to the payment of the Indebtedness. If the proceeds are insufficient to fully pay the Indebtedness, then application shall be made first to late charges and interest accrued and unpaid, then to any applicable prepayment premiums, then to unpaid fees and other charges, and then to the outstanding principal balance.

4.5.4 Fourth, any surplus remaining shall be paid to the Mortgagor or to whomsoever may be lawfully entitled.

4.6 **Marshalling.** In the event of foreclosure of this Mortgage or the enforcement by the Lender of any other rights and remedies under this Mortgage, the Mortgagor waives any right in respect to marshalling of assets which secure the Indebtedness or to require the Lender to pursue its remedies against any other assets or any other party which may be liable for any of the Indebtedness.

4.7 **Further Actions.** Promptly upon the request of the Lender, the Mortgagor shall execute, acknowledge and deliver any and all further conveyances, documents, mortgages and assurances, and do or cause to be done all further acts as the Lender may require to confirm and protect the lien of this Mortgage or otherwise to accomplish the purposes of this Mortgage.

4.8 **Attorneys' Fees.** Any reference in this Mortgage to attorneys' fees shall refer to reasonable attorneys' fees, charges, costs and expenses of in-house and outside attorneys and paralegals, whether or not a suit or proceeding is instituted, and whether incurred at the trial court level, on appeal, in a bankruptcy, administrative or probate proceeding, in consultation with counsel, or otherwise. All costs, expenses and fees of any nature for which the Mortgagor is obligated to reimburse or indemnify the Lender are part of the Indebtedness secured by this Mortgage and are payable upon demand, unless expressly provided otherwise, with interest until repaid at the highest rate charged on any of the Indebtedness (but not to exceed the maximum rate permitted by law).

5. **MISCELLANEOUS.**

5.1 **Governing Law.** This Mortgage shall be construed in accordance with the laws of the State of Michigan.

5.2 **Successors and Assigns.** This Mortgage shall be binding upon the successors and assigns of the Mortgagor including, without limit, any debtor in possession or trustee in bankruptcy for the Mortgagor, and the rights and privileges of the Lender under this Mortgage shall inure to the benefit of its successors and assigns. This shall not be deemed a consent by the Lender to a conveyance by the Mortgagor of all or any part of the Mortgaged Property or of any ownership interest in the Mortgagor.

5.3 **Notices.** Notice from one party to another relating to this Mortgage shall be deemed effective if made in writing (including telecommunications) and delivered to the recipient's address set forth in this Mortgage by any of the following means: (a) hand delivery, (b) registered or certified mail, postage prepaid, or (c) express mail or other overnight courier service. Notice made in accordance with these provisions shall be deemed delivered on receipt if delivered by hand, on the third business day after mailing if mailed by registered or certified mail, or on the next business day after mailing or deposit with the postal service or an overnight courier service if delivered by express mail or overnight courier.

5.4 **Entire Agreement; Amendments.** This Mortgage and any agreement to which it refers state all rights and obligations of the parties and supersede all other agreements (oral or written) with respect to the lien granted by this Mortgage. Any amendment of this Mortgage shall be in writing and shall require the signature of the Mortgagor and the Lender. Any waiver or consent to departure from strict compliance with this Mortgage must be in writing and signed by the Lender.

5.5 **Partial Invalidity.** The invalidity or unenforceability of any provision of this Mortgage shall not affect the validity or enforceability of the remaining provisions of this Mortgage.

5.6 **Inspections.** Any inspection, audit, appraisal or examination by the Lender or its agents of the Mortgaged Property or of information or documents pertaining to the Mortgaged Property is for the sole purpose of protecting the Lender's interests under this Mortgage and is not for the benefit or protection of the Mortgagor or any third party.

5.7 **Joint and Several Liability.** In the event that more than one person or entity executes this Mortgage, the obligations of each person or entity shall be joint and several.

5.8 **Automatic Reinstatement.** Notwithstanding any prior revocation, termination, surrender or discharge of this Mortgage, the effectiveness of this Mortgage shall automatically continue or be reinstated, as the case may be, in the event that:

5.8.1 Any payment received or credit given by the Lender in respect of the Indebtedness is returned, disgorged or rescinded as a preference, impermissible setoff, fraudulent conveyance, diversion of trust funds, or otherwise under any applicable state or federal law, including, without limit, laws pertaining to bankruptcy or insolvency, in which case this Mortgage shall be enforceable as if the returned, disgorged or rescinded payment or credit had not been received or given, whether or not the Lender relied upon this payment or credit or changed its position as a consequence of it.

5.8.2 Any liability is imposed, or sought to be imposed, against the Lender relating to the environmental condition of, or the presence of Hazardous Materials on, in or about the Real Estate, whether this condition is known or unknown, now exists or subsequently arises (excluding only conditions which arise after any acquisition by the Lender of any such property, by foreclosure, in lieu of foreclosure or otherwise, to the extent due to the wrongful acts or omissions of the Lender), in which case this Mortgage shall be enforceable to the extent of all liability, costs and expenses (including without limit reasonable attorneys' fees) incurred by the Lender as the direct or indirect result of any environmental condition or Hazardous Materials.

5.8.3 In the event of continuation or reinstatement of this Mortgage, Mortgagor agrees upon demand by the Lender to execute and deliver to the Lender those documents which the Lender determines are appropriate to further evidence (in the public records or otherwise) this continuation or reinstatement, although the failure of the Mortgagor to do so shall not affect in any way the reinstatement or continuation. If Mortgagor does not execute and deliver to the Lender upon demand such documents, the Lender and each officer of the Mortgage is irrevocably appointed (which appointment is coupled with an interest) the true and lawful attorney of the Mortgagor (with full power of substitution) to execute and deliver such documents in the name and on behalf of the Mortgagor.

5.9 **WAIVER OF JURY TRIAL.** THE MORTGAGOR AND THE LENDER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS MORTGAGE OR THE INDEBTEDNESS.

5.10 **Consumer Credit.** Notwithstanding anything in this Mortgage to the contrary, this Mortgage shall not secure any portion of the Indebtedness which is deemed to be consumer credit under the Truth in Lending Act.

This Mortgage is dated and effective on the date stated above.

MORTGAGOR:

NOOR INTERNATIONAL ACADEMY,
a Michigan nonprofit corporation

By: Jaafar Chehab
Jaafar Chehab
Its: President

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me on May 22, 2018, by Jaafar Chehab, President of NOOR INTERNATIONAL ACADEMY, a Michigan nonprofit corporation, for and on behalf of said entity.

all 9th
Notary Public
____ County, Michigan
Acting in _____ County, Michigan
My Commission Expires: _____

Prepared by and when recorded return to:

Robert B. Goldi
Kotz Sangster Wysocki P.C.
400 Renaissance Center, Suite 3400
Detroit, Michigan 48243

DONALD E. RYSZTAK
Notary Public, Wayne County, Michigan
My Commission Expires November 25, 2021
Acting in the County of OAKLAND

SCHEDULE A

LEGAL DESCRIPTION

The land referred to in this Mortgage is located in the City of Sterling Heights, County of Macomb, State of Michigan, and described as follows:

Lot 4 and South 85 feet of Lot 3, Supervisors Plat of Curtis Subdivision, according to the Plat thereof recorded at Liber 20 of Plats, Page 3, Macomb County Records.

Commonly known as: 37412 Dequindre Road, Sterling Heights, Michigan 48310

Tax Item Numbers: 10-19-351 -053-000

SCHEDULE B

PERMITTED ENCUMBRANCES

1. Taxes which are a lien but not yet due.
2. Covenants, conditions and restrictions set forth in the document recorded in Liber 493, Page 126, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
3. Rights of Way and/or easement(s) and rights incidental thereto as granted to the City of Sterling Heights in a document recorded in Liber 3702, Page 700.
4. Rights of Way and/or easement(s) and rights incidental thereto as granted to the City of Sterling Heights in a document recorded in Liber 3702, Page 704.
5. Terms, Covenants and Conditions of Notice of Special Land Use, recorded in Liber 18202, Page 48.
6. Rights of Way and/or easement(s) and rights incidental thereto as granted to the City of Sterling Heights in a document recorded in Liber 18910, Page 605.
7. Rights of Way and/or easement(s) and rights incidental thereto as granted to Detroit Edison Company in a document recorded in Liber 19054, Page 852.

PROMISSORY NOTE

\$1,147,500.00	Loan No. 6400051090
Effective Date: May 22, 2018	Date Signed: May 22, 2018

PROMISE TO PAY. For value received, **NOOR INTERNATIONAL ACADEMY**, a Michigan nonprofit corporation, with an address at 37412 Dequindre Road, Sterling Heights, Michigan 48310 ("Borrower"), promises to pay to the order of **HANTZBANK**, a Michigan banking corporation ("Lender"), One Million One Hundred Forty-Seven Thousand Five Hundred and 00/100 Dollars (\$1,147,500.00), with interest, as follows:

Installments of principal and interest in the amount of \$7,634.42 are due and payable on the fifth (5th) day of each month, commencing July 5, 2018, until June 5, 2023 ("Conversion Date"), at which time the applicable interest rate shall reprice and reset as provided below; and thereafter, installments of principal and interest in an amount to be determined shall be due and payable on the fifth (5th) day of each month, commencing July 5, 2023; until June 5, 2028 ("Due Date"), when the outstanding principal balance, plus accrued interest, is due and payable (unless the indebtedness evidenced by this Note is accelerated, in which case, the Due Date is the date of acceleration).

The installment payments will not fully amortize the indebtedness evidenced by this Note, and a "balloon" payment will be due on the Due Date. The installment payments shall be sufficient to amortize the outstanding principal balance over a twenty (20) year amortization period. All payments under this Note shall be made at the Lender's office at 26200 American Drive, Southfield, Michigan 48034, or at such other address as the Lender may designate in writing. Payments due and payable on a day on which the Lender is not open for business are due on the next succeeding business day. Payments will be applied (at the Lender's option) first to any unpaid fees or charges under this Note, then to accrued interest, and then to principal; provided that the Lender shall have the option of holding any overpayment of interest, arising from the Lender's receipt of a payment prior to its due date or otherwise, for application on subsequently accruing interest.

INTEREST RATE. The outstanding principal balance of this Note will bear interest until the Due Date (whether by acceleration or otherwise) at a fixed rate of five percent (5.00%) per annum; *provided, however*, that on the Conversion Date, the interest rate shall reprice and reset to a fixed rate equal to two and three fourths percent (2.75%) per annum above the weekly average yield on five (5) year U.S. Treasury securities, adjusted for constant maturity, as reported by the Federal Reserve Board for the last week that is at least forty-five (45) days before the rate change date.

Interest will be computed on the basis of the actual number of days elapsed and a year consisting of 360 days. On the Due Date or, if earlier, when an Event of Default occurs, the interest rate shall be three percent (3%) per annum above the rate otherwise in effect ("Default Rate"). In no event shall the interest rate exceed the maximum rate allowed by law. Any interest payment which would be deemed unlawful for any reason under applicable law shall be applied to the outstanding principal balance of this Note.

LATE PAYMENT CHARGE. If any payment under this Note, including any balloon payment, is not received by the Lender within ten (10) days of the date when due, a late charge of five percent (5%) of the payment amount (and any related escrow payment) will be due. Borrower agrees that the late charge is a reasonable estimate of the administrative costs which the Lender will incur in processing the delinquency. The Lender's acceptance of a late payment and/or of the late charge will not waive any default under this Note or affect the acceleration of this Note (if this Note has been accelerated).

PREPAYMENT. Borrower may prepay this Note, in whole or part, at any time; *provided, however*, that Borrower must concurrently pay to Lender a prepayment premium equal to the percentage of the principal amount being prepaid according to the following schedule for the loan year in which prepayment occurs:

Loan Years	1	2	3	4	5
Premium Percentage	5%	4%	3%	2%	1%

For these purposes Loan Year 1 commences on the date of this Note and ends on June 5, 2019, and each subsequent Loan Year commences on the succeeding June 5th and ends on the following June 5th, and their respective anniversaries. Prepayments will be applied to installments of principal in their inverse order of maturity. No prepayment shall reduce the dollar amount of any required installment payments, until this Note is paid in full. No prepayment shall obligate the Lender to re-advance all or any portion thereof.

MANDATORY PREPAYMENT (Borrower Debt Service Coverage). If, as of the end of any applicable period as provided in the Loan Agreement, the Debt Service Coverage Ratio for the Borrower shall be less than 1.20:1.00, the Lender

shall have the right to require prepayment of the outstanding principal balance of this Note plus all accrued but unpaid interest upon thirty (30) days' written notice to Borrower. At the Lender's sole option, it may limit the prepayment to an amount leaving an unpaid balance that when re-amortized at this Note's rate and remaining amortization period will result in compliance with the Debt Service Coverage Ratio. For these purposes, at any date of determination, the Debt Service Coverage Ratio shall be as defined in the Loan Agreement.

COLLATERAL. This Note and any other present or future indebtedness or liability of Borrower to the Lender, whether joint or several, contingent or absolute (collectively, "Indebtedness"), are, to the extent permitted by law, secured by, and Borrower grants to the Lender a security interest in, all of Borrower's deposit accounts maintained from time to time with the Lender, and all property of Borrower from time to time in the possession of the Lender. This Note shall also be secured by and in accordance with the terms of any mortgage, security agreement, pledge, assignment or other agreement executed by Borrower from time to time to or for the benefit of the Lender. All property securing the Indebtedness is referred to as the "Collateral."

DEFAULT. For purposes of this Note, each and every Event of Default as defined in Section 6 of the Loan Agreement shall constitute an "Event of Default."

REMEDIES. If an Event of Default occurs, the Lender shall have the option to declare all or part of the Indebtedness (including this Note) immediately due and payable. If this Note is not paid at the Due Date (whether by acceleration or otherwise), the Lender shall have all of the rights and remedies provided at law or equity or by agreement, including, without limit, the right to sell or liquidate all or any part of the Collateral or offset or apply against the Indebtedness any account balance or other deposit. The remedies of the Lender are cumulative and not exclusive. No delay by the Lender in the exercise of any right or remedy shall operate as a waiver. No single or partial exercise by the Lender of any right or remedy shall preclude any future exercise of such right or remedy or the exercise of any other right or remedy. No waiver or indulgence by the Lender of any default or Event of Default shall be effective unless in writing and signed by the Lender, nor shall a waiver on one occasion be construed as a bar to any right or remedy, or waiver of any default or Event of Default on any future occasion.

WAIVER. Borrower, and all guarantors and endorsers, and any other party liable for the Indebtedness evidenced by this Note: (i) severally waive presentment, demand, protest, notice of dishonor, notice of non-payment and notice of acceleration of this Note, and (ii) agree that no extension or postponement of the time for payment, or waiver, indulgence or forbearance granted to Borrower, without limit as to number or period, or any modification of this Note, or any substitution, exchange or release of any part of the Collateral, or addition of any party to this Note, or release or discharge of, or suspension of any rights and remedies against, any party liable on this Note, shall reduce or affect the obligation of any other party liable for the payment of this Note.

REIMBURSEMENT OF EXPENSES. Borrower shall reimburse the Lender for all costs and expenses, including attorneys' fees, incurred by the Lender in enforcing its rights under this Note, including without limitation, those incurred in any bankruptcy, reorganization, insolvency or other similar proceeding. Any reference in this Note to attorneys' fees shall mean fees, charges, costs and expenses of both in-house and outside counsel and paralegals, whether or not a suit or proceeding is instituted, and whether incurred at the trial court level, on appeal, in a bankruptcy, administrative or probate proceeding, in consultation with counsel, or otherwise.

REINSTATEMENT. If at any time Lender is required, for any reason, to repay or transfer all or any part of any payment or transfer received by Lender in connection with the Indebtedness to any trustee, receiver or other person, then this Note shall continue to be effective or shall be reinstated, as the case may be, regardless of any cancellation of this Note or any other document, and to the extent of any such repayment or transfer, the Indebtedness shall be correspondingly revived and continuing as if no payment or transfer had been received by Lender.

EXAMINATION OF RECORDS. Borrower shall at all times keep full and accurate records of its business and of the Collateral, which records shall be open to inspection and copying by the Lender at all reasonable times.

BORROWER'S REPRESENTATIONS. Borrower represents that: (a) execution, delivery and performance of this Note do not violate any law, conflict with any agreement by which it is bound, or require the consent or approval of any governmental authority or third party; (b) this Note is valid, binding and enforceable according to its terms; and (c) that all financial and other information furnished to the Lender are accurate and fairly reflect the financial condition of the organization and persons to which they apply on their effective dates, including contingent liabilities of every type, which

financial condition has not changed materially or adversely since those dates. Borrower, if not a natural person, further represents that (a) it is duly organized, existing and in good standing pursuant to the laws under which it is organized; and (b) the execution, delivery and performance of this Note (i) are within its powers and have been duly authorized by all necessary action of its governing body, and (ii) do not contravene the terms of the documents and instruments governing its organization and affairs.

LOAN AGREEMENT. The provisions of the Loan Agreement dated of even date herewith between Borrower and the Lender ("Loan Agreement") shall apply to the loan evidenced by this Note, to the extent not expressly inconsistent with the provisions of this Note, the same as if they were fully set forth in this Note.

PARTICIPATIONS. Borrower agrees that Lender has the right to sell, assign, or grant participations or any interest in, any or all of the Indebtedness, and that, in connection with this right, but without limiting its ability to make other disclosures to the full extent allowable, Lender may disclose all documents and information which Lender now or later has relating to Borrower or the Indebtedness.

WAIVER OF JURY TRIAL. BORROWER AND THE LENDER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS NOTE OR THE INDEBTEDNESS.

ERRORS AND OMISSIONS; NO DEFAULT CERTIFICATE. Borrower shall, on the request of Lender and at the expense of Borrower: (a) promptly correct any defect, error or omission which may be discovered in the contents herein or in the contents of any of the other loan documents; (b) promptly execute, acknowledge, deliver and record or file such further instruments (including, without limitation, further mortgages, security deeds, security agreements, financing statements, continuation statements and assignments of rents or leases) and promptly do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes set forth herein and/or in the other loan documents and to subject to the liens and security interests established herein and/or in the other loan documents, of any property intended by the terms hereof and thereof to be covered hereby and thereby, including, but without limitation, any renewals, additions, substitutions, replacements or appurtenances to said property; (c) promptly execute, acknowledge, deliver, procure and record or file any document or instrument (including specifically, without limitation, any financing statement) deemed advisable by Lender to protect, continue or perfect the liens or the security interests granted hereunder to Lender in the Collateral against the rights or interests of third persons; and (d) promptly furnish to Lender, upon Lender's request, a duly acknowledged written statement and estoppel certificate addressed to such party or parties as directed by Lender and in form and substance supplied by Lender, setting forth all amounts due hereunder or under any of the other loan documents, stating whether any Default or Event of Default has occurred hereunder or thereunder, stating whether any offsets or defenses exist against the obligations of Borrower, hereunder, or against any of the other loan documents, and containing such other matters as Lender may reasonably require.

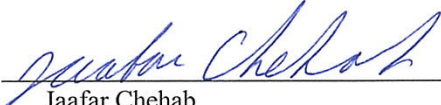
MISCELLANEOUS. The terms of this Note may only be changed in writing, executed by Borrower and a duly authorized officer of the Lender. Borrower, if more than one, shall be jointly and severally liable, and the term "Borrower" shall mean any one and all of them. This Note binds Borrower's heirs, personal representatives, successors and assigns. This Note shall be governed by the laws of the State of Michigan. Borrower agrees to submit to the non-exclusive jurisdiction of the state and federal courts located in the Eastern District of Michigan for all purposes in respect of this Note or the Indebtedness.

[Remainder of page left intentionally blank; signature page to follow]

This Promissory Note is executed and delivered on the day and year set forth above.

BORROWER:

NOOR INTERNATIONAL ACADEMY,
a Michigan nonprofit corporation

By: 
Jaafar Chehab
Its: President

CERTIFICATE OF USE AND OCCUPANCY

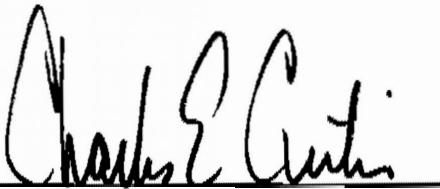
PERMANENT

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

**Building Permit: B032223
Noor International Academy
37412 Dequindre
Sterling Heights, Michigan
Macomb 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 13, 2011

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 application and enrollment of students criteria of the Academy 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

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 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; and 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 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: 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 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 3-6 will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing grade-level national norms on the NWEA MAP 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 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.

Grade	MAP National Norms	
	Reading	Math
3	198.6	203.4
4	205.9	213.5
5	211.8	221.4
6	215.8	225.3

Measure 2: Student Growth

The academic growth of all students in grades 3-6 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 MAP tests.	MGP: Exceeds ≥ 65 th Meets ≥ 50 th Approaching ≥ 45 th Does not meet < 45 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 MGP 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%

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.

Mission

The mission of Noor International Academy (“Academy”) is to provide its students with quality education that focuses on the Michigan core curriculum and an emphasis on international cultures, including the study of a language, culture, and history different from one’s own.

The Academy prepares students to be independent lifelong learners and productive working members of a global society with an academic program that supports and provides diversity, authentic learning experiences, and leadership development skills. The Academy provides an environment that enables various ethnic traditions, values, and experiences to enrich and nurture one another. A safe and orderly learning environment encourages students to become responsible decision-makers who are reflective, equitable, respectful, and understanding. Moreover, the Academy educates the whole child by ensuring students are actively engaged with access to personalized learning experiences, supported by highly qualified teachers, and prepared for success in college, work and life.

The Academy prepares students for a successful transition to the workforce and life after high school by focusing on career and college readiness skills. The goal is to prepare all students to be committed to continuous learning. The Academy strives to maximize each individual’s intellectual, physical, psychological and moral self by offering a rigorous curriculum based on a thematic approach to learning and planning that integrates concepts across disciplines including 21st century skills that encourage collaboration in cooperative learning structures and project-based opportunities.

Values

Through the delivery of the unique internationally minded curriculum, co-curricular, and extracurricular activities, the Academy endeavors to prepare its students to become contributing members of local, regional and global communities. As future leaders, students recognize and participate in a free, democratic and market-driven society by becoming verbally, visually and technologically literate life-long learners. The Academy teaches and embraces the value of diversity, differences and similarities between and among cultures, religions, countries and people of the world. Students demonstrate strong morals, sound character and a caring attitude toward humankind. The Four Pillars of Hamadeh Educational Services (“HES”), which emphasize Scholarship, Character, Culture and Community, serve as the foundational focus for curriculum development and instruction. The Academy’s value system builds student confidence and develops leadership skills through the character education curriculum and service learning projects.

Curriculum

The Academy’s educational goals are driven by a strategically designed curriculum that is aligned to the Michigan Academic Standards (“MAS”) for English language arts (“ELA”) and mathematics, science, social studies, physical education, health, technology, the arts and world

language, which support the Michigan Curriculum Framework. Instruction is delivered from an inquiry-based approach to teaching and learning. The curriculum is designed thematically and the interdisciplinary planning highlights concepts and learner profile traits for every unit across the core subjects, a second language, the arts, technology, and physical education. The curriculum incorporates instructional best practices by utilizing strategies that are scientifically based, utilizing Marzano's instructional strategies, the Rigor and Relevance Framework, Bloom's Taxonomy, and Webb's Depth of Knowledge in a student-centered approach.

Teachers design the units of inquiry that both transcend and articulate conventional boundaries of the following six subjects: English, foreign language (Arabic), social studies, mathematics, science, and physical education with technology integration among all subjects (Alvarado, 2003). Health standards are addressed with science instruction while character education is embedded throughout the interdisciplinary units. The unit framework also incorporates the five essential elements of knowledge, concepts, skills, attitudes and action. These elements allow students to gain a deeper understanding of knowledge that is relevant and of global significance.

As students transition to upper elementary, the inquiry approach to learning continues with units that are designed around a guiding question. Continuously revisited throughout the unit, the guiding question leads to essential questions that are more specific to content. Students are scheduled in ELA, a second language (Arabic), humanities, sciences, mathematics, arts, physical education and health. Technology is embedded in all courses and supports the teaching and learning process. Aligning to the rigorous curriculum planning process utilized throughout the Academy, the written, taught and the assessed curriculum are linked through the understanding that every teacher, student and parent is a learner. While the expression of issues, concepts and ideas on paper are necessary, it is the interpretation of the written curriculum into daily practice by teachers that has a huge influence on the success of students. The development of a range of authentic and targeted assessment strategies, focused on the learning, brings balance and integrity to the curriculum (Marzano, 2009).

English Language Arts

The Academy's ELA curriculum provides robust instruction in vocabulary and inquiry/investigations with a strong foundation of phonemic awareness, phonics, fluency and comprehension strategy instruction. These foundational skills serve to develop students with strong literacy skills as students interact with literary and informational text. Leveled reading groups allow for differentiation of instruction, meeting the need for individualized advancement of every student.

Mathematics

The mathematics curriculum focuses on mathematical thinking, which emphasizes problem-solving skills along with basic skill practice and applications. Instructional delivery presents numerous methods (e.g. math games, mental math, learning centers using manipulatives and technology-based resources) for students to learn concepts and practice skills. Delivery is also balanced in that lessons may be whole group, small group or individualized with occasion for hands-on and project-based learning opportunities.

Science

Science instruction emphasizes a philosophy that students learn best through guided inquiry and concrete exploration. The Academy's science program provides for integrated science strand studies that include labs and the integration of technology. Science education employs a hands-on approach guiding students into a deeper knowledge of scientific principles – reflecting the interconnected nature of science as it is practiced and experienced in the real world. Teachers guide students during the experiments to facilitate, enhance and ensure learning outcomes for each student. The science program continues to build upon topics and provides students with opportunities to study more advanced science concepts. The Next Generation Science Standards ("NGSS") guide grade level science lessons targeting scientific inquiry. Additionally, the Michigan Model for Health™ is integrated within the science curriculum to reinforce health concepts for kindergarten through fifth grades, and into physical education for grade six.

Social Studies

The social studies curriculum includes the strands articulated by the National Council for Social Studies. The curriculum includes 1) culture; 2) time, continuity and change; 3) people, places and environment; 4) individual development and identity; 5) individuals, groups and institutions; 6) power, authority and governance; 7) production, distribution and consumption; 8) science, technology and society; 9) global connections; and 10) civic ideals and practices. Instruction incorporates the multiple intelligences, cooperative learning and nonlinguistic representations (e.g. graphic organizers). A strong emphasis is placed on literacy as students interact with informational text using the social studies resource and numerous informational resources. Students are connected to current events and guided through processes of inquiry as they evaluate historical and current issues as they review primary and secondary print and digital sources.

Technology

Technology instruction is integrated throughout the curriculum with scheduled computer lab sessions and via classroom Smartboards. Students learn to use a variety of computer programs and applications. Further, technology is used to conduct research, enhance critical thinking skills, and as a tool to communicate. Sixth grade students complete various cross-disciplinary units implementing the technology design cycle.

Physical Education

The Academy's physical education program promotes the teaching of knowledge, skills and attitudes that enable children to be active for life. Students are presented with activities that improve coordination, enhance motor skills and encourage team building. Additionally, the Michigan Model for Health is integrated within the science curriculum to reinforce health and physical education concepts.

Arts

Visual arts and performing arts are introduced through units of inquiry. The Academy's visual arts program emphasizes the elements of art, the principles of design and color theory. The performing arts include music instruction that introduces and builds upon the elements of sounds, rhythms, tempos, through singing, chanting, listening and performing.

Research-Based Instructional Strategies/Methodologies

As a non-linear model, the Academy's curriculum illustrates a process that is finely tuned, whereby the written, taught and assessed curriculum has interwoven components. It requires consideration of the assessment of the learning to be thought about much sooner and in greater depth than is traditionally the case. Beginning with the end in mind, the Academy follows the backward design model. The backward design model centers on the idea that the design process should begin with identifying the desired results and then "work backwards" to develop instruction. The three main stages of the model are to identify desired outcomes and results, determine what constitutes acceptable evidence of competency in the outcomes and results, and then plan instructional strategies and learning experiences that bring students to these competency levels (Wiggins, 2005).

Highly qualified teachers lead the design and implementation of the Academy's curriculum units. In collaboration with experienced mentors and instructional leaders, proactive monitoring of student progress towards standards mastery is scheduled bi-weekly. As a result, individualized educational plans are devised to include differentiated instruction including project-based learning and authentic, formative and summative assessments (Irons, 2007). Working with individual student learning plans the differentiating of instruction provides learning experiences that enhance mastery for all students. "Differentiated instruction in a classroom looks at students' commonalities as well as their differences and uses that to dictate their teaching and grouping strategies" (Tomlinson, 2001). In the classroom, teachers connect differentiated strategies (e.g. tiered activities) with Gardner's multiple intelligences. These researched best practices enable the Academy to fulfill its mission of ensuring that all learners have equity in attaining the educational goals and maximizing individual potential.

To ensure students reach maximum potential, Academy staff utilizes the best practice of assessments being multidimensional, thoughtful and periodic to provide ongoing feedback to students about progress of learning. The authentic assessment of a task represents a more student-centered approach and more meaningful application of student knowledge. Similarly, across the curriculum, formative assessment guides instructional planning as it provides immediate feedback as to how students are mastering the content. In the classroom, teachers use multiple variations of assessments (observations, questioning, exit slips) to monitor student progress and to provide students the opportunity to reflect on the work and draw new conclusions based upon the feedback.

Curriculum Flexibility

The Academy's curriculum is flexible to address the needs of all learners. The curriculum lends itself to differentiated instruction, inclusion of the multiple intelligences, and incorporates diverse learning styles. At the elementary level, student-centered instruction, founded on inquiry and flexible grouping, allows for teachers to extend learning and application of skills for gifted and talented students while providing support through interventions to students who may not be independently succeeding at grade level expectations.

The Academy's leveled reading and mathematics resources are designed to provide higher order thinking skill applications that nurture the abilities of exceptional students whose interests are further enriched in after school math, science and technology clubs. As gifted and talented students reach sixth grade level, individual students are assessed for placement in math and/or English.

The differentiation of instruction and assessment within the Academy's curriculum design serves the needs of both the advanced as well as the at-risk student population. The Academy identifies students eligible for special services such as Title I, at-risk, limited English language proficiency and special education during the enrollment process. As factors contributing to barriers to learning may arise subsequent to enrollment, student needs are also identified in regular monitoring of student progress towards standards mastery.

Instructional and support services for below grade level students and at-risk Section 31a students include full inclusion English language learner ("ELL") instructional programs following the Sheltered Instruction Observation Protocol ("SIOP") components, tutoring, extended day/year and a summer program. The Academy ensures all certified teachers and qualified paraprofessionals are scheduled shared planning and mentoring time to plan lessons that reinforce concepts and serve to advance students to mastery (Short, 2008). Further supports are provided to below grade level students through the Academy's Response to Intervention ("RtI") program. The Academy's RtI model is embedded in the Multi-Tiered System of Support ("MTSS") which is a framework designed to identify to students who may be at-risk for inadequate academic, behavioral and social performance by utilizing tiers to address student needs and provide interventions, including small groups and one on one targeted instruction.

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

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

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.

The Academy provides a resource room program with supplemental services for students eligible for special education services depending upon student need. Supplemental services include, but are not limited to, teacher consultants for vision impaired, hearing impaired and occupational therapy, speech and language pathology, psychological and social work services. Additional programs and/or services are provided as needed and determined per the Individualized Education Program Team (“IEPT”) Report.

Child Support Teams are involved in the pre-referral process of students and are comprised of administration, school social worker, general education teacher and the special education teacher when applicable. Students are identified as eligible either upon new enrollment or with a pre-referral process. Students are serviced in compliance with all state and/or federal laws with the student’s needs/best interest as the continued focus. A full RtI model is in effect to ensure students are placed based on need and interventions. All students have equal access to general education curriculum, materials and resources so that they may pursue an education and are prepared for success in college, work and life.

Success in college, work, and life

The Academy’s program is designed to provide its students with the education and skills needed to become successful adults who positively contribute to society. Delivery of teaching and learning activities, aligned with the MAS and focused on 21st century skills, as well as the intentionally embedded mini-lessons on being inquirers, knowledgeable, thinkers, communicators, principled, open-minded, caring, risk-takers, balanced and reflective, provide the opportunities students need to become global minded productive citizens. Co-curricular activities as well as extra-curricular enrichment activities, aligned to the Academy’s goals and objectives, ensure that the skills being taught are given application opportunities that are real and instrumental in preparing students for adulthood. This allows the Academy to focus on the student as a whole in implementing both core academics and curriculum beliefs and values.

Academy programs prepare students to become problem-solvers, utilizing conflict resolution strategies through character building activities, hands-on and project-based learning. Students develop leadership skills by cooperatively working in groups, collaborating amongst peers, and through problem solving tasks. With a focus on planning, organizational and communication skills, effective leadership roles emerge. To further develop leaders and to ensure students are globally competitive, technology is integrated across all subjects. Students learn to use technology as a tool to conduct research and as a means of communication with others (Pitler, 2007). Technology integration allows students to explore information in order to find answers to inquiries, develop solutions to problems, pursue areas of interest and develop a life-long love for learning (ISTE, 2008).

The Academy embraces diversity of culture. Students develop a strong self-value and identity through cultural awareness of the school community through the implementation of the HES Four Pillars and the rigorous curriculum resources. This awareness helps students understand roles in the school, community and world. Self-reflection is embedded throughout all students’ progress. Through reflection, students identify strengths and areas of interest/need for career planning and establishing academic goals. Regular monitoring of student progress towards goals is facilitated by teachers and counselors during Approaches to Learning sessions with the use of student

portfolios which students contribute to at the end of each unit and revisit every trimester with sample artifacts students select to represent learning.

Assessment

Students are initially assessed in core academic areas using a nationally recognized standardized assessment, Northwest Evaluation Association™ (“NWEA™”) Measures of Academic Progress® (“MAP®”) Growth™, in kindergarten through sixth grade in the fall, winter and spring of each year. The MAP assessment serves as an individualized growth tool and a guide to inform instruction. ELL students are initially assessed in English language with the World-Class Instructional Design Assessment (“WIDA™”). The state assessment is performed annually. Teacher-created assessments serve as the foundation for measuring student progress toward standards and learning targets. Teacher-created assessments include formative and summative assessments, portfolios, observation, and foreign language placement (Ainsworth, 2007).

Student data is tracked electronically using PowerSchool and Tableau, our own data systems, as well as other state, federal and/or Intermediate School District (“ISD”) reporting systems. The electronic system assists in the identification of students with special needs, the implementation of the provision of services, and tracking, monitoring and reporting progress. Further, as indicated, staff members use assessment data to inform instructional planning that provides for differentiated instruction and to determine changes in instructional delivery.

Program Evaluation

Evaluation of the educational program is a collaborative effort among instructional staff and other stakeholders including students, parents, instructional leaders, curriculum leaders and data/evaluation experts. Student reflections on instructional strategies, resources and services are considered along with parent input in reviewing student progress data to identify level of mastery in standards and inform pacing of instruction (Epstein, 2009). Assessment data is analyzed by teachers and department leaders at least three times a year to drive recommendations on educational program effectiveness and enhancements needed during the year. Data from annual stakeholder surveys provide key data used during the consolidated needs assessment completed in the spring. These findings and recommendations are collaborated on within the school improvement team to analyze strategies and interventions, to identify effectiveness of resources and programs, and to establish goal and objectives for the upcoming school year (Zmuda, 2004). The Academy’s school improvement committee includes staff, parents, students and community members who participate in curricular reviews and development to prepare students for achievement in the common core college and career readiness standards.

Early Childhood Education

The Academy operates an early childhood education program (Pre-Kindergarten and Great Start Readiness Program [“GSRP”]). On an annual basis, the Academy shall advise the Center on the current status of its early childhood education program. If changes occur in the Academy’s early childhood education program, the Academy shall file a revised Early Childhood Education Questionnaire with the Center.

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

Applicable Law and administrative rule, the Academy shall budget and account for funds and expenses associated with its early childhood education program.

The Academy uses High Scope® Curriculum as the core educational program for early childhood and the teaching of a second language (Arabic). The GSRP program is overseen by and complies with the ISD and the State's requirements.

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 developed its own curriculum for core and non-core courses. The curriculum for all core subjects has been received, reviewed and approved by the Center.

- Rubicon Atlas
<https://hesedu.rubiconatlas.org/Atlas/Authentication/View/Login>
- Michigan Model for Health
http://www.emc.cmich.edu/EMC_Orchard/michigan-model-for-health

Elementary School

The following subjects/courses are offered at the Academy.

Course	K	1	2	3	4	5	6
English Language Arts	X	X	X	X	X	X	X
Mathematics	X	X	X	X	X	X	X
Science	X	X	X	X	X	X	X
Social Studies	X	X	X	X	X	X	X
Physical Education	X	X	X	X	X	X	X
World Language (Arabic)	X	X	X	X	X	X	X
Health (Embedded K-5)	X	X	X	X	X	X	X

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 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 sixth grade. The maximum enrollment shall be 300 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.

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 1284a, if applicable, 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 of Reporting Requirements.

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 sixth grade. The Academy may add grades with the prior written approval of the authorizing body.

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.

AMENDMENT NO. 1

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 1

NOOR INTERNATIONAL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the “Contract”), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the “University Board”) to NOOR INTERNATIONAL ACADEMY (the “Academy”), the parties agree to amend the Contract as follows:

- 1.) The Preparedness Plan, approved by the Academy Board, is incorporated into the Contract by reference.
- 2.) Any updates to the Preparedness Plan, approved by the Academy Board, shall automatically be incorporated into the Contract and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions of Contract.
- 3.) This Contract amendment shall remain in effect until the earlier of (i) the end of the 2020-2021 school fiscal year or (ii) the rescission of Executive Order 2020-142, including any successor executive order authorizing a Preparedness Plan.

This Contract amendment is hereby approved by the University Board and the Academy Board through their authorized designees and shall have an effective date of August 17, 2020.



[Noor International Academy] COVID-19 Preparedness and Response Plan

Address of School District: 37412 Dequindre Rd, Sterling Heights, MI 48310

District Code Number: 50913

Building Code Number(s): 00757

District Contact Person: Nawal Hamadeh, Superintendent of Schools

District Contact Person Email Address: (nhamadeh@hesedu.com)

Local Public Health Department: Macomb County Health Department

Local Public Health Department Contact Person Email Address:

Macomb County Health Department: Health and Community Services

Phone: 586-783-8190

Email: <https://health.macombgov.org/Health-Contact>

Site: <https://health.macombgov.org/Health-HPD-CommunicableDiseases>

Name of Intermediate School District: Macomb ISD

Name of Authorizing Body: Central Michigan University

Date of Adoption by Board of Directors: 08/10/2020



August 13, 2020 [via email]

Ms. Newal Hamadeh
Noor International Academy
37412 Dequindre
Sterling Heights, MI 48310

Re: Approval of COVID-19 Preparedness and Response Plan ("Plan")

Dear Ms. Hamadeh:

I am pleased to inform you that the Plan for Noor International Academy ("Academy") has been approved by The Governor John Engler Center for Charter Schools at Central Michigan University and has been transmitted by our office to the State Superintendent of Public Instruction and the State Treasurer. The Plan is effective as of the date indicated in the Plan.

To fulfill one of the required assurances, immediately add a copy of the approved Plan to the Academy's Home Page of its website. An approved copy of the Plan is attached and can be found in Epicenter. The approved Plan constitutes a Charter Contract amendment and remains in effect as long as the Plan remains in effect.

If the Academy requires an amendment to the Plan, please contact Amy Densmore, Director of Charter Accountability, at (989) 506-0355 or via email at avanatten@thecenterforcharters.org to initiate that process. Thank you for all your efforts to keep student learning moving forward in these trying times. If you have any further questions or need additional support, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink that reads "Corey Northrop". The signature is fluid and cursive, with the first name "Corey" and last name "Northrop" clearly legible.

Corey Northrop
Executive Director

cc: Jaafar Chehab, Board President
Issraa Yassine, Board Corresponding Agent

Attachment:
Approved COVID-19 Preparedness and Response Plan

Noor International Academy37412 Dequindre Road
Sterling Heights, MI 48310

Meeting: 08/10/20 06:30 PM

Regular Meeting

Category: Coronavirus

DOC ID: 5420

RESOLUTION

✓ Vote Record - Resolution 5420						
		Yes/Aye	No/Nay	Abstain	Absent	
<input checked="" type="checkbox"/> Adopted	Sarah Chaar	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Adopted as Amended	Jaafar Chehab	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<input type="checkbox"/> Defeated	Ahmad Moubadder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Tabled	Hassen Hijazi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Withdrawn	John Mdaihdli	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

The following preamble and resolution was offered by Member Hassen Hijazi
and supported by Member Sarah Chaar:

APPROVAL OF COVID-19 PREPAREDNESS, RESPONSE PLAN AND WORKPLACE PLAN

WHEREAS, On June 30, 2020, in response to the novel coronavirus (COVID-19) pandemic affecting our state, Governor Gretchen Whitmer issued Executive Order 2020-142 (the "Order") that, provides a structure to support all schools in Michigan as they plan for a return of preK-12 education in the fall. Under the Order, all schools must adopt a COVID-19 Preparedness Response Plan ("Preparedness Plan") and Workplace Plan laying out how they will cope with the disease across the various phases of the Michigan Safe Start Plan. Under the Order and the Michigan Safe Schools: Michigan's 2020-2021 Return to School Roadmap developed by the COVID-19 Task Force on Education Return to School Advisory Council ("Return to School Roadmap"), schools retain flexibility to tailor their instruction to their particular needs and to the disease conditions present in their regions.

WHEREAS, Acting under the Michigan Constitution of 1963 and Michigan law, the Order and the Return to School Roadmap state:

1. Coronavirus relief funds under the Coronavirus Aid, Relief, and Economic Security Act will be provided and may be used to aid in developing, adopting, and following a COVID-19 Preparedness Plan under section 2 of the Order.
2. Every school must develop and adopt a Preparedness Plan that is informed by the Return to School Roadmap.
3. By August 15, 2020 or seven days before the start of the school year for students, whichever comes first: the Academy Board must approve its Preparedness Plan.
4. By August 17, 2020, the Academy's authorizing body, Central Michigan University, must collect the Preparedness Plan and transmit such plan to the Superintendent and to the State Treasurer.
5. By August 17, 2020, the Academy must prominently post its approved Preparedness Plan on the Academy's website home page.

The Academy Board of Directors ("Academy Board") is required to approve the Academy's Preparedness Plan by August 15, 2020 or seven days before the start of the school year for students, whichever comes first, and is required to approve the Academy's Preparedness Plan as a charter contract ("Contract") amendment.

THE ACADEMY BOARD THEREFORE RESOLVES THAT:

1. The actions taken by Academy representatives to prepare and submit the Academy's Preparedness Plan to Authorizer are ratified.
2. The Preparedness Plan, as approved by the Authorizer, is approved by the Academy Board as the COVID-19 Preparedness Plan and as the COVID-19 Preparedness Plan Amendment to the Contract. This Contract Amendment shall remain in effect as long as The Preparedness Plan remains in effect. The Board President is authorized to sign and submit the Contract amendment to the Authorizer for approval.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.
4. The Academy will deliver from time to time such information regarding the implementation of the Academy's Preparedness Plan as the Authorizer or Michigan Department of Education may reasonably request.
5. Any Board policies or provision of Board policies that prohibit or impede the Academy's compliance with The Preparedness Plan or Executive Order 2020-142 are temporarily waived, suspended or altered.
6. Any actions or actions taken by authorized Academy representatives in the development, submission and implementation of The Preparedness Plan are (to the extent such actions or actions are not inconsistent with the delegation of authority provided under this resolution) ratified and confirmed in all respects.
7. This Resolution shall take immediate effect and continue through the end of the state of emergency and disaster declared in Executive Order 2020-127 and any subsequent executive order declaring a state of emergency or disaster in response to COVID-19 or the end of the 2020-2021 school year, whichever is sooner.

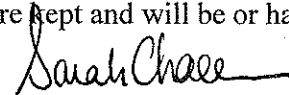
RESOLUTION DECLARED ADOPTED.



Secretary, Board of Directors

SECRETARY'S CERTIFICATION:

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Directors of Noor International Academy, at its Regular Meeting held on August 10, 2020, at which a quorum was present and that the meeting was conducted and public notice was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.



Secretary, Board of Directors

AMENDMENT NO. 2

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 2

NOOR INTERNATIONAL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the “Contract”), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the “University Board”) to NOOR INTERNATIONAL ACADEMY (the “Academy”), as amended, the parties agree to further amend the Contract as follows:

- 1.) The Extended COVID-19 Learning Plan (“ECLP”), approved by the Academy Board, is incorporated into the Contract by reference. The parties agree to suspend the following Contract provisions for the 2020-2021 school year:

Schedule 7, Section b: Educational Goal and Related Measures

Schedule 7, Section c: Educational Programs

Schedule 7, Section d: Curriculum

Schedule 7, Section e: Methods of Pupil Assessment

- 2.) Any revisions or changes to the ECLP, approved by the Academy Board, shall automatically be incorporated into the Contract by reference and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions of Contract.
- 3.) This Contract amendment shall remain in effect until the end of the 2020-2021 school fiscal year.
- 4.) In the event there is a perceived conflict between the ECLP and the Academy’s Preparedness Plan, prepared in compliance with Executive Order 2020-142, the parties agree to discuss implementation of both the ECLP and the Preparedness Plan to ensure that the Academy will meet all of its obligations under applicable law.

This Contract amendment is hereby approved by the University Board and the Academy Board through their authorized designees and shall have an effective date of the Academy’s first day of school for the 2020-2021 school year.



Noor International Academy

Extended COVID-19 Learning Plan

Address of School District/PSA: Noor International Academy
37412 Dequindre Road, Sterling Heights, MI 48310

District/PSA Code Number: 50913

Building Code Number: 00757

District/PSA Website Address: www.niapsa.org

District/PSA Contact and Title: Mrs. Nawal Hamadeh, Superintendent

Local Public Health Department: Macomb County Health Department

Local Public Health Department Contact Person Email:

Macomb County Health Department: Health and Community

Services Phone: 586-783-8190 Email: https://health.macombgov.org/Health-ContactSite

URL: <https://health.macombgov.org/Health-HPD-CommunicableDiseases>

District/PSA Contact Email Address: nhamadeh@hesedu.com

Name of Intermediate School District/PSA: Macomb ISD

Name of PSA Authorizing Body (if applicable): Central Michigan University

Date of Adoption by Board of Education/Directors: 09/21/2020



October 01, 2020 [via email]

Ms. Nawal Hamadeh
Noor International Academy

Re: Approval of Extended COVID-19 Learning Plan ("Extended Learning Plan")

Dear Ms. Hamadeh:

I am pleased to inform you that the Extended Learning Plan for Noor International Academy ("Academy") has been approved by The Governor John Engler Center for Charter Schools at Central Michigan University. The Center will transmit the Extended Learning Plan to the State as soon as an appropriate mechanism to do so is made available. The Extended Learning Plan is effective as of the date indicated in the document.

To fulfill one of the required assurances, immediately add a copy of the approved Extended Learning Plan to the Academy's Transparency Page of its website. An approved copy of the Extended Learning Plan is attached and can be found in Epicenter. The approved Extended Learning Plan constitutes a Charter Contract amendment and remains in effect as long as the Extended Learning Plan remains in effect.

Thank you for all your efforts to keep student learning moving forward in these trying times. If you have any further questions or need additional support, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink that reads "Corey Northrop". The signature is fluid and cursive, with the first name "Corey" and last name "Northrop" clearly distinguishable.

Corey Northrop
Executive Director

cc: Jaafar Chehab, Board President
Issraa Yassine, Board Corresponding Agent

Attachment: Approved Extended COVID-19 Learning Plan

Noor International AcademyVirtual Meeting
978-990-5071, 00 1137492Meeting: 09/21/20 06:30 PM
Regular Meeting
Category: COVID-19 Continuity of Learning Plan
DOC ID: 5493**RESOLUTION**

✓ Vote Record - Resolution 5493					
		Yes/Aye	No/Nay	Abstain	Absent
<input checked="" type="checkbox"/> Adopted	Sarah Chaar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Adopted as Amended	Jaafar Chehab	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Defeated	Ahmad Moubadder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Tabled	Hassen Hijazi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Withdrawn	John Mdaihdli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The following preamble and resolution was offered by Member Hassen Hijazi
and supported by Member Ahmad Moubadder:

**RESOLUTION APPROVING THE EXTENDED COVID-19 LEARNING
PLANS ("ECLP") AND APPROVAL OF CHARTER CONTRACT
AMENDMENT**

WHEREAS, On August 20, 2020, in response to the novel coronavirus (COVID-19) pandemic affecting our state, Governor Whitmer signed into law certain amendments to the State School Aid Act of 1979, as amended, MCL 388.1601 et seq. ("Back to School Laws"). The Back to School Laws include additional requirements for all Michigan schools as they plan for a return of preK-12 education for the 2020-2021 school year. Under the Back to School Laws, a public school academy must provide for instruction under an extended COVID-19 learning plan ("ECLP") that is approved by its authorizing body ("Authorizer"). ECLPs includes many of the same subject matters addressed in a public school academy's charter contract, including measurable educational goals to be achieved by all subgroups in the school, measurement of those educational goals by one or more benchmark assessments, a description of how the educational program, including instruction, will be delivered, a description of the school's curricula and specific reporting requirements for the 2020-2021 school year. Under the Back to School Laws, schools retain the flexibility to tailor and adjust their ECLPs to meet the needs of their students and the community they serve.

WHEREAS, The Back to School Laws require, among other things, that each public school academy do the following:

- (1) Establish educational goals required to be included in the ECLP no later than September 15, 2020.
- (2) Approve an ECLP and submit it to their respective authorizing body ("Authorizer") for approval by October 1, 2020. If approved by the Authorizer, the ECLP is transmitted by the Authorizer to the Superintendent of Public Instruction and the State Treasurer.
- (3) Make an ECLP accessible through the transparency reporting link on the school's website by October 1, 2020.
- (4) Within the first nine weeks of the 2020-2021 school year, administer 1 or more benchmark assessments from the list approved by the Michigan Department of Education (MDE), a benchmark assessment provided by MDE, or local benchmark assessments, or a combination of the above, to pupils

in grades K-8 to measure math and reading proficiency. In addition, by the last day of the 2020-2021 school year, administer another benchmark assessment to pupils in K-8 to measure proficiency in the same subject matter. The Back to School Laws require schools to use the same benchmark assessment(s) used in the 2019-2020 school year, if applicable.

(5) Provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment(s).

(6) Not later than February 1, 2021, create a report that addresses the progress made in meeting the educational goals in the ECLP that the academy expected would be achieved by the middle of the school year and make the report available on the transparency reporting link on a public school academy's website.

(7) Not later than the last day of the 2020-2021 school year, create a report concerning progress made in meeting the educational goals in the ECLP and make the report available on the transparency reporting link on a public school academy's website.

(8) No later than June 30, 2021, send the aggregate academy-level data from a benchmark assessment(s), excluding data from a local benchmark assessment or local benchmark assessments, to a regional data hub that is part of the Michigan data hub network that shall compile the data and send it to the Center for Educational Performance and Information (CEPI).

(9) Thirty days after approval of the ECLP, the Board shall meet monthly to re-confirm how pupil instruction is being delivered at the school and whether it is consistent with the ECLP and to ensure that 2 2-way interaction, as defined in the Act, is occurring between students and teachers each week of the school year for at least 75% of students enrolled in the school. At each meeting, the Board shall: (a) publicly announce its weekly interaction rates of 2 2-way interaction since its last meeting; (b) allow for public comment on the ECLP; and (c) discuss whether changes to the method of delivery for pupil instruction under the ECLP are necessary.

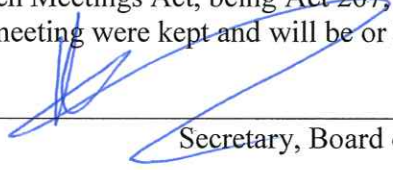
THE ACADEMY BOARD THEREFORE RESOLVES THAT:

1. The actions taken by Academy representatives to prepare and submit the Academy's ECLP to Authorizer are ratified.
2. The ECLP, as approved by the Authorizer, is approved by the Academy Board as the ECLP and as the ECLP Amendment to the Contract.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.
4. The Academy will deliver from time to time such information regarding the implementation of the Academy's ECLP as the Authorizer or Michigan Department of Education may reasonably request.
5. Any Board policies or provision of Board policies that prohibit or impede the Academy's compliance with ECLP are temporarily waived, suspended or altered.
6. This Resolution shall take immediate effect and continue through the end of the 2020-2021 school year. If the Back to School Laws are amended, and such amendments requires additional Board action relative to the ECLP, the Board may take such action to comply with existing law.

RESOLUTION DECLARED ADOPTED.

Secretary, Board of Directors**SECRETARY'S CERTIFICATION:**

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Directors of Noor International Academy, at its Regular Meeting held on September 21, 2020, at which a quorum was present and that the meeting was conducted and public notice was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.



Secretary, Board of Directors

AMENDMENT NO. 3

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONFIDENTIAL

F.3.a

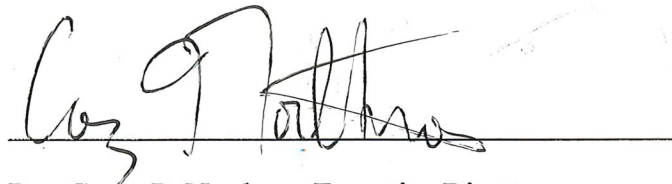
CONTRACT AMENDMENT NO. 3

NOOR INTERNATIONAL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NOOR INTERNATIONAL 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 Amendment to Promissory Note, 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 December 22, 2020.

Dated: 2-1-21

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

DocuSigned by:



23D36D5ACFA3445...

By: Ahmad Moubadder pm
Noor International Academy
Designee of the Academy Board

Dated: January 30, 2021 | 8:00:27 AM PST

Attachment: Noor Amend 3 (5680 : NIA - Contract Amendment)

Noor International Academy

Contract Amendment No. 3

Tab 1

AMENDMENT TO PROMISSORY NOTE
Loan Number 3010659720 (previously 6400051090)

THIS AMENDMENT TO PROMISSORY NOTE (this "Amendment"), is made, delivered and effective as of December 22, 2020 by and among Noor International Academy, a Michigan non-profit corporation ("Borrower"), and Credit Union ONE, a Michigan credit union, successor in interest to Hantz Bank ("Lender").

WHEREAS, Lender and Borrower are parties to that certain Commercial Loan Agreement, effective as of May 22, 2018 as may be amended from time to time ("Loan Agreement"), through which Lender agreed to extend to Borrower a loan in the principal amount of One Million One Hundred Forty-Seven Thousand Five Hundred and 00/100 Dollars \$1,147,500.00 ("Loan");

WHEREAS, Borrower has executed that certain Promissory Note, effective as of May 22, 2018, as may be amended from time to time ("Note"), in the principal amount of One Million One Hundred Forty-Seven Thousand Five Hundred and 00/100 Dollars \$1,147,500.00 ("Loan") for the benefit of Lender;

WHEREAS, Borrower has executed that certain Mortgage and Assignment of Leases and Rents, effective as of May 22, 2018, as each may be amended from time to time, with respect to the real property located at 37412 Dequindre Road, Sterling Heights, MI 48310, in favor of Lender, which serve as collateral security for the Loan;

WHEREAS, the current principal balance of the Loan is One Million Sixty-One Thousand Three Hundred Thirty Nine and 53/100 Dollars (\$1,061,339.53);

WHEREAS, Borrower and Lender have agreed to further extend and otherwise modify the Loan as provided herein; and

WHEREAS, in order to reflect these modifications to the Loan, Lender and Borrower desire to amend the Note as set forth below;

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in this Amendment, Lender and Borrower agree as follows:

1. Effective with the date of this Amendment, the Interest Rate is decreased from a fixed rate of 5.0% to 4.40% until the Conversion Date of June 5, 2023; at that time the interest rate will reprice and reset to a fixed rate equal to 2.75% above the weekly average yield on five (5) year U.S. Treasury securities, adjusted for constant maturity, as reported by the Federal Reserve Board for the last week that is at least forty-five (45) days before the rate change date.
2. The execution of this Amendment is not a waiver of any Default or Event of Default.
3. All the terms used in this Amendment which are defined in the Note shall have the same meaning as used in the Note, unless otherwise defined in this Amendment.
4. This Amendment is not an agreement to any further or other amendment of the Note.
5. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.
6. The parties agree that the terms and provisions of this Amendment shall be governed by and construed in accordance with the internal laws of the State of Michigan, without regard to principles of conflicts of law.

7. Borrower expressly acknowledges and agrees that except as expressly amended in this Amendment, the Note remains in full force and effect and are ratified, confirmed and restated.

IN WITNESS WHEREOF, the parties have executed and delivered this Amendment on the date set forth above.

BORROWER:

Noor International Academy,
A Michigan non-profit corporation

DocuSigned by:

Ahmad Moubadder

23D36D5ACFA3445...

By: Ahmad Moubadder
Its: Vice President

LENDER:

Credit Union ONE,
a Michigan credit union

DocuSigned by:

Eli Akel

8F6EECAD36DF45E...

By: Eli Akel
Its: Vice President

AMENDMENT NO. 4

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 4

NOOR INTERNATIONAL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NOOR INTERNATIONAL ACADEMY (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

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

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, 2021.



Dated: 07/07/2021

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



Dated: 06/30/2021

By: Sarah Charr
Noor International Academy
Designee of the Academy Board

Attachment: Noor Amend 4 (5929 : NIA - Contract Amendment)

Noor International Academy

Contract Amendment No. 4

Tab 1

EDUCATIONAL GOAL AND RELATED MEASURES

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.2, the Academy shall achieve or demonstrate measurable progress for all groups of pupils toward the achievement of the educational goal identified in this schedule. Although an increase in academic achievement for all groups of pupils as measured by assessments and other objective criteria is the most important factor in determining the Academy's progress toward the achievement of the educational goal, the Center also considers other factors. Upon request, the Academy shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal. In addition, the University expects the Academy will meet the State of Michigan's accreditation standards pursuant to state and federal law.

Educational Goal to be Achieved

Prepare students academically for success in college, work and life.

Measures to Assist In Determining Measurable Progress Toward Goal Achievement

To assist in determining whether the Academy is achieving measurable progress toward the achievement of this goal, the Center will annually assess the Academy's performance using the following measures.

Measure 1: Student Achievement

The academic achievement of **all students who have been at the academy for one or more years¹** in grades 3-6 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 they 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 3-6 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 ≥ 65 th Meets ≥ 50 th Approaching ≥ 45 th Does not meet < 45 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%

AMENDMENT NO. 5

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

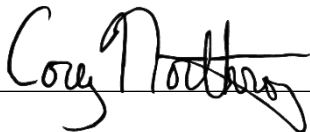
CONTRACT AMENDMENT NO. 5

NOOR INTERNATIONAL ACADEMY

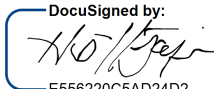
In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NOOR INTERNATIONAL ACADEMY (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

- 1.) Amend Schedule 7, Section c: Educational Programs, by incorporating into this Section a virtual component, limited to the 2021-2022 school year, that complies with Applicable Law, University Board requirements, and pupil membership requirements set forth in the Michigan Department of Education Pupil Accounting Manual.

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 the Academy's first day of school for the 2021-2022 school year.


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

Dated: 08/20/2021


E556220C5AD24D2

Dated: August 20, 2021 | 10:25:23 AM EDT

By: Board President
Noor International Academy
Designee of the Academy Board

AMENDMENT NO. 6

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 6

NOOR INTERNATIONAL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NOOR INTERNATIONAL 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.

This entire amendment is hereby approved by the University Board and the Academy Board through their authorized designees, and shall have an effective date of July 1, 2024.



Dated: 05/31/2024

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



Dated: 5/29/24

By: HASSEN ALWAZI PRESIDENT
Noor International Academy
Designee of the Academy Board

Attachment: Noor Amend 6 (7730 : NIA - Contract Amendment Request)

Noor International Academy

Contract Amendment No. 6

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.

Noor International Academy

Contract Amendment No. 6

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.

AMENDMENT NO. 7

to the
July 1, 2020 Contract to Charter
A Public School Academy and Related Documents

Issued To

NOOR INTERNATIONAL ACADEMY
(A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY
BOARD OF TRUSTEES
(AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 7

NOOR INTERNATIONAL ACADEMY

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2020, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to NOOR INTERNATIONAL ACADEMY (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

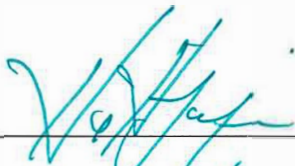
- 1.) Amend the Terms and Conditions of Contract by replacing the language contained within Article IV, Section 4.5. Prohibition of Identified Family Relationships, subsection (b), with the language attached as Tab 1.
- 2.) Further amend the Terms and Conditions of Contract by inserting at the end of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

This entire amendment is hereby approved by the University Board and the Academy Board through their authorized designees, and shall become effective upon execution by the Designee of the University Board.



Dated: 05/05/2025

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



Dated: 4/28/25

By: HASEN S. HAJAZI
Noor International Academy
Designee of the Academy Board

Noor International Academy

Contract Amendment No. 7

Tab 1

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

- (b) The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. If an Academy Board member discloses any prohibited familial relationships in the annual disclosure, or if the University finds that an Academy Board member has failed to disclose a prohibited familial relationship, that Academy Board member shall be removed from office, in accordance with the removal provisions found in the Resolution or Schedule 2: Amended Bylaws. For purposes of this subsection, familial relationship means a person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner.

Noor International Academy

Contract Amendment No. 7

Tab 2

Terms and Conditions: Article XII, Section 12.24

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

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

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

Noor International Academy

Contract Amendment No. 7

Tab 3

Amended Bylaws: Article VIII, Section 6

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

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

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

- (a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an Educational Service Provider or an employee leasing company, or a subcontractor to an Educational Service Provider or an employee leasing company that has an ESP Agreement with the Academy;
- (b) An individual simultaneously serving as an Academy Board member and an Academy Board employee;
- (c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;
- (d) An individual simultaneously serving as an Academy Board member and a member of the governing board of another public school;
- (e) An individual simultaneously serving as an Academy Board member and a University official, employee, or paid consultant, as a representative of the University; and

- (f) An individual simultaneously serving as an Academy Board member and having an ownership or financial interest in any real or personal property leased or subleased to the Academy.

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

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

The Academy Board shall require each individual who works at the Academy to annually disclose any familial relationship with any other individual who works at, or provides services to, the Academy. If an Academy Board member discloses any prohibited familial relationships in the annual disclosure, or if the University finds that an Academy Board member has failed to disclose a prohibited familial relationship, that Academy Board member shall be removed from office, in accordance with the removal provisions found in the Resolution or these Amended Bylaws. For purposes of this sub-section, familial relationship means a person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or domestic partner.

Amended Bylaws: Article IX

ARTICLE IX INDEMNIFICATION

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

Noor International Academy

Contract Amendment No. 7

Tab 4

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

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

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