

CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY AND RELATED DOCUMENTS

ISSUED TO

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By The

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

(AUTHORIZING BODY)

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REAUTHORIZATION OF PUBLIC SCHOOL ACADEMY

Summit Academy North

Recitals:

- 1. At its April 29, 2016, meeting this board authorized the issuance of a contract to charter as a public school academy to Summit Academy North. On July 1, 2016, the contract was effective.
- 2. The contract of this academy expires June 30, 2021.
- 3. The Governor John Engler Center for Charter Schools has completed its evaluation and assessment of the operation and performance of Summit Academy North.
- 4. The university president or designee has recommended the reissuance of a contract to charter as a public school academy to Summit Academy North. The term of the contract is recommended for a term not to exceed five (5) years.

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

CMU BDT APPROVED

Date: 3/11/2021

Signature: Mary Jane Hanagan



PROPOSAL FOR BOARD ACTION: CONSENT AGENDA

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

Project Description:

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

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

Proposed by: Provost Gealt

PROPOSED RESOLUTION: CONSENT AGENDA

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

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

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

Date: 2/15/18
Signature: My Hanagar

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.
- 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 with the conservator during their appointment. All appointments made with the conservator during their appointment.

Date: 2/15/18
Signature: my Hangar

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

Length of Term

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

Removal and Suspension

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

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

Number of Directors

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

Qualifications of Academy Board Members

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

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

Date: <u>M5118</u>
Signature: <u>my Hanagen</u>

Oath of Public Office

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

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

Amended by Board of Trustees: 18-0215

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

CMU BDT APPROVED

Date: 215/18

Signature: my Hanogan



TERMS AND CONDITIONS OF CONTRACT

DATED: JULY 1, 2021

ISSUED BY

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

CONFIRMING THE STATUS OF

SUMMIT ACADEMY NORTH

AS A

PUBLIC SCHOOL ACADEMY

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

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

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

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

WHEREAS, the Central Michigan University Board of Trustees has considered and has approved the issuance of a contract to Summit Academy North;

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

ARTICLE I DEFINITIONS

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

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

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

- (q) "Reauthorizing Resolution" means the resolution adopted by the Central Michigan University Board of Trustees on February 11, 2021, approving the issuance of a Contract to the Academy.
- (r) "Schedules" means the following Contract documents: Schedule 1: Restated Articles of Incorporation, Schedule 2: Amended Bylaws, Schedule 3: Fiscal Agent Agreement, Schedule 4: Oversight, Compliance and Reporting Agreement, Schedule 5: Description of Staff Responsibilities, Schedule 6: Physical Plant Description, Schedule 7: Required Information for 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, 2021, Issued by the Central Michigan University Board of Trustees Confirming the Status of Summit Academy North as a Public School Academy."
- (x) "The Governor John Engler Center for Charter Schools" or "the Center" means the office designated by the Central Michigan University Board of Trustees as the initial point of contact for public school academy applicants and public school academies authorized by the Central Michigan University Board of Trustees. The Center is also responsible for administering the Central Michigan University Board of Trustees' responsibilities with respect to the Contract.
- (y) "The Governor John Engler Center for Charter Schools Director" or "the Center Director" means the person designated at Central Michigan University to administer the operations of the Center.
- (z) "University" means Central Michigan University, established pursuant to Article 8, sections 4 and 6 of the 1963 Michigan Constitution and MCL 390.551 et seq.
- (aa) "University Board" means the Central Michigan University Board of Trustees.
- (bb)"University Charter Schools Hearing Panel" or "Hearing Panel" means such persons as designated by the University President.
- (cc) "University President" means the President of Central Michigan University or his or her designee. In section 1.1(bb) above, "University President" means the President of Central Michigan University.

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

- Section 1.3. <u>Gender and Number</u>. The masculine, feminine, or neuter pronouns in this Contract shall be interpreted without regard to gender, and the use of the singular shall be deemed to include the plural (and vice versa) wherever applicable.
- Section 1.4. <u>Statutory Definitions</u>. Statutory terms defined in the Code shall have the same meaning in this Contract.
- Section 1.5. <u>Schedules</u>. All Schedules to this Contract are incorporated into, and made part of, this Contract.
- Section 1.6. <u>Application</u>. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. To the extent there is a difference between the Contract and the Application, the Contract shall control.
- Section 1.7. <u>Conflicting Contract Provisions</u>. In the event that there is a conflict between language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Method of Selection, Appointment, and Removal Resolution shall control over any other conflicting language in the Contract; (ii) the Reauthorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection, Appointment, and Removal Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the 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. <u>Constitutional Status of Central Michigan University</u>. Central Michigan University is a constitutionally established body corporate operating as a state public university. The University Board is an authorizing body as defined by the Code. In approving this Contract, the University Board voluntarily exercises additional powers given to the University under the Code. Nothing in this Contract shall be deemed to be any waiver of Central Michigan University's powers or independent status and the Academy shall not be deemed to be a part of Central Michigan University. If applicable, the University Board has provided to the Department the accreditation notice required under the Code.
- Section 2.2. <u>Independent Status of the Academy</u>. The Academy is a body corporate and governmental entity authorized by the Code. It is organized and shall operate as a public school academy and a nonprofit corporation. It is not a division or part of Central Michigan University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract or other agreements between the University Board and the Academy.
- Section 2.3. Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University. Any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be pledged for the payment of any Academy contract, mortgage, loan or other instrument of indebtedness.

Section 2.4. Academy Has No Power To Obligate or Bind the State of Michigan, the University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, the University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, the University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy.

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

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

ARTICLE III ROLE OF THE UNIVERSITY BOARD AS AUTHORIZING BODY

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

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

Section 3.3. 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. <u>University Board Administrative Fee</u>. The Academy shall pay the University Board an administrative fee to compensate the University Board for overseeing the Academy's compliance with the Contract and all Applicable Law.

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

Section 3.6. <u>Authorization to Employ or Contract</u>. The University Board authorizes the Academy Board to employ or contract for personnel according to the position information outlined in Schedule 5. The Academy Board shall prohibit any individual from being employed by the Academy or an Educational Service Provider in more than one (1) full-time position and simultaneously being compensated at a 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. <u>Teacher Certification</u>. Except as otherwise provided by law, the Academy shall use certificated teachers according to State Board rule.
- Section 3.8. <u>Administrator and Teacher Evaluation Systems</u>. The Academy Board shall adopt, implement and maintain a rigorous, transparent, and fair performance evaluation system for its teachers and school administrators that complies with Applicable Law. If the Academy enters into a Management Agreement with an Educational Service Provider, the Academy Board shall ensure that the Educational Service Provider complies with this section.
- Section 3.9. <u>Reimbursement of University Board Services</u>. The University Board shall be reimbursed for the actual cost of University services associated with responding to third party subpoenas and freedom of information act (FOIA) requests under the following circumstances:

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

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

ARTICLE IV REQUIREMENT THAT THE ACADEMY ACT SOLELY AS GOVERNMENTAL ENTITY

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

Section 4.2. Other Permitted Activities.

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

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

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

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

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

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

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

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

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

ARTICLE V CORPORATE STRUCTURE OF THE ACADEMY

- Section 5.1. <u>Nonprofit Corporation</u>. The Academy shall be organized and operate as a public school academy corporation organized under the Michigan Nonprofit Corporation Act, as amended, Act No. 162 of the Public Acts of 1982, being Sections 450.2101 to 450.3192 of the Michigan Compiled Laws. Notwithstanding any provision of the Michigan Nonprofit Corporation Act, as amended, the Academy shall not take any action inconsistent with the provisions of Part 6A of the Code or other Applicable Law.
- Section 5.2. <u>Articles of Incorporation</u>. The Restated Articles of Incorporation of the Academy, as set forth in Schedule 1, shall be the Articles of Incorporation of the Academy.
- Section 5.3. <u>Bylaws</u>. The Amended Bylaws of the Academy, as set forth in Schedule 2, shall be the Bylaws of the Academy.

ARTICLE VI OPERATING REQUIREMENTS

- Section 6.1. 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. <u>Educational Goal and Related Measures</u>. The Academy shall achieve, or demonstrate measurable progress for all groups of pupils toward the achievement of, the educational goal and related measures identified in Schedule 7b and the results of the academic assessments identified in Schedule 7e. Upon request, the Academy shall provide the Center with a written report, along with supporting data, assessing the Academy's progress toward achieving this goal.
- Section 6.3. <u>Educational Programs</u>. The Academy shall implement, deliver and support the educational programs identified in Schedule 7c.
- Section 6.4. <u>Curriculum</u>. The Academy shall implement, deliver and support the curriculum identified in Schedule 7d.
- Section 6.5. <u>Methods of Pupil Assessment</u>. The Academy shall properly administer the academic assessments identified in Schedule 7e and in accordance with the requirements detailed in the Master Calendar. The Academy also shall assess pupil performance using all applicable testing that the Code or the Contract require. The Academy shall provide the Center direct access to the results of these assessments, along with any other measures of academic achievement reasonably requested by the Center.
- Section 6.6. <u>Application and Enrollment of Students</u>. The Academy shall comply with the application and enrollment requirements identified in Schedule 7f.

- Section 6.7. <u>School Calendar and School Day Schedule</u>. The Academy shall comply with the school calendar and school day schedule requirements as set forth in Schedule 7g.
- Section 6.8. <u>Age or Grade Range of Pupils</u>. The Academy shall comply with the age or grade ranges as stated in Schedule 7h.
- Section 6.9. <u>Collective Bargaining Agreements</u>. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.
- Section 6.10. <u>Accounting Standards</u>. The Academy shall at all times comply with generally accepted public sector accounting principles and accounting system requirements that comply with the State School Aid Act of 1979, as amended, the Uniform Budgeting and Accounting Act, MCL 141.421, et seq., and applicable State Board and Michigan Department of Education rules.
- Section 6.11. <u>Annual Financial Statement Audit</u>. The Academy shall conduct an annual financial statement audit prepared and reviewed by an independent certified public accountant. The Academy Board shall select, retain and pay the Academy's independent auditor. The Academy Board shall not approve the retention of any independent auditor if that independent auditor or auditor's firm is also performing accounting and/or auditing services for the Academy's Educational Service Provider, if applicable. The Academy shall submit the annual financial statement audit and auditor's management letter to the Center in accordance with the Master Calendar. The Academy Board shall provide to the Center a copy of any responses to the auditor's management letter in accordance with the Master Calendar.
- Section 6.12. 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. <u>Contributions and Fund Raising</u>. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of Central Michigan University.
- Section 6.14. <u>Disqualified Organizational or Contractual Affiliations</u>. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.
- Section 6.15. 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. <u>Matriculation Agreements</u>. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft copy of the agreement to the Center for review. Any matriculation agreement entered into by the Academy shall be added to Schedule 7f through a contract amendment approved in accordance with the Contract.

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

ARTICLE VII TUITION PROHIBITED

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

ARTICLE VIII COMPLIANCE WITH APPLICABLE LAWS

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

ARTICLE IX AMENDMENT

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

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

Section 9.3. <u>Process for Amendment Initiated by the University Board</u>. The University Board, or an authorized designee, may, at any time, propose specific changes in this Contract or may propose a meeting to discuss potential revision of this Contract. The University Board delegates to the Center Director the review and approval of changes or amendments to this Contract. The Academy Board may delegate to a Director of the Academy the review and negotiation of changes or amendments to this Contract. The Contract shall be amended as requested by the University Board upon a majority vote of the Academy Board.

Section 9.4. <u>Final Approval of Amendments</u>. Amendments to this Contract take effect only after they have been approved by the Academy Board and by the University Board or the Center Director. If the proposed amendment conflicts with any of the University Board's general policies on public school academies, the proposed amendment shall take effect only after approval by the Academy Board and the University Board.

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

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

ARTICLE X CONTRACT REVOCATION, TERMINATION, AND SUSPENSION

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

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

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

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

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

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

Following receipt of the State's Automatic Closure Notice, the Center Director shall forward a copy of the notice to the Academy Board and request a meeting with the Academy Board representatives to discuss the Academy's plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy's existing sites are included in that notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State's Automatic Closure Notice, including the granting of any hardship exemption by the Department rescinding the State's Automatic Closure Notice ("Pupil Hardship

Exemption"), shall be directed to the Department, in a form and manner determined by the Department. If the Department rescinds the State's Automatic Closure Notice for an Academy site or sites by granting a Pupil Hardship Exemption, the Academy is not required to close the identified site(s), but shall present to the Center a proposed Contract amendment incorporating the Department's school improvement plan, if applicable, for the identified site(s).

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

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

Section 10.4. 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. <u>University Board Procedures for Revoking Contract</u>. Except for the automatic revocation and procedures initiated by the State of Michigan set forth in Section 10.3, the University Board's process for revoking the Contract is as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE XI PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

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

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

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

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

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

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

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

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

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

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

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

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

Section 11.6. 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. <u>Information Available to the Public and the Center.</u>

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

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

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

ARTICLE XII GENERAL TERMS

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

If to the University Board: The Governor John Engler Center for Charter Schools

Attn: Executive Director Central Michigan University

EHS 200

Mt. Pleasant, MI 48859

General Counsel: General Counsel

Central Michigan University Mt. Pleasant, MI 48859

Chief Financial Officer: Vice President for Finance and Administrative Services

Central Michigan University Mt. Pleasant, MI 48859

If to the Academy: Academy Board President

Summit Academy North 18601 Middlebelt Road Huron Township, MI 48174

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

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

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

Section 12.5. Assignment. This Contract is not assignable by the Academy.

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

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

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

Section 12.9. <u>Term of Contract</u>. This Contract is for a fixed term and shall terminate at the end of the Contract term without any further action of either the University Board or the Academy. This Contract shall commence on the date first set forth above and shall remain in full force and effect for a period of five (5) academic years and shall terminate on June 30, 2026, unless sooner revoked, terminated, or suspended pursuant to Article X of these Terms and Conditions. Pursuant to University Board policy, the standards by which the Academy may be considered for the issuance of a new contract will be guided by the following core questions:

Is the Academy's academic program successful?

Is the Academy's organization viable?

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

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

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

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

- Section 12.11. <u>Construction</u>. This Contract shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Contract.
- Section 12.12. <u>Force Majeure</u>. If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.
- Section 12.13. 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. <u>University Board or the Center's General Policies on Public School Academies Shall Apply</u>. Notwithstanding any provision of this Contract to the contrary, and with the exception of existing University Board or the Center policies regarding public school academies which shall apply immediately, University Board or the Center general policies clarifying procedure and requirements applicable to public school academies under this Contract, as from time to time adopted or amended, will automatically apply to the Academy, provided they are not inconsistent with provisions of this Contract. Before issuing general policies under this section, the University Board or the Center shall provide a draft of the proposed policies to the Academy Board. The Academy Board shall have at least thirty (30) days to provide comment to the Center on the proposed policies before such policies shall become effective.
- Section 12.16. <u>Survival of Provisions</u>. The terms, provisions, and representations contained in Section 11.2, Section 11.3, Section 11.9, Section 12.10, Section 12.13 and any other provisions of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.
- Section 12.17. <u>Termination of Responsibilities</u>. Upon termination or revocation of the Contract, the University Board or its designee shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract. Upon termination or revocation of the Contract, the Academy may amend its articles of incorporation or bylaws as necessary to allow the Academy Board to: (a) take action to appoint Academy Board members in order to have a quorum necessary to take Academy Board action; or (b) effectuate a dissolution, provided that the Academy Board may not amend the articles of incorporation with regard to the disposition of assets upon dissolution.
- Section 12.18. <u>Disposition of Academy Assets Upon Termination or Revocation of Contract</u>. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation, the Code, and Applicable Law.
- Section 12.19. <u>Student Privacy</u>. In order to protect the privacy of students enrolled at the Academy, the Academy Board, subject to Section 12.22, shall not:
 - (a) Sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil's education records. This subsection does not apply to any of the following situations:

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

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

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

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

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

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

Section 12.22. Confidential Address Restrictions.

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

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

As the designated representative of the Central Michigan University Board of Trustees, I hereby issue this Contract to the Academy on the date first set forth above.
CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES
By:Richard K. Studley, Chair
Date:
As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by the Terms and Conditions of this Contract and all Applicable Law.
SUMMIT ACADEMY NORTH DocuSigned by:
By: Drawn SSAS-11-ED7-CE-34DF Board President

5/21/2021

Date:_

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

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES
By: Richard K. Studley, Chair
Richard K. Studley, Chair
Date: 05/24/2021
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 an agreed to comply with and be bound by the Terms and Conditions of this Contract and all Applicable Law
SUMMIT ACADEMY NORTH
By:
Board President

CONTRACT SCHEDULES

<u>S</u>	chedules
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CONTRACT SCHEDULE 1 RESTATED ARTICLES OF INCORPORATION

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS FILING ENDORSEMENT

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

for

SUMMIT ACADEMY NORTH

ID NUMBER: 757565

received by facsimile transmission on August 18, 2017 is hereby endorsed.

Filed on August 21, 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 21st day of August, 2017.

Julia Dale, Director

Corporations, Securities & Commercial Licensing Bureau

				BULATORY AFFAIRS
Date Received				
	unless a su	nent is effective on the obsequent effective da received date is stated	te within 90	
Name	<u> </u>	<u> </u>		ן ן
Timothy A. Stoepker, I	Esq.	·] }
Address				1 1
200 Ottawa Ave. NW,	Ste. 1000			
City	State	Zip		EFFECTIVE DATE:
Grand Rapids	MI	49503	_	
				757565

RESTATED ARTICLES OF INCORPORATION For Use by Domestic Nonprofit Corporations

 \mathbf{OF}

SUMMIT ACADEMY NORTH

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: Summit Academy North.

The corporation identification number ("CID") assigned by the Bureau is: 757565.

The corporation has used no other names.

The date of filing the original Articles of Incorporation was: May 7, 1998.

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: Summit Academy North.

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.
- 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 Timothy A. Stoepker, Esq.

The address of its registered office in Michigan is: 200 Ottawa Ave. NW, Ste. 1000, Grand Rapids, MI 49503.

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

ARTICLE V

The corporation is a governmental entity.

ARTICLE VI

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

ARTICLE VII

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

ARTICLE VIII

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

ARTICLE IX

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

ARTICLE X

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

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

É.,

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

Signed this 17 day of Algust, 2017.

Bv:

Mr. Richard Braun II, President

CONTRACT SCHEDULE 2 <u>AMENDED BYLAWS</u>

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AMENDED BYLAWS

OF

SUMMIT ACADEMY NORTH

ARTICLE I NAME

This organization shall be called Summit Academy North (the "Academy" or the "corporation").

ARTICLE II FORM OF ACADEMY

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

ARTICLE III OFFICES

- Section 1. <u>Principal Office</u>. The principal office of the Academy shall be located in the state of Michigan.
- Section 2. <u>Registered Office</u>. The registered office of the Academy may be the same as the principal office of the Academy, but in any event must be located in the state of Michigan, and be the business office of the resident agent, as required by the Michigan Non-Profit Corporation Act. Changes in the resident agent and registered address of the Academy must be reported to the Michigan Department of Licensing and Regulatory Affairs and to The Governor John Engler Center for Charter Schools ("the Center.")

ARTICLE IV BOARD OF DIRECTORS

- Section 1. <u>General Powers</u>. The business, property and affairs of the Academy shall be managed by the Academy Board of Directors ("Academy Board"). The Academy Board may exercise any and all of the powers granted to it under the Michigan Non-Profit Corporation Act or pursuant to Part 6A of the Revised School Code ("Code"). The Academy Board may delegate such powers to the officers and committees of the Academy Board as it deems necessary, so long as such delegation is consistent with the Articles, these Amended Bylaws, the Contract and Applicable Law.
- Section 2. Method of Selection and Appointment. The Central Michigan University Board of Trustees ("University Board") shall prescribe the method of appointment for members of an Academy's Board. The Center Director is authorized to develop and administer an academy board selection and appointment process that includes an *Application for Public School Academy Board Appointment* and is in accord with these policies:
 - a. The University Board shall appoint the initial and subsequent Academy Board by resolution, except as prescribed by subparagraph d. The Center Director shall recommend qualified individuals to the University Board.

- b. The Academy Board, by resolution and majority vote, shall nominate its subsequent members, except as provided otherwise. The Academy Board shall recommend to the Center Director at least one nominee for each vacancy. Nominees shall submit the *Application for Public School Academy Board Appointment* for review by the Center. The Center Director may or may not recommend the appointment of a nominee submitted by the Academy Board. If the Center Director does not recommend the appointment of a nominee submitted by the Academy Board, he/she may select and recommend another nominee or may request the Academy Board submit a new nominee for consideration.
- c. An individual appointed to fill a vacancy created other than by the expiration of a term shall be appointed for the unexpired term of that vacant position.
- d. Under exigent conditions, and with the approval of the University Board's chair and the University President, the Center Director may appoint a qualified individual to the Academy Board. All appointments made under this provision must be presented to the University Board for final determination at its next regularly scheduled meeting. The University Board reserves the right to review, rescind, modify, ratify, or approve any appointments made under this provision.
- Section 3. <u>Length of Term.</u> A Director of the Academy Board shall serve at the pleasure of the University Board. Terms of the initial positions of the Academy Board shall be staggered in accordance with *The Academy Board of Directors Table of Staggered Terms and Appointments* established and administered by the Center Director. Subsequent appointments shall be for a term of office not to exceed four (4) years, except as prescribed by *The Academy Board of Directors Table of Staggered Terms and Appointments*.
- Section 4. <u>Number of Director Positions</u>. The number of director positions on the Academy Board shall not be less than five (5) nor more than nine (9) as determined by the University Board. If the Academy Board fails to maintain its full membership by making appropriate and timely nominations, the Center Director may deem that failure an exigent condition.
- Section 5. <u>Qualifications of Academy Board Members</u>. To be qualified to serve on the Academy Board, a person shall, among other things: (a) be a citizen of the United States; (b) be a resident of the State of Michigan; (c) submit all materials requested by the Center including, but not limited to, the *Application for Public School Academy Board Appointment* which must include authorization to process a criminal background check; and (d) annually submit a conflict of interest disclosure as prescribed by the Center.

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

- Section 6. 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. <u>Tenure</u>. Each Director shall hold office until the Director's replacement, death, resignation, removal or until the expiration of the term, whichever occurs first.
- Section 8. <u>Removal and Suspension</u>. If the University Board determines that the service in office of a Director of the Academy Board is no longer necessary, then the University Board may remove

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

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

- Section 9. <u>Resignation</u>. Any Director may resign at any time by providing written notice to the corporation or by communicating such intention (orally or in writing) to the Center. Notice of resignation will be effective upon receipt or at a subsequent time if designated in a written notice. A successor shall be appointed as provided in Section 2 of this Article.
- Section 10. <u>Board Vacancies</u>. A Director vacancy shall occur because of death, resignation, removal, failure to maintain residency in the State of Michigan, disqualification or as otherwise specified in the Code. Any vacancy shall be filled as provided in Section 2 of this Article.
- Section 11. <u>Compensation</u>. A Director of the Academy Board shall serve as a volunteer Director. By resolution of the Academy Board, the Directors may be reimbursed for their reasonable expenses incident to their duties.

ARTICLE V MEETINGS

- Section 1. <u>Annual and Regular Meetings</u>. The Academy Board shall hold an annual meeting each year. The Academy Board must provide, by resolution, the time and place, within the State of Michigan, for the holding of regular monthly meetings. The Academy Board shall provide notice of the annual and all regular meetings as required by the Open Meetings Act.
- Section 2. <u>Special Meetings</u>. Special meetings of the Academy Board may be called by or at the request of any Director. The person or persons authorized to call special meetings of the Academy Board may fix the place within the State of Michigan for holding any special meeting of the Academy Board called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the corporation in the state of Michigan. The corporation shall provide notice of all special meetings as required by the Open Meetings Act.
- Section 3. <u>Notice; Waiver</u>. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally, mailed, or sent by facsimile or electronic mail to the Director's business address. Any Director may waive notice of any meeting by written statement, facsimile or electronic mail sent by the Director, signed before or after the holding of the meeting. The attendance of a Director at a meeting constitutes a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

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

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

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

- Section 5. <u>Manner of Acting</u>. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Academy Board. No member of the Academy Board may vote by proxy, by way of a telephone conference or any other electronic means of communication.
- Section 6. <u>Open Meetings Act</u>. All meetings of the Academy Board shall at all times be in compliance with the Open Meetings Act.
- Section 7. 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. <u>Committees</u>. The Academy Board, by resolution, may designate one or more committees. Each committee is to consist of one or more Directors selected by the Academy Board. As provided in the resolution as initially adopted, and as thereafter supplemented or amended by further resolution, the committees shall have such powers as delegated by the Academy Board, except (i) filling of vacancies in the officers of the Academy Board or committees created pursuant to this Section; (ii) amending the Articles of Incorporation or Amended Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, Amended Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Academy Board of its activities as the Academy Board may request.

ARTICLE VII OFFICERS OF THE BOARD

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

- Section 2. <u>Election and Term of Office</u>. The Academy Board shall elect the initial officers at its first duly noticed meeting. Thereafter, the officers of the Academy Board shall be elected annually by the Academy Board. If the election of officers is not held at the annual meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officer resigns or is removed in the manner provided in Section 3.
- Section 3. <u>Removal</u>. Any officer or agent elected or appointed by the Academy Board may be removed by the Academy Board whenever in its judgment the best interests of the corporation would be served thereby.
- Section 4. <u>Vacancies</u>. A vacancy in any office shall be filled by appointment by the Academy Board for the unexpired portion of the term.
- Section 5. <u>President</u>. The President of the Academy Board shall be a member of the Academy Board. The President of the corporation shall preside at all meetings of the Academy Board. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Academy Board attending the meeting shall preside. The President shall, in general, perform all duties incident to the office of President of the Academy Board as may be prescribed by the Academy Board from time to time.
- Section 6. <u>Vice-President</u>. The Vice-President of the Academy Board shall be a member of the Academy Board. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or by the Academy Board.
- Secretary. The Secretary of the Academy Board shall be a member of the Academy Board. The Secretary shall: (a) keep the minutes of the Academy Board meetings in one or more books provided for that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Amended Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or the Academy Board.
- Section 8. <u>Treasurer</u>. The Treasurer of the Academy Board shall be a member of the Academy Board. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation in such banks, trust companies or other depositories as shall be selected by the Academy Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent to the corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Academy Board.
- Section 9. <u>Assistants and Acting Officers</u>. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Board shall have the power to appoint any member of the Academy Board to perform the duties of an officer whenever, for any reason, it is impractical for such officer to act personally. Such acting officer so appointed shall have the powers of and be subject to all the restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may by resolution otherwise determine.

- Section 10. <u>Salaries</u>. Officers of the Academy Board, as Directors of the corporation, may not be compensated for their services. By resolution of the Academy Board, officers may be reimbursed for reasonable expenses incident to their duties.
- Section 11. <u>Filling More Than One Office</u>. Subject to the statute concerning the Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws, any two offices of the corporation except those of President and Vice-President may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

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

- Section 1. <u>Contracts</u>. The Academy Board may authorize any officer or officers, agent or agents, to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal thereto. No contract entered into, by or on behalf of the Academy Board, shall in any way bind Central Michigan University or impose any liability on Central Michigan University, its trustees, officers, employees or agents.
- Section 2. <u>Loans</u>. No loans shall be contracted on behalf of the Academy and no evidences of indebtedness shall be issued in its name unless authorized by a prior resolution of the Academy Board. Such authority shall be confined to specific instances. No loan, advance, overdraft or withdrawal by an officer or Director of the corporation, shall be made or permitted unless approved by the Academy Board. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Central Michigan University or impose any liability on Central Michigan University, its trustees, officers, employees or agents.
- Section 3. <u>Checks, Drafts, etc.</u> All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Academy, shall be signed by Academy Board members or Academy Board employees, which shall not include employees of the Academy Board's Educational Service Provider, and in such manner as shall from time to time be determined by resolution of the Academy Board.
- Section 4. <u>Deposits</u>. All funds of the Academy shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under Section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.
- Section 5. <u>Voting of Gifted, Bequested or Transferred Securities Owned by this Corporation.</u> Subject always to the specific directions of the Academy Board, any shares or other securities issued by any other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation or by proxy appointed by the President, or in the absence of the President and the President's proxy, by the Secretary or Treasurer of this corporation or by proxy appointed by the Secretary or Treasurer. Such proxy or consent in respect to any

shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this corporation by the President, the Secretary or the Treasurer of this corporation without necessity of any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power and authority to vote the shares or other securities 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. <u>Contracts Between Corporation and Related Persons</u>. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirements set forth in Section 3 of the statute.

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

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

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

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

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

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

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

ARTICLE IX INDEMNIFICATION

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

ARTICLE X FISCAL YEAR

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

ARTICLE XI AMENDMENTS

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

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

ARTICLE XII TERMS AND CONDITIONS DEFINITIONS

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

CERTIFICATION

The Board certifies that these Amended Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by the Academy Board on the day of May, 2021.

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Academy Board Secretary

CONTRACT SCHEDULE 3

FISCAL AGENT AGREEMENT

SCHEDULE 3

FISCAL AGENT AGREEMENT

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

Preliminary Recitals

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

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

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

ARTICLE I DEFINITIONS AND INTERPRETATIONS

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

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

"Agreement" means this Fiscal Agent Agreement.

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

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

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

"State" means the State of Michigan.

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

ARTICLE II FISCAL AGENT DUTIES

- Section 2.1. <u>Receipt of State School Aid Payments and Other Funds</u>. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.2.
- Section 2.2. <u>Transfer to Academy</u>. Except as provided in Article X of the Terms and Conditions of Contract and in the Oversight, Compliance and ReportingAgreement, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Academy Account designated by a resolution of the Academy Board and by a method of transfer acceptable to the Fiscal Agent.
- Section 2.3. <u>Limitation of Duties</u>. The Fiscal Agent has no responsibilities or duties to verify the Academy's pupil membership count, as defined in the State School Aid Act of 1979, as amended, or to authorize, to approve or to determine the accuracy of the State Aid School Payments received on behalf of the Academy from the State Treasurer. The duties of the Fiscal Agent are limited to the receipt and transfer to the Academy of State School Aid Payments and Other Funds received by the Academy. The Fiscal Agent shall have no duty to monitor, account for or approve expenditures made by the Academy Board.
- Section 2.4. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board (i) authorizes a direct intercept of a portion of its State School Aid Payments from the State to a third party account for the payment of Academy debts and liabilities; or (ii) assigns or directs that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, then Academy shall submit to The Governor John Engler Center for Charter Schools at Central Michigan University for review and consideration: (i) a copy of the Academy Board's resolution authorizing the direct intercept or the assignment or direction of State School Aid Payments; (ii) a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent; and (iii) other documents as required. The Center reserves the right to not acknowledge in writing any State School Aid Payment Agreement and Direction that is not in a form and manner acceptable to the Fiscal Agent. The State School Aid Payment and Direction document shall include language that the third party lender or trustee acknowledges and consents to the transfer of State School Aid Payments into the Academy's dissolution account, as set forth in Article X of the Terms and Conditions. Any unspent funds remaining in the Academy dissolution account after payment of all wind-up and dissolution expenses shall be returned to the Academy.

ARTICLE III STATE DUTIES

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

- Section 3.2. <u>State School Aid Payment Overpayments and Penalties</u>. The State, through its Department of Education, has sole responsibility for determining State School Aid Payment overpayments to the Academy and the method and time period for repayment by the Academy. The State, through its Department of Education, has sole responsibility for assessing State School Aid penalties against the Academy for noncompliance with the Code and the State School Aid Act of 1979, as amended.
- Section 3.3. <u>Method of Payment</u>. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV ACADEMY DUTIES

- Section 4.1. <u>Compliance with State School Aid Act</u>. In order to assure that funds are available for the education of pupils, the Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.
- Section 4.2. <u>Academy Account</u>. The Academy is authorized to establish an account in the name of the Academy. Signatories to the Academy Account shall be current Academy Board members and/or Academy Board employees, which shall not include employees of the Academy Board's Educational Service Provider, as shall from time to time be determined by resolution of the Academy Board. The Academy Board is authorized to approve withdrawals and transfers from any Academy Account. Any authorization approved by the Academy Board for automatic withdrawals or transfers from an Academy Account may only be terminated or amended by the Academy Board.
- Section 4.3. 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. <u>Mid-Year Transfers</u>. Funding for students transferring into or out of the Academy during the school year shall be in accordance with the State School Aid Act of 1979 or applicable State Board rules.
- Section 4.5. 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. <u>Records</u>. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts, disbursements, allocations and application of the State School Aid Payments and Other Funds received, deposited or transferred for the benefit of the Academy, and these books shall be available for inspection at reasonable hours and under reasonable conditions by the Academy and the State.

Section 5.2. 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. <u>Representations</u>. The Fiscal Agent represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it in this Agreement and that it will carry out all of its obligations under this Agreement.
- Section 6.2. <u>Limitation on Liability</u>. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

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

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

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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 Summit Academy North.

BY:

Deborah M. Roberts, Director

Bureau of State and Authority Finance Michigan Department of Treasury

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Date: January 25, 2021

CONTRACT SCHEDULE 4

OVERSIGHT, COMPLIANCE AND REPORTING AGREEMENT

SCHEDULE 4

OVERSIGHT, COMPLIANCE AND REPORTING AGREEMENT

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

Preliminary Recitals

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

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

ARTICLE I DEFINITIONS AND INTERPRETATIONS

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

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

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

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

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

ARTICLE II OVERSIGHT, COMPLIANCE AND REPORTING RESPONSIBILITIES

- Section 2.1. <u>Oversight Responsibilities</u>. The Governor John Engler Center for Charter Schools ("the Center") at Central Michigan University, as it deems necessary to fulfill the University Board's Oversight Responsibilities, may undertake the following:
 - a. Monitor and evaluate if the Academy Board is properly governing the Academy and following the Amended Bylaws set forth in the Contract.
 - b. Monitor and evaluate the Academy's academic performance and progress toward achieving the educational goal and related measures set forth in Contract Schedule 7b.
 - c. Monitor and evaluate the Academy's implementation, delivery, and support of the educational program and curriculum as set forth in Contract Schedules 7c and 7d, respectively.

- d. Monitor and evaluate the Academy's application and enrollment procedures as set forth in Contract Schedule 7f.
- e. Monitor and evaluate the Academy's organizational and financial viability.
- f. Monitor and evaluate the Academy's fiscal stewardship and use of public resources.
- g. Monitor and evaluate the records, internal controls or operations of the Academy.
- h. Monitor and evaluate if the Academy is staffed with qualified personnel and that appropriate background checks have been conducted.
- i. Monitor and evaluate if the Academy is providing a safe learning environment.
- j. Request evidence that the Academy has obtained the necessary permits and certificates to operate as a public school from the applicable governmental agencies, including, without limitation, the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes and local health departments.
- k. Conduct comprehensive on-site reviews to assess and/or evaluate the Academy's performance.
- 1. Monitor and evaluate if the Academy is demonstrating good faith in complying with the Contract, the Revised School Code, and all other Applicable Law.
- m. Request periodic reports from the Academy regarding any aspect of its operation including, but not limited to, information identified in Schedule 8 of the Contract.
- n. Initiate action pursuant to the Terms and Conditions of Contract to amend, revoke, reconstitute, terminate or suspend the Contract.
- o. Provide information and support to the Academy.
- Section 2.2. <u>Compliance and Reporting Duties</u>. The Academy agrees to fulfill the following Compliance and Reporting Duties:
 - a. Adopt and properly maintain governing board policies in accordance with Applicable Law.
 - b. Comply with the reporting and document submission requirements set forth in the Master Calendar of Reporting Requirements issued annually by the Center.
 - c. Comply with any Academy-specific reporting and document submission requirements established by the Center.
 - d. Comply with the insurance requirements set forth in Article XI, Section 11.2 of the Terms and Conditions of Contract.
 - e. Comply with the Center's Educational Service Provider Policies, as may be amended.

- f. Report any litigation or formal proceedings to the Center including, but not limited to, litigation initiated by or against the Academy alleging violation of any Applicable Law. If the University is a named party, notify the general counsel for the University Board as set forth in Article XII, Section 12.1 of the Terms and Conditions.
- g. The Academy shall not occupy or use any school facility set forth in Schedule 6 of the Contract until such facility has received all fire, health and safety approvals required by Applicable Law and has been approved for occupancy by the Michigan Department of Licensing and Regulatory Affairs' Bureau of Construction Codes.
- h. Permit the Center to inspect the records, internal controls, operations or premises of the Academy at any reasonable time.
- i. Authorize the Center to perform audit and 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.
- 1. If the Academy operates an online or other distance learning program, it shall submit a monthly report to the MDE, in the form and manner prescribed by the MDE, that reports the number of pupils enrolled in the online or other distance learning program, during the immediately preceding month.

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

ARTICLE III RECORDS AND REPORTS

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

ARTICLE IV MISCELLANEOUS

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

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

Section 4.3. <u>Audit and Evaluation</u>. The Academy:

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

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

CONTRACT SCHEDULE 5 <u>DESCRIPTION OF STAFF RESPONSIBILITIES</u>

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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<u>Qualifications</u>. 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

- One position is employed directly by the Academy Board; and
- Applicable positions that are employed by CSP Management, Inc., a Michigan corporation d/b/a Partner Solutions for Schools ("Partner Solutions") 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-today duties include any or all of the following elements *:

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

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

Instructional Staff

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

Non-Instructional Staff

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

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (the "Agreement") is made and entered into as of <u>May 23</u>, 2021 by and between **PARTNER SOLUTIONS** ("PS"); and, **PARTNER SOLUTIONS FOR SCHOOLS** (collectively "Partner Solutions") and **SUMMIT ACADEMY NORTH**, a Michigan public school academy (the "Academy") formed under Part 6(A) of the Revised School Code (the "Code"), as amended, being MCL §380.501 to §380.507.

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** (the "Authorizer") to organize and operate a public school academy. The Authorizer is the statutory authorizing body. The Code permits a public school academy to contract with persons and entities for the operation and management of the public school academy.

Partner Solutions represents and warrants that it is a duly organized Michigan for-profit corporation, in good standing, and that Partner Solutions (its officers, employees and agents) has the educational background, managerial experience, expertise, education/school personnel/staffing expertise, training, capacity, qualifications, education/school business expertise and financial resources to provide the Services contemplated under this Agreement.

The Academy and Partner Solutions desire to enter into an independent contracting relationship whereby Partner Solutions will be engaged to provide the personnel and back-office business services as set forth in this Agreement (the "Services"). This Agreement between the Academy and Partner Solutions sets forth the understandings with respect to the relationship between them, the scope of their relationship and the limitations on the relationship between the parties.

Subject to the terms of this Agreement, the Contract with the Authorizer and subject to governing and applicable law, the Academy and Partner Solutions agree that Partner Solutions shall have the authority to hire and fire Partner Solutions employed personnel/staff to fulfill the contractual terms and conditions as set forth herein.

THEREFORE, in consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties agree as follows:

ARTICLE I RELATIONSHIP OF THE PARTIES AND OTHER MATTERS

A. <u>Authority</u>. The Academy represents that (i) it is authorized by law to contract with a private entity for the provision of personnel services and back-office business services to the Academy, (ii) it has been issued a Contract from the Authorizer to organize and operate a public school academy, (iii) it is authorized by the Authorizer to supervise and control the Academy, and (iv) it is vested with all powers necessary or desirable for carrying out the duties contemplated in this Agreement.

To the extent permitted by law, this Agreement and the Authorizer's Contract, the Academy hereby authorizes and grants to Partner Solutions, the necessary authority and power to perform under this Agreement. No provision of this Agreement shall interfere and/or be interpreted and/or applied to

interfere in any manner with the Board's statutory, contractual, and fiduciary responsibilities, nor shall any provisions of this Agreement be construed so as to prohibit the Academy from acting as an independent, self-governing public body.

- B. Partner Solutions Authority. Partner Solutions represents that (i) it is in the business of providing human/personnel/staffing services and back-office business services as provided in this Agreement for other public school academies and that it has become familiar with the staffing and business and financial needs and requirements of the Academy and that it has the ability to provide the services required by this Agreement, (ii) that it is established in accordance with Michigan law (iii) that it is in good standing and that it has been authorized to enter into and be bound by this Agreement and the duly authorized officer of Partner Solutions has the authority to execute this Agreement and by executing this Agreement, Partner Solutions accepts all obligations and responsibilities contained herein.
- C. <u>Relationship of the Parties</u>. Partner Solutions is not a division, subsidiary or any part of the Academy. The Academy is a corporate and governmental entity authorized under the Code. The Academy is not a division or any part of Partner Solutions. The relationship between the parties hereto was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.
- D. <u>Compliance with Section 503c.</u> On an annual basis, Partner Solutions agrees to provide the Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.
- E. Partner Solutions as Independent Contractor; Agency. The Board is the governing body with managerial authority and responsibility over the Academy. Under the policy direction of the Board, and in the performance of Services under this Agreement, Partner Solutions (its officers, directors, employees, and designated agents) shall be regarded at all times as performing services as independent contractors for the Academy. Consistent with that status, Partner Solutions reserves to itself the right to designate (to the extent required by this Agreement, the Authorizer's Contract and controlling law) the means and methods of accomplishing the objectives and purposes of this Agreement and the Academy shall not exercise (or have the right to exercise) control or direction over the means and methods utilized by Partner Solutions in providing services under this Agreement. Notwithstanding the foregoing, the Board, reserves the full right to verify and determine Partner Solutions compliance with this Agreement, the Authorizer's Contract and applicable law and Partner Solutions shall not provide its Services in a manner contrary to duly adopted motions and resolutions of the Board. No agent or employee of Partner Solutions shall be determined to be an agent or employee of the Academy, except as expressly acknowledged, if at all, in writing, by the Academy.

Notwithstanding the foregoing, Partner Solutions and its employees are hereby irrevocably designated as agents of the Academy for the limited purpose of allowing them access to educational

records under the Family Educational Rights and Privacy Act, 20 U.S.C. §1232(g), during the Term of this Agreement.

Except as permitted under the Code, Partner Solutions 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 Partner Solutions receives information that is part of an Academy's education records, Partner Solutions shall not sell or otherwise provide the information to any 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.

- F. Confidential Information. During the Term of this Agreement, the Academy may disclose confidential data and information to Partner Solutions, and its respective officers, directors, employees and designated agents to the extent permitted by applicable law, including without limitation, the Family Educational Rights and Privacy Act, 20 USC §1232g, 34 CFR Part 99; the Individual with Disabilities Education Act ("IDEA"), 20 USC §1401 et seq., 34 CFR 300.610 300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the American with Disabilities Act, 42 USC §12101 et seq.; the Health Insurance Portability and Accountability Act ("HIPAA"), 42 USC 1320d 13200d-8; 45 CFR 160, 162 and 164; and social security numbers, as protected by the federal Privacy Act of 1974, 5 USC §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84.
- G. <u>Partner Solutions Responsibility</u>. Partner Solutions will be solely responsible for its acts, the acts of its agents, employees, and those subcontractors who are contracted through Partner Solutions.
- H. No Related Parties or Common Control. The parties hereby agree that none of the voting power of the governing body of the Academy or the Board will be vested in Partner Solutions or its directors, members, managers, officers, shareholders, or employees. Further, the Academy and Partner Solutions are not, and shall not become: (i) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the "IRS Code"); or (ii) related persons, as that term is defined in the IRS Code.
- I. <u>Compliance with Academy's Contract.</u> Partner Solutions agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by the Authorizer. The provisions of the Academy's Contract with the Authorizer shall supersede any competing or conflicting provisions contained in this Agreement.
- J. <u>Non-Compete Agreement.</u> Partner Solutions agrees that it shall not impose any contractual requirement or contractual obligation on any of its employees assigned to the Academy to enter into a non-compete provision or agreement.
- K. <u>Lease and Loans.</u> If the Academy and Partner Solutions enter into a lease, execute promissory notes or other negotiable instruments, or enter into a lease-purchase agreement or other financing relationship, then such agreements must be separately documented and separately and duly approved by the Board and Partner Solutions and duly executed in a manner approved by the Board and

Partner Solutions and shall not be deemed a part of or incorporated into this Agreement. In addition, all such agreements must comply with this Agreement, the policies of the Academy, the Authorizer's Contract, as well as any applicable law.

- L. The Board. The Board is the governing body with oversight responsibilities over the Academy. The parties acknowledge that throughout this Agreement the term "Board" and the term "Academy" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject-matter of the article/section. This Agreement is executed by a duly authorized member of the Board (on behalf of the Academy), and by so executing this Agreement the Board acknowledges and accepts all obligations and responsibilities related to the Board as set forth in this Agreement. The Academy shall oversee and is responsible for: (1) education curriculum including special education curriculum, (2) the purchasing of instructional materials and equipment, food service, supplies, personal property, technology/software, (3) the repair and maintenance of Academy real and personal property, (4) student discipline, (5) academic requirements and outcomes, (6) athletic programs, (7) extracurricular activities, (8) Academy rules, policies and procedures, (9) rules and regulations governing the Academy, and (10) student transportation. The Academy is responsible for monitoring the implementation of (1) Academy policies, procedures and rules, (2) Academic performance, and (3) student, parent and community interactions and involvement at the Academy.
- M. Compliance with Academy Policies. Partner Solutions shall be bound by, comply with and enforce compliance by all Partner Solutions employees to Academy rules and policies including, but not limited to, the Academy's nepotism policy, conflict of interest policy and outside employment policy and any amendment to such policies and shall distribute the Academy policies and related forms and documents to Partner Solutions' employees. The Academy shall provide updated rules and policies and related forms/documents to Partner Solutions upon adoption of the same by the Academy Board and Partner Solutions shall implement the same within the time frame specified or thirty (30) days whichever is earlier.
- N. <u>Data Security Breach</u>. In the event the Academy experiences a data security breach of personally identifiable information from the Academy's education records not suitable to public release, Partner Solutions shall assist the Academy, in accordance with MCL 445.72, to take appropriate action to assess the risk and notify affected individuals whose personal information may have been compromised.

ARTICLE II TERM

A. <u>Term.</u> Subject to approval of the Authorizer, the term of this Agreement will be for a five (5) year period beginning July 1, 2021 and ending June 30, 2026 (the "Term"), subject to earlier termination under Article VI.

ARTICLE III COMPENSATION AND REIMBURSEMENT OF PERSONNEL SERVICES AND COSTS

A. Compensation for Services. The Academy shall pay Partner Solutions, for Personnel Services an

annual fee of Two and Seventy Five Hundredths percent (2.75%) of total gross wages (exclusive of benefits) paid to employees and staff assigned by Partner Solutions to the Academy as provided by this Agreement ("Fee").

The parties agree that the Fee amount is reasonable compensation for the Personnel Services which are in part described in the body of this Agreement and those Personnel Services described Article IV of this Agreement

B. Payment of Costs. Subject to the terms of this Agreement, in consideration of the Services provided to the Academy by Partner Solutions under this Agreement, the Academy will pay Partner Solutions, on an at-cost basis for properly invoiced salary, benefits, and other costs duly authorized by the Academy which are attributable to personnel employed by Partner Solutions and assigned by Partner Solutions to perform Services at the Academy under this Agreement, including but not limited to gross wages, FICA, Medicare, FUTA, SUTA, Workers' Compensation Insurance, Employment Practices Liability Insurance, employer portions of health, dental, vision and life insurance, and 401K employer contributions (if applicable) ("Payroll Costs").

Partner Solutions will rebate the Academy on October 1 of each year, following the school year if there are no new EPLI claims to the EPLI insurance plan. The rebate for the Academy will be in the amount of \$8,000. A new claim is defined as a lawsuit that applies to the EPLI plan filed with a court during the School Year. For example, if there are no new claims for the Academy on the EPLI policy for the 2022-23 School year, Partner Solutions will rebate the Academy \$8,000 on October 1, 2024. If there are claims against the policy during a School Year, Partner Solutions will pay the deductible of up to \$15,000 per claim, and there will not be a rebate paid to the Academy.

The Academy shall reimburse Partner Solutions for such other costs reasonably incurred and paid by Partner Solutions in providing the Services as specified in this Agreement and as duly authorized by the Academy. Such other costs may include, but are not limited to, employment ads, recruiting fees, background screening fees, costs mandated by governmental entities and administrative bodies and/or courts, testing fees, Job Fair booth fees, substitute charges/fees, and other expenses for equipment, software, supplies, food service, transportation, special education, psychological services, and medical services. In paying such costs on behalf of the Academy, Partner Solutions shall not charge an added fee (or mark-up). Marketing and development costs paid by and/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 Partner Solutions. No corporate costs of Partner Solutions shall be charged to and/or reimbursed by the Academy. The Academy will forward to Partner Solutions the funds to pay all costs of the Services provided pursuant to this Agreement. Notwithstanding the foregoing, the Academy shall not reimburse Partner Solutions for any costs, fees and expenses incurred by reason of Partner Solutions, intentional and/or negligent acts and/or omissions and/or breach of the Agreement and/or violation of applicable laws and regulation and/or violations of the Authorizer requirements.

The Academy Board agrees to annually maintain committed fund balance approximately the July and August wages that Partner Solutions owes staff assigned at the school.

C. Payment. Partner Solutions shall be advanced funds for Payroll Costs no later than the second day preceding each payroll date for Partner Solutions' employees performing services at the Academy. Said Payroll Costs shall be deposited by the Academy into a payroll account designated by Partner Solutions. All other expenses incurred by Partner Solutions will be paid by the Academy by the 15th day of the month following the month the expenditure was incurred by Partner Solutions. Notwithstanding any other term or provision in this Agreement to the contrary, in the Board's discretion, the Academy may pay fees for costs incurred by Partner Solutions. However, documentation of all expenses must be invoiced to the school and supported with back up documentation. At close of the fiscal year, Partner Solutions will have billed the Academy for all fees charged and costs incurred by Partner Solutions for the year in providing Services to the Academy. Documentation for all Payroll Costs will be broken down by each Partner Solutions' employee and must be in accord with the Academy's budget as approved by the Academy Board.

If Payroll Costs have not been funded by the Academy by the payroll date as provided herein and Partner Solutions is not otherwise in default/breach of this Agreement, Partner Solutions may send lay-off notices to Partner Solutions employees. Partner Solutions will timely provide the Academy an invoice for all accrued Partner Solutions' staff wages in accordance with the Academy Board approved budget (earned but not yet paid) for employees and staff assigned to the Academy for payment. For purposes of this Agreement the ("payroll date") shall be that date or dates established annually by Partner Solutions with written notice of the same to the Academy Board.

- D. <u>Availability of Funds</u>. Notwithstanding any other term or provision in this Agreement to the contrary, Partner Solutions shall not be, directly or indirectly, liable to any third party for any cost or expense incurred by the Academy. Partner Solutions shall, however, remain solely liable to the Academy for any cost it commits the Academy to without the Board's approval in the event such cost is beyond the amount anticipated in the Academy's budget or any amendment thereto.
- E. Other Institutions. The Academy acknowledges that Partner Solutions may enter into agreements similar to this Agreement with other public or private educational schools or institutions (the "Institutions"). Partner Solutions shall maintain separate accounts for reimbursable costs incurred on behalf of the Academy and for reimbursable expenses incurred on behalf of the Institutions. Partner Solutions shall only charge the Academy for costs incurred on behalf of the Academy as authorized by the terms of this Agreement.

If Partner Solutions incurs reimbursable costs on behalf of the Academy as authorized by the terms of this Agreement and the Institutions which are incapable of precise allocation between the Academy and the Institutions, then Partner Solutions shall allocate such expenses among the Institutions and the Academy equally unless such costs are properly chargeable to each student of the Academy and the Institutions and/or employees of Partner Solutions assigned to the Academy and the Institutions, in which case such costs shall be invoiced and paid, on a pro-rata basis, based on the number of students enrolled at the Academy and the Institutions, or upon such other equitable basis as agreed by the parties.

F. <u>Access to Records.</u> Partner Solutions shall keep accurate and complete records and documents as are required by the Academy and which are standard and customary to the Services as pertain to the Personnel Services and Back-Office Business Services provided to the Academy, together with all necessary records prepared by or in the possession of Partner Solutions, and retain all of said records

in the manner and for the duration required by the State of Michigan. In no event shall it be less than a period of six (6) years from the close of the fiscal year to which such books, accounts and records relate. All finance and other records of Partner Solutions related to the Academy (if any) will be made available to the Academy, the Academy's independent auditor whom shall be solely selected by the Academy Board and the Authorizer, upon request. Partner Solutions and the Academy shall maintain the proper confidentiality of personnel and other records as required by law. All records shall be kept in accordance with applicable state and federal requirements. The financial, educational and student records pertaining to the Academy are Academy property and such records are subject to the Michigan Freedom of Information Act. All Academy records shall be physically or electronically available, upon request, at the Academy's physical facilities. Partner Solutions shall provide such additional documentation as reasonably requested by the Academy to enable the Academy and/or the Authorizer to monitor and/or audit the performance and records including, but not limited to the financial records of Partner Solutions arising from and related to the Services and this Agreement.

G. Other Services. Upon request of the Academy, Partner Solutions will provide consulting services separate and distinct from the Personnel Services as defined in Article IV of this Agreement and Business Services as defined in Articles XII and XIII of this Agreement to the Academy at a mutually agreed upon reasonable rate commencing at the rate of \$80.00 per hour for time period of July 1, 2021 through June 30, 2022 plus mileage at the current IRS rate. These services may include, but not be limited to, marketing, facilities, compliance, curriculum, special education and/or any other consulting necessary to ensure successful operations.

ARTICLE IV PERSONNEL SERVICES

- A. <u>Personnel Responsibility</u>. Currently, the Academy's sole employee is the Superintendent. Within the parameters of the Academy's approved budget, Partner Solutions shall identify all personnel and work with the Superintendent and/or the Academy Board to recommend staffing levels, and select, evaluate, assign, discipline and transfer personnel, consistent with the Academy's educational programs, objectives and curriculum and consistent with applicable laws and as is necessary to fulfill Partner Solutions' obligations under this Agreement and as is required for the Academy to comply with the Academy's Contract with the Authorizer.
- B. Partner Solutions Leader (currently, the Administrator of Data and Reporting). Partner Solutions shall employ an Academy Leader. The Academy Leader shall be a liaison between the Board and Partner Solutions and shall assist the Superintendent in administrating the Educational Program of the Academy, shall coordinate with designated Partner Solutions' managers and officers of Partner Solutions home office with administrative and personnel responsibilities and will assist the Superintendent in the on-site supervision of Partner Solutions' employees assigned to the Academy and shall assist and provide information to Partner Solutions and the Board of the Academy to enable the Board to make informed decisions regarding the policies, procedures, programs and activities of the Academy.

In the event Partner Solutions determines to terminate the Academy Leader, it shall be guided by the Revised School Code and shall provide the Board reasonable written notice in advance of such termination. If the Board of the Academy becomes dissatisfied with the performance of the Academy Leader, it shall be guided by the Revised School Code and provide written notice of its dissatisfaction to Partner Solutions. Partner Solutions shall have a reasonable period of time to cure any such dissatisfaction, and if such dissatisfaction is not remedied by the Partner Solutions, Partner Solutions shall remove and replace the Academy Leader. The Academy Leader shall hold all certifications required by the Revised School Code.

C. <u>Teachers and staff.</u> Partner Solutions will assist the Superintendent and/or the Academy Leader to identify qualified teachers and support staff to perform services for the Academy. Partner Solutions will empower the Partner Solutions employed Academy Leader with the authority to select and hold accountable the teachers and support staff for the operation of the Academy. The Academy shall have the right to require Partner Solutions to enlarge and reduce teachers and staff at any time and Partner Solutions shall cooperate with the Academy to determine staff/employee qualifications and the nature and type of staffing/employees required for the Academy to enable the Academy to meet its goals and objectives. The Academy shall not be bound by any contractual relationship between Partner Solutions and its staff and teachers. All Partner Solutions' staff and teachers shall be "at will employees" of Partner Solutions and shall be "terminable at will" by Partner Solutions.

Partner Solutions shall require all staff and teachers assigned to the Academy to comply with an outside employment/outside contracting policy as may be required by the Academy and/or the Authorizer which prohibits staff and teachers assigned to the Academy from using Academy facilities and resources and materials for non-Academy purposes and which prohibits outside employment and outside contract services by teachers and staff during Academy working hours, which prohibits outside employment and outside contracting with any entity and/or person under contract with and/or providing services and/or material to the Academy and which may prohibit such other outside employment and outside contracting as permitted by applicable law.

The curriculum taught by such teachers shall be the curriculum prescribed by the Academy pursuant to the Authorizer's Contract. Such teachers may, in the discretion of Partner Solutions which shall be exercised in the best interests of the Academy, 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 Partner Solutions. Each teacher assigned or retained to the Academy shall meet all necessary requirements as established by the Michigan Department of Education, the Authorizer, and State and federal law and shall have all certifications required by applicable law to teach in a Michigan public school. Evaluation and compensation systems administered by Partner Solutions shall comply with all applicable laws and shall comply with this Agreement and the budgets approved by the Academy Board. All employees of Partner Solutions shall be subject to Partner Solutions' policies and procedures as outlined in the employee handbook and the policies and procedures adopted by the Academy and as required in the Authorizer's Contract. As the employer of record, Partner Solutions may discipline and/or terminate any employee for cause.

D. <u>Criminal Background Checks</u>. The parties understand and agree that criminal background checks and unprofessional conduct checks are required to be conducted on any individual assigned to the Academy under this Agreement. Partner Solutions agrees that it shall not assign any of its employees, agents or other individuals to perform any services under this Agreement except as permitted under Sections 1230, 1230a, 1230b and related provisions of the Code pertaining to criminal background and criminal conduct checks. The Academy shall require that the results of

the criminal background check are received, reviewed, and used (subject to a verification process) by the Academy's Authorized User acting on behalf of the Academy and/or the Board, only as permitted by law to confirm that the individual does not have a criminal history and to evaluate the qualifications of the individual for his/her assignment.

E. Employer of Personnel. Compensation of all employees of Partner Solutions shall be paid by Partner Solutions. For purposes of this Agreement, "compensation" shall include salary, fringe benefits, and state, federal, local, and social security tax withholdings. Partner Solutions shall be responsible for paying its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees assigned to the Academy. Unless required by applicable statute, court or administrative decision, or Attorney General's opinion, Partner Solutions shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. Teachers employed by Partner Solutions shall not be considered teachers for purposes of continuing tenure under MCL §38.71 et. seq. Partner Solutions accepts full liability and is responsible for paying all salaries, benefits, payroll taxes, workers compensation, unemployment compensation and liability insurance for its employees leased to the Academy or working on Academy operations for work already completed irrespective of whether Partner Solutions receives an advancement of its costs or the payment of service from the Academy. However, Academy's non-payment of such funds is considered a material breach of this Agreement.

To enable the Academy to comply with its reporting obligations under the Michigan Public School Employees Retirement Act, 1980 PA 300, as amended, Partner Solutions: (i) shall promptly notify the Academy in writing of the identity of any individual assigned by Partner Solutions to perform services at the Academy who is a retiring after July 1, 2010 from the Michigan Public School Employees Retirement System (MPSERS); and (ii) shall include on the Academy's payroll invoice on a pay period basis information regarding any such individual's wages or amounts paid and hours of service under this Agreement, as necessary for the Academy to report on a schedule and in such manner as may be determined from time to time by MPSERS, MCL 38.1342(6). The Academy shall be responsible for the reporting of that information and any payments required under the Act.

At the request of the Academy, and upon reasonable notice, Partner Solutions will attend Board meetings at no additional cost with regard to the Personnel Services provided by Partner Solutions and shall also provide such information that is reasonably requested by the Academy and/or Board to enable the Board to monitor Partner Solutions performance under this Agreement.

- F. <u>401K Plan Administration</u>. Partner Solutions will complete and sign all necessary 401K regulatory and plan documents as required by law and duties as fiduciary agent of the plan.
- G. <u>Financial Reporting for Personnel.</u> Partner Solutions shall provide the Board with:
 - i. A detailed invoice for payroll costs to be provided to the Academy by Partner Solutions on a per payroll basis.
 - ii. Other information on a periodic basis to enable the Academy to monitor Partner Solutions' performance and the efficiency of those services that are provided under this Agreement.
 - iii. All reasonably requested or expected information upon the Academy's reasonable request, to enable the Academy to monitor Partner Solutions' performance under this Agreement.

H. <u>Unusual Events.</u> Both parties agree to notify each other immediately of any known health, safety or other violations and of any anticipated labor, employee or funding problems or other problems or issues which could adversely impact the Academy in complying with its responsibilities as provided by law and as by provided by its agreement with the Authorizer or as to Partner Solutions in satisfying and performing its obligations pursuant to this Agreement.

ARTICLE V ACADEMY FUNDS, PROCUREMENT, PROPRIETARY RIGHTS & REMEDY FOR BREACH

- A. <u>Academy Funds</u>. The Board shall determine the depository of all funds received by the Academy. All funds received by the Academy shall be deposited in the Academy's depository account. Signatories on the Academy Board accounts shall solely be members of the Board. All interest or investment earnings on Academy accounts shall accrue to the Academy.
- B. Procurement Policies. The Board hereby retains the obligation, as provided in the Code, to adopt written policies governing the procurement of supplies, materials, and equipment for the Academy. Payment of any and all Academy invoices, contracts and purchase orders shall be in a manner dictated by the Academy Board in accordance with Academy policies and as required by the Authorizer Contract and applicable law. If Partner Solutions is authorized by the Academy Board to procure supplies, materials and equipment as provided by applicable law, the policies of the Academy and the Authorizer's Contracts, then in such case, Partner Solutions shall directly procure all supplies, materials, and equipment provided that Partner Solutions complies with the Code including, but not limited to, Sections 1267 and 1274 of the Code, MCL 380.1267 and MCL 380.1274 as if the Academy were making these purchases directly from a third party supplier or vendor and the Board's written policies promulgated thereunder related to such items. Partner Solutions shall not include any added fees or charges with the cost of equipment, materials and supplies purchased from third parties or vendors. All items acquired with Academy funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and other technology, shall be owned by and remain the property of the Academy.
- C. Academy's Rights to Curriculum and Educational Materials. The Academy shall own, without restriction, all proprietary rights to curriculum and educational materials that: (a) are or were directly developed by the Academy and paid for with Academy funds; or (b) are or were developed by Partner Solutions at the direction of the Board using Academy funds.
- D. <u>Partner Solutions' Rights to Curriculum and Educational Materials.</u> Subject to proprietary ownership of third parties, Partner Solutions shall own, without restriction, all curriculum, and educational materials, and all other proprietary information owned by, developed by or otherwise in the possession of Partner Solutions, except as set forth in this Agreement and except as provided by applicable law or by the Authorizer's Contract. Any Partner Solutions educational and teaching materials and techniques shall be subject to disclosure pursuant to the Revised School Code and Freedom of Information Act.
- E. Except as otherwise provided in this Agreement and as specifically required by the Code, the Contract, or the Michigan Freedom of Information Act, the proprietary information and materials of each respective party shall be held in strict confidence by the other party during the Term of this Agreement, and continuing for three (3) years thereafter, and both parties hereby agree that, to the

extent not prohibited by law, they will not use or disclose to anyone, directly or indirectly, for any purpose whatsoever, any such proprietary information without the prior written consent of the other party.

If a party uses or discloses such propriety information in violation of this Section E, the disclosing party shall (i) be liable to the other party for all damages, including, but not limited to, lost profits resulting from the breach, and (ii) be obligated to reimburse the non-disclosing party for its legal costs and reasonable attorney fees related to the enforcement of this Section E.

ARTICLE VI Termination

A. <u>Termination by Partner Solutions</u>. Partner Solutions may terminate this Agreement prior to the end of the Term in the event the Board fails to remedy a material breach within the required time frames below or it is determined that Partner Solutions is required to pay MPSERS. A material breach includes, but is not limited to, Partner Solutions' failure to receive for any reason, compensation or reimbursement as required by the terms of this Agreement. Partner Solutions may also terminate this Agreement if the Academy makes decisions regarding personnel materially inconsistent with the written recommendations of Partner Solutions and/or there is a substantial and unforeseen material increase in the cost of administering Personnel Services of this Agreement.

Partner Solutions upon thirty (30) days prior written notice may terminate this Agreement prior to the end of the term in the event the Academy ceases to exist as a consequence of bankruptcy, adjudged insolvency, discontinued operations by successor and assigns for period of more than 30 consecutive days not including school holidays, vacations including summer vacation or by reason acts of God, pandemics, the Academy requests a reduction in Partner Solutions workforce by more than twenty percent (20%), and/or the Academy is a financially distressed entity as set forth in the Worker Adjustment and Retraining Notification Act ("WARN") 29 USC section 2101 et. seq. The Board shall provide Partner Solutions ninety (90) days advance written notice prior to the facility closure in order for Partner Solutions notice requirements pursuant to WARN.

Notwithstanding anything in this Agreement to the contrary, the Academy has ten (10) days after written notice from Partner Solutions to remedy a breach that involves the advancement of funds for all "compensation" required for Payroll Costs or to reach an agreement with Partner Solutions on the payment of those funds. The Academy has thirty (30) days after written notice from Partner Solutions to remedy all other material breaches.

Termination prior to the end of the Term shall not relieve the Academy of any financial or other obligations to Partner Solutions outstanding as of the date of termination as provided by this Agreement. Failure by Partner Solutions to (i) declare a breach, (ii) place the Academy on notice thereof, or (iii) fail to exercise or exert any remedy available to Partner Solutions under this Agreement or applicable laws, shall not be deemed a waiver of Partner Solutions' rights and remedies whatsoever.

Notwithstanding the foregoing, the this Agreement may be terminated at any time by Partner Solutions without cause or for no reason upon ninety (90) days prior written notice to the Academy or Partner Solutions without liability to the Academy or Partner Solutions.

B. Termination by Academy. The Academy may terminate this Agreement prior to the end of the Term in the event that Partner Solutions fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to: (i) failure by Partner Solutions to reasonably account for its expenditures; (ii) failure by Partner Solutions to provide the Services as required by this Agreement; (iii) a determination has been made by some governmental entity or administrative agency or court of law that Partner Solutions is required to participate in MPSERS; (iv) any action or inaction by Partner Solutions that places the Contract in jeopardy of revocation, suspension or termination, as evidenced by written notification from the Authorizer which is not fully cured within the time frame required by the Authorizer or sixty (60) days, whichever is the shorter period of time; (v) failure by Partner Solutions to pay any Academy expenses as required by this Agreement including, but not limited to Payroll Costs funded by the Academy as required under this Agreement (provided funds are available); (vi) failure by Partner Solutions to follow Academy policies, resolutions, procedures, rules, or regulations; and/or (vii) a violation of applicable law.

The Academy upon thirty (30) days written notice to Partner Solutions may terminate this Agreement in the event Partners Solution operations cease to exist by reason of bankruptcy, insolvency, and/or for such other reason.

Partner Solutions has ten (10) days after notice from the Academy to remedy a breach that involves the non-payment of expenses including, but not limited to Payroll Costs required to be paid by Partner Solutions pursuant to this Agreement which have been funded by the Academy or to reach an agreement with the Academy on the payment of those expenses and funds. Partner Solutions has thirty (30) days after notice from the Academy to remedy all other material breaches. Upon expiration of this Agreement, or termination for any reason, all advances or billable costs, if any, paid by Partner Solutions shall be immediately repaid by the Academy, unless otherwise agreed in writing by Partner Solutions and the Academy.

Notwithstanding the foregoing, this Agreement may be terminated in whole or in part at any time by the Academy without cause or for no reason upon ninety (90) days written notice to the Academy or Partner Solutions without liability to the Academy or Partner Solutions.

- C. Revocation or Termination of the Charter Contract. If the Academy's Contract issued by the Authorizer is revoked or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be terminated, as the case may be, on the same date as the Academy's Contract is revoked, terminated or expires without further action of the parties.
- D. Change in Law. If any federal, state or local law or regulation, or court or administrative decision, or attorney general's opinion (collectively referred to in this Agreement as the "applicable laws") has a substantial and material adverse impact (as reasonably determined by the party suffering the impact) on the ability of the impacted party to carry out its obligations under this Agreement, then the impacted party, upon written notice, may request a renegotiation of this Agreement. If the parties are unable or unwilling to successfully renegotiate the terms of this Agreement within ninety (90) days after the notice, and after making good faith efforts which shall include, but not be limited to, the use of a third party arbitrator and/or alternative dispute resolution process, the impacted party may terminate this Agreement as of the end of the then-current academic year.

- E. Transition. The Academy Board and Partner Solutions 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 Partner Solutions agree to work cooperatively to transition management and operations of the school without disrupting the school's operations. In the event of any termination prior to the end of the Term of this Agreement, Partner Solutions shall provide the Academy reasonable assistance in accordance with the Authorizer's Educational Service Provider Policies to assist in the orderly transition to another service provider, to a self-managed school or dissolution. Upon termination, it is agreed that with the cooperation of Partner Solutions that the Academy shall be free to approach Partner Solutions employees assigned to the Academy and arrange for them to be assigned to another independent contractor providing personnel to the Academy. Partner Solutions warrants and represents that it will not bind any individual and/or entity assigned to the Academy by contract or otherwise, in such manner that if, he/she would be unable to continue serving the Academy upon termination of this Agreement.
- F. Obligations upon Termination or Expiration. Upon any termination or the expiration of this Agreement, the parties shall remain obligated for all financial or other obligations due at the time of the termination or expiration. Upon termination or expiration of the Agreement, or the Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal, Partner Solutions shall, as applicable, without additional charge: (i) close the financial records on the thencurrent 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 Partner Solutions 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.
- G. Amendment Caused By Academy Site Closure or Reconstitution. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the Michigan Department of Education under Section 507, 528 or 561 of the Code, MCL 380,507, 380.528 or 380,561; or (ii) to undergo reconstitution pursuant to Section 507, 528 or 561 of the Code, MCL 380.507, 380.528 or 380.561 and the Contract, and such closure of an Academy site or reconstitution causes an amendment to or termination of this Agreement, the parties agree that this Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and Partner Solutions shall have no recourse against the Academy or the Authorizer Board for implementing such site closure or reconstitution.

ARTICLE VII INDEMNIFICATION & COOPERATION

A. <u>Indemnification of Partner Solutions</u>. To the extent permitted by law, the Academy shall indemnify and save and hold Partner Solutions 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: (i) any willful non-compliance by the Academy with any agreements, covenants, warranties or undertakings of the Academy contained in or made pursuant to this Agreement; (ii) any misrepresentation or any breach of the representations and warranties of the Academy contained in or made pursuant to this Agreement; (iii) knowing violation of applicable laws (iii) the gross negligence of the Academy's directors, officers, employees, agents or representatives; (iv) any claim arising out of the Academy's educational and school operations that are the responsibility of the Superintendent and not CSP (including but not limited to student achievement, special education, student or parent issues, implementation of policies and procedures); (v) and/or any failure to timely and accurately notify PARTNER SOLUTIONS of any workplace injuries, leaves of absence, hours worked, change in employment status; agents; SOLUTIONS; (vi) any acts or failures to act by Academy which occurred prior to the Effective Date of this Agreement.

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

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

To the extent the parties each agree to coordinate a defense at their respective sole discretion, the parties shall utilize shared counsel which shall be paid for by the Academy and no reimbursement of any costs or fees shall be necessary. The Academy may reimburse Partner Solutions at its sole discretion for pre-approved legal expenses and costs associated with the defense of any such claim, demand, or suit which are not otherwise covered by the shared defense.

In addition, to the extent permitted by law, the Academy shall indemnify and reimburse Partner Solutions for all legal costs and reasonable attorney fees associated with the defense of any such claim, demand or suit. If desired, all or part of the indemnification obligations set forth in this Section A, may be met by the purchase of insurance by the Academy. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the

time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of the Academy.

B. <u>Indemnification of the Academy.</u> During the Term and continuing forever after any termination or the expiration of this Agreement, Partner Solutions 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: (i) non-compliance by Partner Solutions with any agreements, covenants, warranties or undertakings of Partner Solutions contained in or made pursuant to this Agreement; (ii) Partner Solutions' breach of the Agreement; and/or (iii) the negligence of Partner Solutions' directors, officers, employees, agents or representatives.

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

To the extent the parties each agree to coordinate a defense at their respective sole discretion, the parties shall utilize shared counsel which shall be paid for by Partner Solutions and no reimbursement of any costs or fees shall be necessary. Partner Solutions may reimburse the Academy at its sole discretion for pre-approved legal expenses and costs associated with the defense of any such claim, demand, or suit which are not otherwise covered by the shared defense.

In addition, Partner Solutions shall reimburse the Academy for all legal costs and reasonable attorney fees associated with the defense of any such claim, demand, or suit. If desired, all or part of the indemnification obligations set forth in this section may be met by the purchase of insurance by Partner Solutions. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of Partner Solutions.

- C. <u>Immunities and Limitations</u>. The Academy shall be entitled to assert all immunities and statutory limitations of liability in connection with any claims arising under this Agreement.
- D. Responsibility of the Academy and Partner Solutions. The Academy will be solely and entirely responsible for its acts and omissions and for the acts and omissions of the Academy's agents and employees (if any) in connection with the performance of the Academy's responsibilities under this Agreement; provided, however, that nothing in this Agreement is intended, to designate Partner Solutions and/or its employees as agents of the Academy and however, nothing in this Agreement is intended to be construed, as a waiver of the governmental immunity provided to the Academy and its incorporators, board members, officers, employees, and volunteers under Section 7 of Act 170, Public Acts of Michigan, 1964, as amended, MCL 691.1407. If Partner Solutions is made a party to any litigation involving claims arising out of or relating in any way to any alleged acts and/or omissions of the Academy or its directors, agents, or employees, the Academy will provide

- any non-monetary reasonable assistance requested by Partner Solutions in the defense against such claims as long as such assistance does not adversely affect the Academy's ability to defend against such claims.
- E. Mutual Duty to Cooperate. The parties acknowledge that each party has a duty and obligation to cooperate with the other party, and further that such duty to cooperate is a material part of this Agreement. The purpose of the duty to cooperate is to enable each party to perform its obligations as efficiently as possible. The duty to cooperate shall include all areas of the business of the Academy and the Services, including but not limited to potential and actual issues related to employees or teachers as they arise. The duty to cooperate also includes reasonable assistance in the event of litigation or a dispute involving a party related to the Academy or the Services, such as provision of testimony, records and/or documents reasonably related to the litigation or dispute (which are not otherwise protected from disclosure).
- F. Indemnification of Authorizer. The parties acknowledge and agree that the Authorizer, 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, Partner Solutions 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, 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, Partner Solutions' preparation for or operation of the University, or which are incurred as a result of the reliance by the Authorizer upon information supplied by Partner Solutions, or which arise out of Partner Solutions' failure to comply with the Contract or applicable law. The parties expressly acknowledge and agree that the University may commence legal action against Partner Solutions to enforce its rights as set forth in this section of the Agreement.

ARTICLE VIII INSURANCE

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

will maintain such policies of insurance as are required by the Contract and the Michigan Universities Self-Insurance Corporation ("M.U.S.I.C."), including the indemnification of the Academy as required by this Agreement. In the event the Authorizer or M.U.S.I.C. requests any change in coverage by Partner Solutions, Partner Solutions 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. Partner Solutions will, upon request, present evidence to the Academy and Authorizer that it maintains the requisite insurance in compliance with the provisions of this section. The Academy will comply with any information or reporting requirements applicable to Partner Solutions under Partner Solutions' policy with its insurer(s), to the extent reasonably practicable.

- C. Evidence and Notices. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance as required in this Article VIII. The policies of insurance of each party shall also provide that the other party receive from the insurer(s) a minimum thirty (30) day written notice of any termination of said policies.
- D. <u>Workers' Compensation Coverage</u>. Additionally, each party shall maintain workers' compensation insurance, as required by state law, covering their respective employees.

ARTICLE IX WARRANTIES AND REPRESENTATIONS

- A. <u>Warranties and Representations of the Academy.</u> The Academy represents to Partner Solutions that (i) it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, (ii) its actions have been duly and validly authorized, and (iii) it will adopt the necessary resolutions or expenditure approvals required for execution of this Agreement.
- B. Warranties and Representations of Partner Solutions. Partner Solutions represents and warrants to the Academy that (i) it is a Michigan corporation in good standing duly authorized to conduct business in the State of Michigan, (ii) it has the authority under applicable laws to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, (iii) its actions have been duly and validly authorized, and (iv) it will adopt any and all resolutions required for execution of this Agreement.
- C. <u>Mutual Representations and Warranties</u>. Each party represents and warrants to the other party that except as disclosed in writing to the other party, to its knowledge, there are no pending actions, claims, suits, or proceedings, whether threatened or reasonably anticipated, against or effecting it, which if adversely determined would have a material adverse effect (as might be reasonably determined by the non-affected party if disclosed) on its ability to perform its obligations under this Agreement.

ARTICLE X ALTERNATIVE DISPUTE RESOLUTION

A. <u>Mediation.</u> Any and all disputes between the parties concerning any alleged breach of this Agreement or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement shall first be communicated in

writing to the other party and mutually discussed between the parties with an opportunity to cure the alleged breach/default within the time frames specified in Article VI of this Agreement. If no resolution can be ascertained through mutual discussion within the time periods specified in Article VI of this Agreement, then the matter may upon mutual agreement of the parties be submitted to mediation for resolution in Wayne County. Both parties must mutually agree upon the mediator selected and shall participate in all meetings in good faith. The parties will share equally in the costs of the mediation including forum fees, expenses and charges of the mediator.

B. <u>Arbitration.</u> If voluntary mediation does not result in a mutually satisfactory compromise or if mediation is not conducted, then the matter shall be resolved by arbitration in accordance with the Commercial Rules of the American Arbitration Association which such procedure shall be the sole and exclusive remedy for such matters. The arbitration shall be conducted by a mutually agreed upon arbitrator in Wayne County, Michigan and in the event the parties cannot agree to an arbitrator within 30 days of written demand for arbitration the claims will be arbitrated through the American Arbitration Association. The arbitrators' 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, by any party, without the consent of the other party. The losing party shall pay the cost of arbitration, not including attorney fees. It shall be within the discretion and purview of the arbitrator or arbitration panel to award reasonable attorney fees to the prevailing party. The Authorizer shall be notified of said decision, and upon the Authorizer's request, the cause opinion shall be made available.

ARTICLE XI MISCELLANEOUS

- A. <u>Entire Agreement.</u> This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between the Academy and Partner Solutions. This Agreement constitutes the entire agreement of the parties.
- B. <u>Force Majeure.</u> Notwithstanding any other sections of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, accident, labor strike, flood, terrorism, or other acts beyond its control.
- C. <u>Governing Law.</u> This Agreement and the rights of the parties hereto shall be interpreted according to the laws of the State of Michigan.
- D. Official Notices. All notices or other communications required by the terms of this Agreement shall be in writing and sent to the parties at the addresses set forth below. Notice may be given by certified or registered mail, postage prepaid, return receipt requested, traceable carrier or personal delivery. The ("Board Liaison") as provided in this Agreement shall be the Board President, unless otherwise designated in writing by the Board. Notices shall be deemed to have been given on the date of personal delivery, or, if given by mail, the postmark date. Unless amended or updated in writing, the addresses of the parties hereto for the purposes of this Agreement shall be:

THE ACADEMY: Board President

Summit Academy North

P.O. Box 310

Flat Rock, MI 48134

with a copy to: Timothy A. Stoepker

Dickinson Wright PLLC

200 Ottawa Avenue, NW, Suite 1000

Grand Rapids, MI 49503

PARTNER SOLUTIONS: Partner Solutions

c/o Maria Dockins 869 South Old US 23 Brighton, Michigan 48114

- E. <u>Assignment</u>. This Agreement shall not be assigned (i) by Partner Solutions, without prior consent of the Board, in writing which consent shall be within the sole discretion of the Academy; or (ii) by the Academy, without the prior consent of Partner Solutions, in writing, which consent shall be within the sole discretion of Partner Solutions. Any assignment, if any, must be consistent with the Authorizer's Educational Service Provider Policies and shall require prior written notice.
- F. <u>Amendment.</u> This Agreement may only be amended in writing, signed by a duly authorized representative of each party, with said amendment being subject to the Authorizers prior non-disapproval and shall be in a manner consistent with the Contract and the Authorizer's Educational Service Provider Policies.
- G. <u>Effect of Headings</u>. The underlined headings are included for convenience of the reader, and if the underlined headings are inconsistent with the other text the underlined text shall be disregarded.
- H. Tax Exempt Financing. If at any time the Academy determines that it is in the best interests of the Academy to obtain financing from the Michigan Public Educational Facilities Authority or any other type of financing that is tax-exempt pursuant to the IRS Code, then the parties hereby agree that this Agreement shall be automatically amended for the sole and limited purpose of compliance with Revenue Procedure 97-13, as modified by Rev. Proc. 2001-39 amplified by Notice 2014-67, and/or its progeny. Any such automatic amendment shall be as limited as practicable, and the parties shall promptly execute a written agreement reflecting such amendment, but the failure of the parties to do so shall not affect the effectiveness of the automatic amendment referenced above; provided, however, that any such amendment shall be consistent with the Authorizer's Educational Service Provider Policies.
- I. <u>Waiver</u>. No waiver of any portion of this Agreement shall be deemed or shall constitute a waiver of any other provision, nor shall such waiver constitute a continuing waiver unless otherwise expressly stated in writing.
- J. <u>Severability</u>. The invalidity of any portion or term of this Agreement shall not affect the remaining portions or terms of this Agreement. In the event a portion or a term of this Agreement is deemed invalid, the parties shall cooperatively work together to modify the invalid portion or term as minimally as possible to cure the invalidity, while at all times preserving the spirit and purpose of the applicable portion or term.

- K. <u>Successors and Assigns</u>. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.
- L. <u>No Third Party Rights</u>. This Agreement is made for the sole benefit of the Academy and Partner Solutions. Except as otherwise expressly provided herein, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.
- M. <u>Survival of Termination</u>. All representations, warranties, and indemnities made in this Agreement shall survive any termination or expiration of this Agreement without limitation.
- N. <u>Delegation of Authority; Compliance with Laws.</u> Nothing in this Agreement shall be construed as delegating to Partner Solutions any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with all applicable laws. The parties agree to comply with all applicable laws.
- O. <u>Execution</u>. The parties may execute this Agreement by facsimile or in counterparts. A facsimile or photographic copy of this Agreement may be relied upon by either party, or any third party, as if it were an original signature copy. If this Agreement is executed in counterparts, the separate counterpart signature pages shall be combined and treated by the parties, or any third party, as if the separate counterpart signature pages were part of one original signature copy.
- P. <u>Review by Independent Counsel</u>. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

ARTICLE XII BACK OFFICE FINANCIAL SERVICES BY PARTNER SOLUTIONS

- A. <u>Back Office Business Services.</u> The Board shall pay Partner Solutions for back office financial services ("Back Office Services") an annual fee of Fifty Four Thousand, Five Hundred and Ninety Dollars ("Back Office Fee").
- B. <u>Travel Reimbursement.</u> In the performance of the Back Office Services Partner Solutions will attend Board meetings as requested for the budget, budget revisions and/or such other essential business services. In the event Partner Solutions is requested by the Academy Board to travel to other Academy meetings, events or the like, the Academy shall pay ordinary and customary costs to Partner Solutions for such travel. The costs for such travel will be mutually agreed upon by the Academy Board and Partner Solutions prior to the occurrence of that travel.
- C. <u>Back Office Services</u>. Partner Solution shall provide the Academy Board and the School Leader as directed by the Academy Board the following Back Office Service inclusive of those Back Office Services articulated in this Agreement:
 - 1. A projected annual budget for the July 1st through June 30 school year prior to May 15th each school year in accordance with the Authorizer's Contract the Educational Program so to enable the Academy Board to timely adopt the annual budget as required by the

Authorizer's Contract and as required by applicable law, and Partner Solutions thereafter, shall prepare amendments to the annual budget and budget projections as required by the Academy Board and as required to perform the Back Office Services. Partner Solutions shall provide the School Leader a budgeting tool to assist the Academy in working with Partner Solutions to prepare the annual budget and budget amendments. The Academy Board is responsible for reviewing and approving annual budgets, amendments to the annual budget and for the Academy's financial decisions. Pursuant to the Uniform Budget and Accounting Act, MCL 141.422b, the Academy Board is responsible for designating the Chief Administrative Officer ("CAO") of the Academy. If the Academy employs a superintendent or a person having general administrative control, then the Academy Board may designate that employee as the CAO of the Academy. If the Academy does not employ a superintendent or person having general administrative control, then the Academy Board shall designate an Academy Board member as the CAO of the Academy. Partner Solutions nor any owner, officer, director or employee of Partner Solutions shall be designated as the CAO of the Academy, but a Partner Solutions employee may assist the CAO in carrying out their duties

- 2. Detailed monthly financial statements ("Financial Statements") (or as requested by the Board via the School Leader) no more than thirty (30) days after month's end and not less than seven (7) days in advance of Academy Board meetings. The Financial Statements shall include: a balance sheet, a statement of revenues, expenditures and changes in fund balance at object level detail with comparison of budget-to-actual and a cash flow statement. These Financial Statements shall include all revenues received, from whatever source, with respect to the Academy, and detailed budgets inclusive of explanations for variances from budget, with statements of all direct expenditures incurred for the Services rendered to or on behalf of the Academy, whether incurred on-site or off-site;
- 3. Facilitate the annual audit in compliance with applicable laws showing the manner in which funds are spent at the Academy, however, it is acknowledged that only the Academy shall select and retain independent auditors and the Academy shall contract directly with any auditor of its choice, and Partner Solutions will cooperate with the production of any and all documents necessary for the audit. Any such audit shall be the property of the Academy; and,
- 4. Other information as reasonably requested by the Board and/or the School Leader to enable the Board to monitor Partner Solutions' performance under the Agreement, to monitor the Academy's finances and as may be required by the Academy to comply the Academy's Contract with the Authorizer.
- D. <u>Invoices for and Payment of Back Office Services.</u> Partner Solution invoices for Back Office Services will be invoiced monthly at such time as Partner Solutions submits to the School Leader the Academy's monthly check register and Academy's monthly financial statements, and if approved by the Academy shall be paid within thirty (30) days from the date of the approved invoice.

ARTICLE XIII FRONT OFFICE FINANCIAL SERVICES

A. <u>Partner Solutions Front Office Services.</u> Partner Solutions personnel will be assigned to work at the Academy's offices as directed and requested by the School Leader to complement Partner Solution's Back Office Services. The front office financial services to be provided at the

Academy's office in coordination with and at the direction of the School Leader include the following (collectively referred to as the "Front Office Services"):

- 1. Accounts Payable Processing.
- 2. Check disbursement.
- 3. Monitor expenditures against budget.
- 4. Maintain student activity and special revenue accounts.
- 5. Monthly presentation of financial statements and budgets to the Academy Board as necessary and as required by the Academy Board.
- 6. Grant management and compliance.
- 7. School deposits.
- 8. Budget planning with School Leader and the Academy Board.
- 9. Preparation of Academy Board resolutions with regard to the annual budget, amendments to the annual budget, and Academy expenditures requiring Academy Board approval and such other resolutions and reports as required by the Academy Board to review and oversee the Academy's finances, budget and fiscal obligations under applicable law and as required by the Authorizer's Contract.
- 10. Review of Academy proposed contracts, proposed purchase order, requests for proposals and referral of the same to the Academy Board for approval and to the Academy's attorneys in accordance with Academy's policies and bylaws and as required by applicable law and the Authorizer's Contract.
- 11. To procure supplies, materials, services, and equipment in a manner complying the Agreement including the procurement policies of the Academy and the procurement requirements of this Agreement.
- 12. Such other ordinary, customary Front Office Services arising from and related to public school academies as directed by the School Leader and/or the Academy Board.
- B. <u>Payment of Front Office Partner Solutions Employees</u>. The Agreement shall govern the Partner Solutions' employees providing the Front Office Services and the Academy shall pay Partner Solutions for the Partner Solutions' employees as required by the Agreement including, but not limited to Article III of the Agreement.
- C. <u>Purchases</u>. Partner Solutions will not purchase any supplies, materials or equipment with Partner Solutions' funds unless requested by the Academy Board and accompanied by an approved Academy purchase order.
- D. <u>Location</u>. The School Leader shall designate the locations of the Academy for the performance of the Front Office Services.

[Signature Page Follows]

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

THE ACADEMY:

SUMMIT ACADEMY NORTH, a Michigan public school academy

By: Tony Braun (May 23, 2021 12:43 EDT)

Its: Board President

PARTNER SOLUTIONS:

PARTNER SOLUTIONS, a Michigan corporation PARTNER SOLUTIONS FOR SCHOOLS, a Michigan corporation

By: Carlie Lockwood (May 23, 2021 13:32 E●T)

Carlie Lockwood

Duly Authorized Representative Its:

4840-2215-0882 v1 [39265-37]

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
Second Amendment to Mortgage	
First Amendment to Mortgage	
Mortgage	
Bond Purchase Agreement (August 31, 2016)	
Bond Purchase Agreement (May 25, 2011)	
a. Elementary Site	
Site Plans	6-83
Floor Plans	
Office of Fire Safety Approval	
Certificates of Use and Occupancy	
b. Middle School/High School Site	
Site Plan	6-91
Floor Plans	
Office of Fire Safety Approvals	
Certificates of Use and Occupancy	

- 1. Applicable Law requires that a public school academy application and contract must contain a description of and the address for the proposed physical plant in which the public school academy will be located. See MCL 380.502(3)(i) and 380.503(6)(f);
- 2. The address and a description of the site and physical plant (the "Site") of Summit Academy North (the "Academy") is as follows:

a. Elementary Site

Address: 28697 Sibley Rd.

Huron Township, MI 48174

<u>Description</u>: This Site contains a single-story facility constructed of wood and block and consists

of approximately 43,575 square feet of space. The facility includes 31 classrooms, 35 restrooms, a computer workroom, two staff lounges, two copy rooms, two utility rooms, several storage areas, two conference rooms, several offices, a library and a full-size gymnasium. The Site also contains a football field with concession stand

and bleachers, a baseball field, softball field and two playground areas.

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

<u>Term of Use</u>: Term of Contract.

Name of School District and Intermediate School District:

Local: Woodhaven-Brownstown School District

ISD: Wayne RESA

b. Middle School/High School Site

Address: 18601 Middlebelt Rd.

Huron Township, MI 48174

<u>Description</u>: At this Site, the Academy serves students in grades six through twelve through two

educational programs that are operated under different building codes. The middle school educational program, which serves grades six through eight, is operated under building code 08906. The high school educational program, which serves

grades nine through twelve, is operated under building code 08634.

The Site contains a single-story facility of brick and block construction, as well as a sports complex of metal and block construction. The single-story facility contains approximately 92,410 square feet of space. It includes 39 classrooms, 15 restrooms, several offices, two art/music rooms, one art room, one music room, a cafeteria, full-size gymnasium, a lab, two band rooms, two computer rooms, several storage areas, four staff lounges, boys and girls locker rooms, mechanical and furnace

rooms, utility room, snack room, three instrument storage rooms, four practice rooms and a multipurpose room.

The sports complex, which is approximately 41,690 square feet, includes retractable bleachers for seating of 300 occupants. It also includes a weight room, meeting rooms, six restrooms, practice rooms, office space and 17,000 square feet of sports flooring complete with painted lines for various activities.

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

Term of Use: Term of Contract.

Name of School District and Intermediate School District:

Local: Woodhaven-Brownstown School District

ISD: Wayne RESA

- 3. It is acknowledged and agreed that the information identified below, about this Site, is provided on the following pages, or must be provided to the satisfaction of the University Board or its designee, before the Academy may operate as a public school in this state.
 - A. Narrative description of physical facility
 - B. Size of building
 - C. Scaled floor plan
 - D. Copy of executed lease or purchase agreement
- 4. In addition, the Academy and the University Board hereby acknowledge and agree that this Contract is being issued to the Academy with the understanding that the Academy cannot conduct classes as a public school academy in this state until it has obtained the necessary fire, health and safety approvals for the above-described physical facility. These approvals must be provided and be acceptable to the University Board or its designee prior to the Academy operating as a public school. In cases of disagreement, the Academy may not begin operations without the consent of the University Board or its designee.
- 5. If the Site described above is not used as the physical facilities for the Academy, then Schedule 6 of this Contract between the Academy and the University Board must be amended pursuant to Article IX of the Terms and Conditions of Contract, to designate, describe, and agree upon the Academy's physical facilities. The Academy must submit to the University Board or its designee complete information about the new site to be actually used. This information includes that described in paragraphs 2, 3 and 4 of this Schedule 6. It is acknowledged and agreed that the public school academy cannot conduct classes as a public school in this state until it has submitted all the information described above, to the satisfaction of the University Board or its designee, and the amendment regarding the new site has been executed.
- 6. Any change in the configuration of grade levels at the Site requires an amendment to this Schedule 6 pursuant to Article IX of the Terms and Conditions of Contract set forth above.

2016360488 L: 53281 P: 48 AMD 10/06/2016 01:19:19 PM Total Pages: 7 Bernard J. Youngblood, Register of Deeds - Wayne County, MI ELECTRONICALLY RECORDED

SECOND AMENDMENT TO MORTGAGE

THIS SECOND AMENDMENT TO MORTGAGE dated as of September 30, 2016 (this "Second Amendment"), is by and between SUMMIT ACADEMY NORTH, a Michigan public school academy having an address of 30100 Olmstead, Flat Rock, Michigan 48134 (the "Mortgagor"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee under the Trust Indenture described below, having an address of 60 Livingston Avenue, St. Paul, Minnesota 55107 (the "Mortgagee").

WITNESSETH:

WHEREAS, the Mortgagor executed and delivered to the Mortgagee a Mortgage, dated as of September 20, 2005, and recorded on October 13, 2006 in the records of the Wayne County Register of Deeds, at Liber 45429, Page 1350, as amended by the First Amendment to Mortgage dated as of June 6, 2011 and recorded on June 7, 2011 in the records of the Wayne County Register of Deeds, at Liber 49218, Page 1469 (hereinafter called the "Mortgage") covering the real property located in the Township of Huron, County of Wayne, State of Michigan described on Exhibit A attached hereto and the improvements thereon (collectively, the "Mortgaged Property"); and

WHEREAS, the Mortgage secures the indebtedness, obligations and liabilities of the Mortgagor under a Trust Indenture dated as of September 20, 2005 (the "Original Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of May 1, 2011 (the "First Supplemental Trust Indenture;" and together with the Original Indenture, the "Existing Indenture"), pursuant to which the Academy has issued its \$26,595,000 Public School Academy Revenue and Refunding Bonds, Series 2005 (the "Series 2005 Bonds") and the Academy's \$5,825,000 Public School Academy Revenue Bonds, Series 2011 (the "Series 2011 Bonds"); and

WHEREAS, the Mortgagor and the Mortgagee have entered into a Second Supplemental Trust Indenture dated as of August 1, 2016 (the "Second Supplemental Trust Indenture;" and together with the Existing Indenture, the "Trust Indenture") and the Mortgagor has issued its Public School Academy Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds") in the aggregate principal amount of \$22,435,000 for the purpose of refinancing the Series 2005 Bonds; and

WHEREAS, the Mortgagor and Mortgagee desire hereby to amend the Mortgage to secure all the Mortgagor's indebtedness, obligations and liabilities under the Trust Indenture, and to secure the repayment of the Series 2016 Bonds on a parity basis with the Series 2011 Bonds and any Additional Bonds (as defined in the Trust Indenture) issued under the Trust Indenture; and

WHEREAS, the Mortgagor acknowledges that it is entering into this Second Amendment as a condition precedent to the issuance of the Series 2016 Bonds under the Trust Indenture;

1

RMC 7

NOW, THEREFORE, for valuable consideration and in consideration of the premises and of the mutual agreements of the Mortgagor and the Mortgagee, the parties agree as follows:

SECTION 1. Mortgage Amendment.

The Mortgage is amended as follows:

- 1.1 All references in the Mortgage to the "Bonds" shall mean the Series 2011 Bonds, the Series 2016 Bonds, and any Additional Bonds (as defined in the Trust Indenture) issued under the Trust Indenture.
- 1.2 All references in the Mortgage to the "Trust Indenture" shall mean the Original Indenture, as supplemented by the First Supplemental Trust Indenture and the Second Supplemental Trust Indenture, and as it may be further amended or supplemented from time to time.
- 1.3 As of the date of this Second Amendment, the aggregate outstanding principal amount of the indebtedness secured by the Mortgage is \$27,980,000 and has a final maturity date of May 1, 2041.
- 1.4 The second and third paragraphs on page 3 of the Mortgage that describe the Secured Obligations are amended and restated as follows:

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

- (i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;
- (ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;
- (iii) Payment of all of the principal of and interest on any further advances under the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and
- (iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligations secured hereby or thereby;

The indebtedness and the obligations secured by this Mortgage which are described in (i) through (iv) above may be referred to herein as the "Secured Obligations." This Mortgage is a "future advance mortgage" within the meaning of Act No. 348 of Michigan Public Acts of 1990, MCL 565.901, ct seq., as amended from time to time. All future advances under the Trust Indenture or this Mortgage shall have the same priority as if the future advance was made on the date that this Mortgage was recorded.

SECTION 2. Defined Terms.

2.1 All capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Mortgage.

SECTION 3. Governing Law; Binding Effect.

3.1 This Second Amendment shall be governed by and construed according to the laws of the State of Michigan, shall be binding upon Mortgagor, its successors and assigns and any subsequent owners of the Mortgaged Premises, and shall be binding upon and inure to the benefit of Mortgagee and its successors and assigns.

SECTION 4. Counterparts.

4.1 This Second Amendment may be executed in any number of counterparts, and any of the parties hereto may execute this Second Amendment by executing any such counterpart.

[Signature page to Second Amendment to Mortgage]

IN WITNESS WHEREOF, each of the undersigned has caused this Second Amendment to be duly executed as of the day and year first above written.

SUMMIT ACADEMY NORTH

Name. Jason Walker Its: Treasurer

By: Leann Hedke
Its: Superintendent

U.S. BANK NATIONAL ASSOCIATION, 'as trustee under the Trust Indenture

By: Christine Robinette
Its: Vice President

STATE OF MICHIGAN)	
COUNTY OF OAKLAND)SS)	

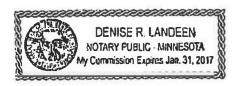
The foregoing instrument was acknowledged before me on this 29th day of September, 2016, by Jason Walker and Leann Hedke, the Treasurer and Superintendent, respectively, of Summit Academy North, a Michigan public school academy, on behalf of said academy.

KATHLEEN A METEVIER
Notary Public, Oakland County, MI
Acting in Oak May County, Michigan
My Commission Expires on 08-03-2020

10 Ollean	<u>'a'</u>
Notary Public Oakland	County, Michigan
My commission expires:	6/3/2020

STATE OF MINNESOTA)	
COUNTY OF _	Ramsey	ر)SS

The foregoing instrument was acknowledged before me on this day of September, 2016, by Christine Robinette, a Vice President of U.S. Bank National Association, a national banking association, on behalf of said banking association.



Notary Public

Ramsey

County, MY

My commission expires: January 31, 2017

This instrument drafted by and when recorded return to:

Craig W. Hammond, Esq. Dickinson Wright PLLC 2600 W. Big Beaver Road, Suite 300 Troy, Michigan 48084

EXHIBIT A DESCRIPTION OF REAL PROPERTY

Land situated in the Township of Huron, County of Wayne, State of Michigan, is described as follows:

PARCEL 1:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning South 88 degrees 51 minutes 45 seconds West 1150.25 feet and South 00 degrees 26 minutes 06 seconds East 60.00 feet from North 1/4 corner of Section 12; thence South 00 degrees 26 minutes 06 seconds East 1254.94 feet; thence South 88 degrees 56 minutes 39 seconds West 164.14 feet; thence North 00 degrees 26 minutes 35 seconds West 1254.71 feet; thence North 88 degrees 51 minutes 45 seconds East 164.33 feet to Point of Beginning.

PARCEL 2:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning South 88 degrees 51 minutes 45 seconds West 985.93 feet and South 00 degrees 25 minutes 40 seconds East 60.00 feet from North 1/4 corner of Section 12; thence South 00 degrees 25 minutes 40 seconds East 1255.18 feet; thence South 88 degrees 56 minutes 39 seconds West 164.15 feet; thence North 00 degrees 26 minutes 06 seconds West 1254.94 feet; thence North 88 degrees 51 minutes 45 seconds East 164.32 feet to Point of Beginning.

PARCEL 5:

The East 1/2 of the West 1/2 of Northeast 1/4 of Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan and otherwise described as follows: That part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of said Section distant South 89 degrees 55 minutes 30 seconds West 660.00 feet from the North 1/4 corner of Section 12 and proceeding thence South 89 degrees 55 minutes 30 seconds West on said North line, 330.00 feet, thence South 00 degrees 37 minutes 30 seconds West 1314.40 feet; thence South 89 degrees 55 minutes 33 seconds East 329.71 feet; thence North 00 degrees 38 minutes 00 seconds East 1315.25 feet to the Point of Beginning, EXCEPT the North 60.00 feet thereof.

PARCEL 1, 2 AND 5 ALSO DESCRIBED BY SURVEY AS FOLLOWS:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the South line of Sibley Road (width varies) which is distant South 89 degrees 55 minutes 30 seconds West 657.28 feet along the North-line of Section 12 and South 00 degrees 39 minutes 01 second West 60.00 feet from the North 1/4 corner of Section 12 and proceeding thence South 00 degrees 39 minutes 01 second West 1255.65 feet; thence North 89 degrees 59 minutes 36 seconds West 656.56 feet; thence North 00 degrees 37 minutes 10 seconds East 1254.70 feet to the South line of Sibley Road; thence along said South line of Sibley Road, North 89 degrees 55 minutes 30 seconds East 657.25 feet to the Point of Beginning.

2016360488 Page 7 of 7

Tax Item Nos.

75-046-99-0013-703, as to Parcels 1 and 2

Property Address: 28631 Sibley Road, Romulus, M1

75-046-99-0012-000, as to Parcel 5

Property Address: 28595 Sibley Road, Romulus, M1

PARCEL 3:

Part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of 120.00 foot wide Sibley Road, said point located North 89 degrees 55 minutes 30 seconds East along the South line of said Section 1, a distance of 651.79 feet and North 00 degrees 04 minutes 50 seconds West 60.00 feet from the Southwest corner of said Section 1; thence continuing North 00 degrees 04 minutes 50 seconds West 1139.06 feet; thence South 89 degrees 59 minutes 03 seconds East 165.00 feet; thence South 00 degrees 04 minutes 50 seconds East 1138.80 feet to a point on said North line of Sibley Road; thence South 89 degrees 55 minutes 30 seconds West along said North line, 165.00 feet to the Point of Beginning.

PARCEL 4:

That part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the East line of Middle Belt Road (120.00 feet wide), said point being distant North 89 degrees 55 minutes 30 seconds East 60.00 feet and North 768.00 feet from the Southwest corner of Section 1; proceeding thence from the Point of Beginning, North 432.00 feet along the East line of Middle Belt Road; thence South 89 degrees 59 minutes 03 seconds East 590.02 feet; thence South 00 degrees 04 minutes 50 seconds East 859.06 feet measured (856.06 feet recorded); thence South 89 degrees 55 minutes 30 seconds West 321.23 feet; thence North 428.00 feet; thence South 89 degrees 55 minutes 30 seconds West 270.00 feet to the Point of Beginning.

PARCEL 3 AND 4 COMBINED DESCRIBED AS FOLLOWS:

Part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of 120.00 foot wide Sibley Road, said point located North 89 degrees 55 minutes 30 seconds East along the South line of said Section 1, a distance of 651.79 feet and North 00 degrees 04 minutes 50 seconds West 60.00 feet from the Southwest corner of said Section 1; thence continuing North 00 degrees 04 minutes 50 seconds West 280.00 feet; thence South 89 degrees 55 minutes 30 seconds West 321.23 feet; thence North 428.00 feet; thence South 89 degrees 55 minutes 30 seconds West 270.00 feet to the East line of Middlebelt Road, 120.00 feet wide, thence North 432.00 feet along the East line of Middlebelt Road; thence South 89 degrees 59 minutes 03 seconds East 755.02 feet; thence South 00 degrees 04 minutes 50 seconds East 1138.80 feet to a point on said North line of Sibley Road; thence South 89 degrees 55 minutes 30 seconds West along said North line, 165.00 feet to the Point of Beginning.

Tax Item No. 75-003-99-0003-709, as to Parcels 3 and 4 and also covers other land

Property Address: 18601 Middlebelt Road, Romulus, MI

Troy 39265-31 1653822v3

ENDORSEMENT

Issued By: First American Title Insurance Company

Attached to Policy No.: 98026

File No.: 98026M2, Summit Academy North, 28631, 28595 Sibley Road, 18601 Middlebelt Road,

Modification of Mortgage IV

The Company hereby amends Schedules A; B, Part I; and B, Part II, of the Policy as follows:

1. Schedule A of the Policy is amended as follows:

(a) The Date of Policy is amended to: October 6, 2016

(b) The Amount of Insurance is amended to: \$27,980,000.00

(c) The Name of Insured is amended to: No Change

(d) Title to the Estate or interest in the land is, at the amended Date of Policy, vested in: No Change

(e) The description of the insured mortgage and assignments thereof, if any is amended as follows:

Mortgage in the original amount of \$26,595,000.00 executed by Summit Academy North to U.S. Bank National Association, a national banking association, dated September 20, 2005, recorded October 13, 2006, in Liber 45429, page 1350. First Amendment to Mortgage dated June 6, 2011, recorded June 7, 2011, in Liber 49218, page 1469. Second Amendment to Mortgage dated September 30, 2016, recorded October 6, 2016, in Liber 53281, page 48.

- (f) The description of the land referred to in the Policy is amended as follows: No Change
- Schedule B is amended as follows:
- (a) Schedule B, Part I is amended as follows:

Item(s) No. 19, 20, 21, 22, 23, 24 and 25 are hereby added as follows:

- 19. Interest, if any, of the United States, State of Michigan, or any political subdivision thereof, in the oil, gas and minerals in and under and that may be produced from the captioned land.
- 20. Rights of the United States, State of Michigan and the public for commerce, navigation, recreation and fishery, in any portion of the land comprising the bed of the ditch, or land created by fill or artificial accretion, as to Parcels 1, 2 and 5.
- 21. The nature, extent or lack of riparian rights or the riparian rights of riparian owners and the public in and to the use of the waters of the ditch, as to Parcels 1, 2 and 5.
- 22. Rights of other riparian owners and to the public trust in and to the waters of Sherman Drain crossing subject property, as to Parcels 3 and 4.
- 23. Loss or damage arising out of any discrepancy between the legal description of the property as insured and the legal description of the property as assessed on the Wayne County tax rolls, as to Parcels 3 and 4.
- 24. The following matters as referenced by survey dated February 15, 2011, last revised July 28, 2016, prepared by True North Surveying, Inc., being Job No. 2011-004, as to Parcels 1, 2 and 5:
- a. Light poles, transformers and sanitary septic ejector tank.

Authorized Agent:

First American Title Insurance Company

(616)975-4102

- b. Gas service, water main, electric lines and storm sewer crossing property and property lines.
- c. Fence inside Northerly, Southerly, Easterly and Westerly property lines.
- 25. The following matters as referenced by survey dated March 1, 2011, last revised July 15, 2016, prepared by True North Surveying, Inc., being Job No. 2016-001, as to Parcels 3 and 4:
- a. Light poles, utility poles and hydrants on property.
- b. Gas service, water main, overhead lines and storm sewer crossing property and property lines.
- (b) Schedule B, Part II, is amended as follows: No Change

This Endorsement is Issued as part of the policy. Except as it expressly states, it does not (I) modify any of the terms and provisions of the policy, (II) modify any prior endorsements, (III) extend the Date of Policy, or (IV) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

(7)

FIRST AMENDMENT TO MORTGAGE

THIS FIRST AMENDMENT TO MORTGAGE dated as of June 6, 2011 (this "First Amendment"), is by and between SUMMIT ACADEMY NORTH, a Michigan public school academy having an address of 30100 Olmstead, Flat Rock, Michigan 48134 (the "Mortgagor"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee under the Trust Indenture described below, having an address of 60 Livingston Avenue, St. Paul, Minnesota 55107 (the "Mortgagee").

WITNESSETH:

WHEREAS, the Mortgagor executed and delivered to the Mortgagee a Mortgage, dated as of September 20, 2005, and recorded on October 13, 2006 in the records of the Wayne County Register of Deeds, at Liber 45429, Page 1350 (hereinafter called the "Mortgage") covering the real property located in the Township of Huron, County of Wayne, State of Michigan described on Exhibit A attached hereto and the improvements thereon (collectively, the "Mortgaged Property"); and

WHEREAS, the Mortgage secures the indebtedness, obligations and liabilities of the Mortgagor under a Trust Indenture dated as of September 20, 2005 (the "Original Trust Indenture") between Mortgagor and Mortgagee, and the payment of indebtedness evidenced by the Mortgagor's Public School Academy Revenue and Refunding Bonds, Series 2005 (the "Series 2005 Bonds") issued on September 20, 2005 in the aggregate principal amount of \$26,595,000 pursuant to the terms of the Original Trust Indenture; and

WHEREAS, the Mortgagor and the Mortgagee have entered into a First Supplemental Trust Indenture dated as of May 1, 2011 (the "First Supplemental Trust Indenture;" and together with the Original Indenture, the "Trust Indenture") and the Mortgagor has issued its Public School Academy Revenue Bonds, Series 2011 (the "Series 2011 Bonds") in the aggregate principal amount of \$5,825,000 for the purpose of financing the expansion of and additional improvements to the Mortgaged Property; and

WHEREAS, the Mortgagor and Mortgagee desire hereby to amend the Mortgage to secure all the Mortgagor's indebtedness, obligations and liabilities under the Trust Indenture, as amended by the First Supplemental Trust Indenture, and to secure the repayment of the Series 2011 Bonds on a parity basis with the Series 2005 Bonds; and

WHEREAS, the Mortgagor acknowledges that it is entering into this First Amendment as a condition precedent to the issuance of the Series 2011 Bonds under the Trust Indenture;

NOW, THEREFORE, for valuable consideration and in consideration of the premises and of the mutual agreements of the Mortgagor and the Mortgagee, the parties agree as follows:

SECTION 1. Mortgage Amendment.

The Mortgage is amended as follows:

- 1.1 All references in the Mortgage to the "Bonds" shall mean the Series 2005 Bonds, the Series 2011 Bonds, and any Additional Bonds (as defined in the Trust Indenture) issued under the Trust Indenture.
- 1.2 All references in the Mortgage to the "Trust Indenture" shall mean the Original Trust Indenture, as supplemented by the First Supplemental Trust Indenture, and as it may be further amended or supplemented from time to time.
- 1.3 The second and third paragraphs on page 3 of the Mortgage that describe the Secured Obligations are amended and restated as follows:

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

- (i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;
- (ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;
- (iii) Payment of all of the principal of and interest on any further advances under the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and
- (iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligations secured hereby or thereby;

The indebtedness and the obligations secured by this Mortgage which are described in (i) through (iv) above may be referred to herein as the "Secured Obligations." This Mortgage is a "future advance mortgage" within the meaning of Act No. 348 of Michigan Public Acts of 1990, MCL 565.901, et seq., as amended from time

to time. All future advances under the Trust Indenture or this Mortgage shall have the same priority as if the future advance was made on the date that this Mortgage was recorded.

- 1.4 The legal description of the Land attached as Exhibit A to the Mortgage is hereby deleted and the legal description of the Land attached as Exhibit A to this First Amendment is substituted in lieu thereof.
- 1.5 The description of the Permitted Encumbrances attached as Exhibit B to the Mortgage is hereby deleted and the description of the Permitted Encumbrances attached as Exhibit B to this First Amendment is substituted in lieu thereof

SECTION 2. Defined Terms.

2.1 All capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Mortgage.

SECTION 3. Governing Law; Binding Effect.

3.1 This First Amendment shall be governed by and construed according to the laws of the State of Michigan, shall be binding upon Mortgagor, its successors and assigns and any subsequent owners of the Mortgaged Premises, and shall be binding upon and inure to the benefit of Mortgagee and its successors and assigns.

SECTION 4. Counterparts.

4.1 This First Amendment may be executed in any number of counterparts, and any of the parties hereto may execute this First Amendment by executing any such counterpart.

[Signature page to First Amendment to Mortgage]

IN WITNESS WHEREOF, each of the undersigned has caused this First Amendment to be duly executed as of the day and year first above written.

SUMMIT ACADEMY NORTH

Name: Rick Marcum lts: President

By: <u>Ulinon</u>
Alison Cancilliari
Its: Program Director

U.S. BANK NATIONAL ASSOCIATION, as trustee under the Trust Indenture

Name: Christine Robinette
Its: Vice President

STATE OF MICHIGAN)
)SS
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me on this <u>Jud</u>day of June, 2011, by Rick Marcum and Alison Cancilliari, the President and Program Director, respectively, of Summit Academy North, a Michigan public school academy, on behalf of said academy.

1/NDA J JABLONSKI Statory Public, Macomb County, MI extrema: Lully County, Michigan my Commission Explires on 03-02-2012

- Christa y	Jallonsh.
Notary Public	
Miconh	County, My
My commission expires:	3-22012
acting in as	Went Crary

STATE OF MINNESOTA)
)SS
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me on this ______ day of _______, 2011, by Christine Robinette, a Vice President of U.S. Bank National Association, a national banking association, on behalf of said banking association.



Notary Public County, MN

My commission expires: MMay 31, 2013

This instrument drafted by and when recorded return to:

Craig W. Hammond, Esq. Dickinson Wright PLLC 38525 Woodward Avenue, Suite 2000 Bloomfield Hills, Michigan 48304

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

Land situated in the Township of Huron, County of Wayne, State of Michigan, is described as follows:

PARCEL 1:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning South 88 degrees 51 minutes 45 seconds West 1150.25 feet and South 00 degrees 26 minutes 06 seconds East 60.00 feet from North 1/4 comer of Section 12; thence South 00 degrees 26 minutes 06 seconds East 1254.94 feet; thence South 88 degrees 56 minutes 39 seconds West 164.14 feet; thence North 00 degrees 26 minutes 35 seconds West 1254.71 feet; thence North 88 degrees 51 minutes 45 seconds East 164.33 feet to Point of Beginning.

PARCEL 2:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning South 88 degrees 51 minutes 45 seconds West 985.93 feet and South 00 degrees 25 minutes 40 seconds East 60.00 feet from North 1/4 corner of Section 12; thence South 00 degrees 25 minutes 40 seconds East 1255.18 feet; thence South 88 degrees 56 minutes 39 seconds West 164.15 feet; thence North 00 degrees 26 minutes 06 seconds West 1254.94 feet; thence North 88 degrees 51 minutes 45 seconds East 164.32 feet to Point of Beginning.

PARCEL 5:

The East 1/2 of the West 1/2 of Northeast 1/4 of Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan and otherwise described as follows: That part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of said Section distant South 89 degrees 55 minutes 30 seconds West 660.00 feet from the North 1/4 corner of Section 12 and proceeding thence South 89 degrees 55 minutes 30 seconds West on said North line, 330.00 feet, thence South 00 degrees 37 minutes 30 seconds West 1314.40 feet; thence South 89 degrees 55 minutes 33 seconds East 329.71 feet; thence North 00 degrees 38 minutes 00 seconds East 1315.25 feet to the Point of Beginning, EXCEPT the North 60.00 feet thereof.

PARCEL 1, 2 AND 5 ALSO DESCRIBED BY SURVEY AS FOLLOWS:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the South line of Sibley Road (width varies) which is distant South 89 degrees 55 minutes 30 seconds West 657.28 feet along the North line of Section 12 and South 00 degrees 39 minutes 01 second West 60.00 feet from the

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Tax Item Nos.

75-046-99-0013-703, as to Parcels 1 and 2

75-046-99-0012-000, as to Parcel 5

PARCEL 3:

Part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of 120.00 foot wide Sibley Road, said point located North 89 degrees 55 minutes 30 seconds East along the South line of said Section 1, a distance of 651.79 feet and North 00 degrees 04 minutes 50 seconds West 60.00 feet from the Southwest corner of said Section 1; thence continuing North 00 degrees 04 minutes 50 seconds West 1139.06 feet; thence South 89 degrees 59 minutes 03 seconds East 165.00 feet; thence South 00 degrees 04 minutes 50 seconds East 1138.80 feet to a point on said North line of Sibley Road; thence South 89 degrees 55 minutes 30 seconds West along said North line, 165.00 feet to the Point of Beginning.

PARCEL 4:

That part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the East line of Middle Belt Road (120.00 feet wide), said point being distant North 89 degrees 55 minutes 30 seconds East 60.00 feet and North 768.00 feet from the Southwest corner of Section 1; proceeding thence from the Point of Beginning, North 432.00 feet along the East line of Middle Belt Road; thence South 89 degrees 59 minutes 03 seconds East 590.02 feet; thence South 00 degrees 04 minutes 50 seconds East 859.06 feet measured (856.06 feet recorded); thence South 89 degrees 55 minutes 30 seconds West 321.23 feet; thence North 428.00 feet; thence South 89 degrees 55 minutes 30 seconds West 270.00 feet to the Point of Beginning.

PARCEL 3 AND 4 COMBINED DESCRIBED AS FOLLOWS:

Part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of 120.00 foot wide Sibley Road, said point located North 89 degrees 55 minutes 30 seconds East along the South line of said Section 1, a distance of 651.79 feet and North 00 degrees 04 minutes 50 seconds West 60.00 feet from the Southwest corner of said Section 1; thence continuing North 00 degrees 04 minutes 50 seconds West 280.00 feet; thence South 89 degrees 55 minutes 30 seconds West

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Tax Item No. 75-003-99-0003-709, as to Parcels 3 and 4 and also covers other land

Tax Parcel Number(s): 75-046-99-0013-703

;

EXHIBIT B

Permitted Encumbrances

- 1. Overhead and Underground Easement (Right of Way) in favor of The Detroit Edison Company and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 45052, page 453, as to Parcels 3 and 4.
- 2. Underground Distribution Easement in favor of The Detroit Edison Company and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 31182, page 1065, as to Parcel 4.
- Underground Easement in favor of The Detroit Edison Company and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 45569, page 1083, as to Parcel 1.
- Underground Easement (Right of Way) in favor of The Detroit Edison Company and the Covenants, Conditions and Restrictions contained in instrument recorded in Liber 45569, page 1085, as to Parcel 2.

BLOOMFIELD 39265-4 1116829v2

MORTGAGE

SUMMIT ACADEMY NORTH, as Mortgagor

to

U. S. BANK NATIONAL ASSOCIATION, as Mortgagee

\$26,595,000 Summit Academy North Public School Academy Revenue and Refunding Bonds, Series 2005

Dated as of September 20, 2005

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EXHIBIT A LEGAL DESCRIPTION

EXHIBIT B PERMITTED ENCUMBRANCES

AMENDED AND RESTATED MORTGAGE

THIS AMENDED AND RESTATED MORTGAGE ("Mortgage") is made as of September 20, 2005, by and between SUMMIT ACADEMY NORTH, as Mortgagor ("Mortgagor") and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, in its capacity as bond trustee for the Bonds (defined below), as Mortgagee ("Mortgagee").

PRELIMINARY STATEMENTS

- A. Pursuant to the Trust Indenture dated as of September 20, 2005 (the "Trust Indenture") between Mortgagor and Mortgagee, Mortgagor is issuing its Public School Academy Revenue and Refunding Bonds, Series 2005 in the aggregate principal amount of \$26,595,000 (the "Bonds") for the purposes set forth in the Trust Indenture.
- B. Pursuant to the Trust Indenture, certain state school aid payments have been pledged and assigned by Mortgagor to Mortgagee for the payment of the principal of and interest on the Bonds.
- C. The Bonds are secured by the Trust Estate (as defined in the Trust Indenture), including a lien on and security interest in the Mortgaged Estate (defined below) pursuant to this Mortgage, granted by Mortgagor.

GRANTING CLAUSES

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

LAND

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

IMPROVEMENTS

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

RENTS, REVENUES AND DERIVATIVE INTERESTS

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

INTANGIBLES

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

CLAIMS AND AWARDS

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

PROCEEDS

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

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

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

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

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

- (i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;
- (ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;
- (iii) Payment of all of the principal of and interest on any future advances under the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and
- (iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby;

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

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

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

All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Trust Indenture.

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby represents, warrants, covenants and agrees:

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

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

Section 1.03. [Reserved]

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

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

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

- (a) All policies of insurance shall be issued by companies and in amounts as required by the provisions of the Trust Indenture.
- (b) In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee evidence of the policies of insurance required by the Trust Indenture, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums, together with interest thereon, shall be secured by this Mortgage.
- (c) Upon occurrence of an Event of Default, Mortgagee shall apply any sums or amounts received pursuant hereto, or as Revenues or income of the Mortgaged Estate or otherwise, as required under the Trust Indenture. The receipt, use or application of any such sums by Mortgagee hereunder shall not be construed to affect the maturity of any Secured Obligation or any of the rights or powers of Mortgagee under the terms of the Trust Indenture or any of the obligations of Mortgagor under the Trust Indenture.

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

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

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

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

Section 1.09. Expenses; Indemnification; Waiver of Offset.

- (a) Mortgagor shall pay or reimburse Mortgagee for all reasonable expenses incurred by Mortgagee before and after the date of this Mortgage with respect to any and all transactions contemplated by this Mortgage including without limitation, the preparation of any document reasonably required hereunder or any amendment, modification, restatement or supplement to this Mortgage, the delivery of any consent, non-disturbance agreement or similar document in connection with this Mortgage or the enforcement of any of Mortgagee's rights. Such expenses shall include, without limitation, all reasonable title and conveyancing charges, recording and filing fees and taxes, mortgage taxes, intangible personal property taxes, escrow fees, revenue and tax stamp expenses, privilege taxes, use taxes, insurance premiums (including title insurance premiums), title search and title rundown charges, brokerage commissions, finders' fees, placement fees, court costs, surveyors', photographers', appraisers', architects', engineers', consulting professionals', accountants', and attorneys' fees and disbursements.
- (b) If (i) any sale (or prerequisite to a sale), action or proceeding shall be commenced by Mortgagee (including but not limited to any sale of the Mortgaged Estate, or any action to foreclose this Mortgage or to collect the Secured Obligations), or any action or proceeding is commenced to which Mortgagee is made a party, or in which it becomes necessary to defend or uphold the rights granted by this Mortgage (including, without limitation, any proceeding or other action relating to the bankruptcy, insolvency or reorganization of Mortgagor or any other person or entity obligated hereunder), or in which Mortgagee is served with any legal process, discovery notice or subpoena, and (ii) in each of the foregoing instances such action or proceeding in any manner relates to or arises out of this Mortgage or issuance of the Bonds or acceptance of a guaranty from a guarantor of the Secured Obligations or any of the transactions contemplated by this Mortgage and such action or proceeding does not relate to or arise out of the negligence, breach of trust or willful misconduct of Mortgagee as applicable, then Mortgagor will immediately reimburse or pay to Mortgagee all of the expenses which have been or may be incurred by Mortgagee with respect to the foregoing (including reasonable counsel fees and disbursements), together with interest thereon, and any such sum and the interest thereon shall be included in the Secured Obligations and have the full benefit of this Mortgage, prior to any right, or title to, interest in or claim upon the Mortgaged Estate attaching or accruing to this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to sell the Mortgaged Estate, to foreclose this Mortgage, or to recover or collect the Secured Obligations, the provisions of law respecting the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.
- (c) To the extent permitted by law, Mortgagor shall indemnify and hold harmless Mortgagee and affiliates, and directors, officers, agents and employees and affiliates for,

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

- (d) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Estate, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage except for such damages incurred due to the negligence, breach of trust or willful misconduct of Mortgagee.
- (e) All sums payable by Mortgagor under this Mortgage shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the Secured Obligations of Mortgagor hereunder shall in no way be released, discharged or otherwise affected by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Mortgaged Estate or any part thereof: (iii) any title defect or encumbrance or any eviction from the Mortgaged Estate or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagor, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagor, or by any court, in any such proceeding; or (v) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. To the extent permitted by law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Secured Obligation. Notwithstanding the above. Mortgagor may maintain a separate suit regarding such matters.

Section 1.10. Taxes and Impositions.

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

- (b) Subject to the applicable state law provisions, Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings in accordance with the terms of the Trust Indenture.
- (c) Mortgagor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Mortgaged Estate as a single lien.

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

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

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

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

Section 1.15. Eminent Domain. Should the Mortgaged Estate, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding. Mortgagor shall give prompt written notice thereof to Mortgagee. Mortgagee may participate in any such Condemnation proceedings, and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceedings and shall consult with Mortgagee and its attorneys and experts, and cooperate with it in the carrying on or defense of any such proceedings. All proceeds of Condemnation awards or proceeds of sale in lieu of Condemnation with respect to the Mortgaged Estate and all judgments, decrees and awards for injury or damage to the Mortgaged Estate or any part thereof or interest therein shall be paid to Mortgagor or Mortgagee as provided in Section 7.02 of the Trust Indenture, and if to Mortgagee, shall be applied first to all reasonable costs and expenses incurred by Mortgagee in obtaining the proceeds. The balance of proceeds (referred to in the Trust Indenture as "net proceeds"), if any, shall be applied as directed by Mortgagor in accordance with the provisions of the Trust Indenture.

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

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

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

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

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

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

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

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

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

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

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

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

Section 1.25. [Reserved].

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

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

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

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

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

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

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

Section 1.31. After-Acquired Property. All right, title and interest of Mortgagor in and to all improvements, alterations, substitutions, restorations and replacements of, and all additions and appurtenances to, the Mortgaged Estate, hereafter acquired by or released to Mortgagor, immediately upon such acquisition or release and without any further granting by Mortgagor, shall become part of the Mortgaged Estate and shall be subject to the lien hereof fully, completely and with the same effect as though now owned by Mortgagor and specifically described in the Granting Clauses hereof. Mortgagor shall execute and deliver to Mortgagee any further assurances, mortgages, grants, conveyances or assignments thereof as Mortgagee may reasonably require to subject the same to the lien hereof.

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

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

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

ARTICLE II

ENVIRONMENTAL MATTERS

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

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

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

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

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

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

ARTICLE IV

SECURITY AGREEMENT

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

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

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

- Section 4.02. Warranties; Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents and covenants, with respect to the Fixtures, as follows:
 - (a) except for the security interest granted hereby, Mortgagor is, and as to any of the Fixtures to be acquired after the date hereof will be, the sole owner of the Fixtures, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for purchase money liens and Permitted Encumbrances. Mortgagor will notify Mortgagee of, and will defend the Fixtures against, all prohibited claims and demands of all persons at any time claiming the same or any interest therein;
 - (b) Mortgagor will not lease, sell, convey or in any manner transfer the Fixtures (except Fixtures transferred in the ordinary course of business and replaced by Fixtures of a similar nature and having at least the same value as the Fixtures replaced, and except for Permitted Encumbrances as defined in the Trust Indenture) without the prior written consent of Mortgagee;
 - (c) the Fixtures is not used or bought for personal, family or household purposes;
 - (d) the Fixtures will be kept on or at the Project and Mortgagor will not remove the Fixtures from the Project without the prior written consent of Mortgagee, except such portions or items of personal property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with new items of equal or greater quality; and
 - (e) all covenants and obligations of Mortgagor contained herein relating to the Mortgaged Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

- Section 5.01. Eyents of Default. Any one or more of the following events shall be deemed an event of default hereunder (each, an "Event of Default"):
 - (a) the occurrence of a default or an Event of Default by Mortgagor under the Trust Indenture (other than this Mortgage) subject to any applicable notice or cure periods provided therein;
 - (b) failure by Mortgagor to punctually perform or observe any covenant or agreement contained in this Mortgage (other than the monetary obligations described in paragraph (a) above) and such failure shall not have been cured within 30 days (or such longer period as permitted under the Trust Indenture) after written notice from Mortgagee of such failure;
 - (c) if Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent within the meaning of the United States Bankruptcy

- Code, 11 U.S.C. §§ 101 et seq., as amended (the "Bankruptcy Code"), or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;
- (d) if a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Mortgagor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Mortgagor or of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Mortgagor and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);
- (e) if a writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Estate, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on the Mortgaged Estate or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 60 days after its entry or levy;
- (f) if, during the term of the Bonds secured by this Mortgage, Mortgagor shall without the prior written approval of Mortgagee (unless permitted as provided herein) sell, convey, alienate, mortgage or encumber the Mortgaged Estate or any part thereof or any interest therein, or shall be divested of its title or any interest therein, in any manner, whether voluntarily or involuntarily, or if there is any merger, consolidation or dissolution affecting Mortgagor, or if there is a transfer of a majority interest in Mortgagor in a series of transactions or as a single transaction, unless any of the foregoing are permitted by the Trust Indenture;
- (g) any assignment by Mortgagor of the whole or any part of the Revenues, issues or profits arising from the Mortgaged Estate (including, without limitation, the Revenues) to any person without the consent of Mortgagee (unless permitted as provided herein) or if, without such consent, Mortgagor shall otherwise further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the UCC) unless permitted by the Trust Indenture; or
- (h) if at any time any representation, warranty or statement made by Mortgagor in the Trust Indenture or any certificate delivered by Mortgagor shall be incorrect or

misleading in any material respect, or any material misrepresentation shall at any time be made to Mortgagee by Mortgagor.

- Section 5.02. Acceleration Upon Default; Additional Remedies. Subject to the cure provisions of this Section 5.02, upon the occurrence of an Event of Default (which default is not cured within any applicable cure period) Mortgagee may, at Mortgagee's sole option exercised in Mortgagee's sole discretion, pursue any one or more of the following remedies:
 - (a) Declare all or any portion of the Secured Obligations to be due and payable, and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind except as otherwise provided herein;
 - (b) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon and take possession of the Mortgaged Estate or any part thereof and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Estate, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Estate, take any action described in Article II. III or IV hereof, sue for or otherwise collect the Revenues thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any Secured Obligations, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Estate, the taking of any action described in Article II, III or IV hereof, the collection of such Revenues and the application thereof as aforesaid, shall not cure or waive any default or notice of default or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Estate or the collection, receipt and application of Revenues, issues or profits, Mortgagee shall be entitled to exercise every right provided for the Trust Indenture or by law upon occurrence of any Event of Default, including the right to exercise the power of sale herein conferred;
 - (c) Commence an action to foreclose this Mortgage (either judicially or non-judicially), appoint a receiver, specifically enforce any of the covenants hereof, or sell the Mortgaged Estate pursuant to the power of sale herein conferred and in a manner provided under Michigan law;
 - (d) Exercise any or all of the remedies available to a secured party under the UCC, including, but not limited to:
 - (i) Either personally or by means of a court appointed receiver, commissioner or other officer, take possession of all or any of the Fixtures and exclude therefrom Mortgagor and all others claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect of the Fixtures or any part thereof. In the event Mortgagee demands or attempts to take possession of the Fixtures in the

exercise of any rights under the Trust Indenture, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Mortgagee;

- (ii) Without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to the security interest granted hereunder and, in exercising any such powers or authority, to pay all expenses incurred in connection therewith;
- (iii) Require Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver such Fixtures to Mortgagee, or an agent or representative designated by it. Mortgagee, and its agents and representatives, shall have the right to enter upon any or all of Mortgagor's premises and property to exercise Mortgagee's rights hereunder;
- (iv) Sell, lease or otherwise dispose of the Fixtures at public sale, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as Mortgagee may determine. Mortgagee may be a purchaser at any such sale; and
- (v) Unless the Fixtures is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least 10 days' prior written notice of the time and place of any public sale of the Fixtures or other intended disposition thereof. Such notice may be mailed to Mortgagor at the address set forth at the beginning of this Mortgage and shall be deemed to be given on the date of mailing thereof; and
- (vi) Any sale made pursuant to the provisions of this subsection shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of all or a portion of the remainder of the Mortgaged Estate under power of sale as provided herein upon giving the same notice with respect to the sale of the Personal Property hereunder as is required for such sale of the remainder of the Mortgaged Estate under power of sale, and such sale shall be deemed to be pursuant to a security agreement covering both real and personal property under the UCC.
- (e) Exercise any other rights or remedies which may now or hereafter be available to Mortgagee under this Mortgage or the Trust Indenture or pursuant to applicable law or in equity; or
- (f) If held by Mortgagee, surrender the insurance policies maintained pursuant to Section 1.05, collect the unearned insurance premiums and apply such sums as a credit on the Secured Obligations in such priority and proportion as Mortgagee in its sole discretion shall deem proper, and in connection therewith, Mortgagor hereby appoints

Mortgagee as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Mortgagee to collect such insurance premiums.

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

Section 5.03. [Reserved].

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

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

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

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

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

Section 5.08. Cash Collaterai. To the fullest extent allowed by applicable law, Mortgagor hereby acknowledges and agrees that in the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (i) that all of the Revenues are, and shall for purposes be

deemed to be, "proceeds, product, offspring, rents, or profits" of the Project covered by the lien of the Mortgage, as such quoted terms are used in Section 552(b) of the Bankruptcy Code; (ii) that in no event shall Mortgagor assert, claim or contend that any portion of the Revenues are, or should be deemed to be, "accounts" or "accounts receivable" within the meaning of the Bankruptcy Code and/or applicable state law; (iii) that the Revenues are and shall be deemed to be in any such bankruptcy proceeding "cash collateral" of Mortgagee as that term is defined in Section 363 of the Bankruptcy Code; and (iv) that Mortgagee has valid, effective, perfected, enforceable and "choate" rights in and to the Revenues without any further action required on the part of Mortgagee to enforce or perfect its rights in and to such cash collateral, including, without limitation, providing notice to Mortgagor under Section 546(b) of the Bankruptcy Code.

ARTICLE VI

MISCELLANEOUS

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

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

Section 6.03. Limitation of Interest. All agreements between Mortgagor and Mortgagee, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid, to Mortgagee for the use, forbearance, or detention of the money to be held pursuant to the Trust Indenture or otherwise, or for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever fulfillment of any provision hereof at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Mortgagee or holders of the Bonds shall ever receive as interest under the Bonds or this Mortgage or otherwise anything of value which would exceed interest at the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing under the Bonds or on account of other Secured Obligations and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Bonds and such other Secured Obligations, such excess shall be refunded to Mortgagor. All sums paid or agreed to be paid to Mortgagee for the use, forbearance, or detention of the Secured Obligations shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such obligations until payment in full so that the rate of interest on account of Secured Obligations is uniform throughout the term thereof. The terms and provisions of this paragraph shall control all agreements between Mortgagor and Mortgagee.

Section 6.04. [Reserved]

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

If to Mortgagor: Summit Academy North

30100 Olmstead Flat Rock, MI 48134

Attention: Program Director Telephone: (734) 379-9766 Facsimile: (734) 379-9786

If to Mortgagee: US Bank Corporate Trust Services

60 Livingston Avenue St. Paul, Minnesota 55107

Attention: Corporate Trust Department

Telephone: (651) 495-3910 Facsimile: (651) 495-8096

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

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

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

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

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

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

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

Section 6.12. Obligations of Mortgagor. The obligations of Mortgagor to make payments hereunder and under the Trust Indenture and to perform and observe all agreements on

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

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

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

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

SUMMIT ACADEMY NORTH

Kenneth Nay

Its: Secretary

By: Woon Conallier

Its: Program Director

5179844v3

STATE OF MICHIGAN)	
)	SS
COUNTY OF OAKLAND)	

Personally came before me this 20th day of September, 2005, the above named Kenneth Naysmith and Alison Cancilliari, Secretary and Program Director, respectively, of Summit Academy North, to me known to be the persons who executed the foregoing instrument and acknowledged the same on behalf of said Summit Academy North.

Name: Aban Szuma Notary Public, State of Michigan

My commission expires: 7-16-2007

Acting in County of: Outland

EXHIBIT A

Description of Land

The land is described as:

The Land is situated in the City of Romulus, Wayne County, Michigan and described as:

Parcel A:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, beginning South 88 degrees 51 minutes 45 seconds West 1150.25 feet and South 0 degrees 26 minutes 06 seconds East 60 feet from North 1/4 corner of Section 12; thence South 0 degrees 26 minutes 06 seconds East 1254.94 feet; thence South 88 degrees 56 minutes 39 seconds West 164.14 feet; thence North 0 degrees 26 minutes 35 seconds West 1254.71 feet; thence North 88 degrees 51 minutes 45 seconds East 164.33 feet to point of beginning.

Parcel B:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, beginning South 88 degrees 51 minutes 45 seconds West 985.93 feet and South 0 degrees 25 minutes 40 seconds East 60 feet from North 1/4 corner of Section 12; thence South 0 degrees 25 minutes 40 seconds East 1255.18 feet; thence South 88 degrees 56 minutes 39 seconds West 164.15 feet; thence North 0 degrees 26 minutes 06 seconds West 1254.94 feet; thence North 88 degrees 51 minutes 45 seconds East 164.32 feet to point of beginning.

Parcel C:

Beginning at a point on the North right of way line of Sibley Road (93 feet wide), said point being N.89°55'30"E., 651.71 feet and N.00°04'50"W., 60.00 feet from the S.W. corner of Section 1; proceeding thence from the point of beginning, N.00°04'50"W., 1259.06 feet; thence S.89°59'03"E., 165.00 feet; thence S.00°04'50"E., 1258.80 feet to a point on the North right of way line of Sibley Road; thence along said right of way line S.89°55'30"W., 165.00 feet to the point of beginning, containing 4.77 acres more or less.

Parcel D:

That part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the East line of Middle Belt Road (120 feet wide), said point being distant North 89 degrees 55 minutes 30 seconds East 60.00 feet and North 768.00 feet from the Southwest corner of Section 1; proceeding thence from the point of beginning, North 432.00 feet along the East line of Middle Belt Road; thence South 89 degrees 59 minutes 03 seconds East

590.02 feet; thence South 00 degrees 04 minutes 50 seconds East 859.06 feet; thence South 89 degrees 55 minutes 30 seconds West 321.23 feet; thence North 428.00 feet; thence South 89 degrees 55 minutes 30 seconds West 270.00 feet to the point of beginning.

EXHIBIT B

PERMITTED EXCEPTIONS AS DISCLOSED IN TITLE INSURANCE POLICY

5179844v3 25120/101570

BOND PURCHASE AGREEMENT

\$22,435,000 SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING REVENUE BONDS, SERIES 2016

August 31, 2016

Summit Academy North 18601 Middlebelt Road Romulus, MI 48174

Ladies and Gentlemen:

We, Herbert J. Sims & Co., Inc. (the "Underwriter"), hereby offer to enter into this Bond Purchase Agreement (this "Agreement") with Summit Academy North (the "Issuer") for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 11:00 a.m., Minneapolis, Minnesota time, on August 31, 2016, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. If not so accepted, this Bond Purchase Agreement will be subject to withdrawal by the Underwriter upon notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank National Association, as trustee (the "Trustee"), to the Underwriter all (but not less than all) of the Issuer's Public School Academy Refunding Revenue Bonds, Series 2016, in the aggregate principal amount of \$22,435,000 (the "Bonds"), at an aggregate purchase price of \$22,280,882.08. Such purchase price represents the par amount of the Bonds (\$22,435,000), plus original issue premium (\$417,186.75), less Underwriter's discount (\$571,304.67). The Bonds shall be issued and secured under and pursuant to a Trust Indenture, dated as of September 20, 2005 (the "Original Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as of May 1, 2011 (the "First Supplemental Trust Indenture;" and together with the Original Indenture, the "Existing Indenture"), as further supplemented by a Second Supplemental Trust Indenture, dated as of September 1, 2016 (the "Second Supplemental Indenture" and together with the Existing Indenture, the "Trust Indenture"), and under and pursuant to the resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on July 28, 2016 (the "Bond Resolution"), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory sinking fund and extraordinary redemption as set forth in Schedule A hereto. The Underwriter agrees to make a public offering of the Bonds at the

respective initial offering prices set forth in <u>Schedule A</u> hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to (i) currently refund all of the Issuer's outstanding Public School Academy Revenue and Refunding Bonds, Series 2005; (ii) fund a deposit to a debt service reserve fund; and (iii) pay certain costs of issuance of the Bonds. The Bonds will be secured by the trust estate created under the Trust Indenture, which consists, among other things, of State Aid Payments received by the Trustee and other payments due with respect thereto. The Bonds will be further secured by a Mortgage, dated September 20, 2005, as amended by a First Amendment to Mortgage, dated June 6, 2001, which Mortgage will be further amended by a Second Amendment to Mortgage, dated as of September 1, 2016 (as so amended, the "Mortgage"), granting a lien on and security interest in certain of the Issuer's school facilities (the "Facilities").

- 2. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer's expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto (the "Official Statement"), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated August 10, 2016 (the "Preliminary Official Statement") in offering the Bonds for public sale to prospective purchasers of the Bonds.
- (b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") and all other applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.
- (c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.
- (d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.
- (e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB's Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be

BOND PURCHASE AGREEMENT

Summit Academy North
Public School Academy Refunding Revenue Bonds, Series 2016

sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.

- 3. Closing. At 11:00 a.m., Minneapolis, Minnesota time, on September 30, 2016, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the "Closing Date"), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the "Closing." The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.
- 4. <u>Representations of the Issuer.</u> In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:
- The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading, provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official Statement under the caption "DESCRIPTION OF THE BONDS—Book-Entry-Only System," which was furnished by DTC; and (ii) furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement as described in Section 5(c) hereof, as to which statements and information the Issuer makes no representation other than that the Issuer has no knowledge or notice that such information is inaccurate or misleading. If, at any time prior to the later of (i) receipt of notice from the Underwriter pursuant to Section 2(c) hereof that final Official Statements are no longer required to be delivered under the Rule, or (ii) the date described in Section 2(e) hereof, any event occurs with respect to the Issuer as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event. Upon the request of the Underwriter, the Issuer shall prepare and deliver to the Underwriter, at the expense of the Issuer, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or

omission therein as the Underwriter may reasonably request. Any amendment of or supplement to the Official Statement to be distributed pursuant to this Section 4, Paragraph (a), shall contain a statement that the Underwriter has neither participated in the preparation thereof nor made any independent investigation of the facts contained therein and does not assume any responsibility for the sufficiency, accuracy or completeness of the information contained therein.

- (b) The Issuer is duly organized and existing and in good standing as a nonprofit corporation, public school academy and public agency under the laws of the State of Michigan (the "State") and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, a Continuing Disclosure Agreement, dated as of September 1, 2016, between the Issuer and the Trustee, as dissemination agent (the "Continuing Disclosure Agreement"), the Services Agreement, dated July 1, 2016 (the "Management Agreement") between the Issuer and CSP Management Inc. d/b/a Michigan Educational Personnel Services (collectively "MEP Services"), and this Agreement (collectively, the "Issuer Documents"), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State to issue bonds to refinance certain of its outstanding obligations.
- (c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.
- (d) Except as may be required under Blue Sky or other securities laws of the United States or any state, there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer, including Central Michigan University Board of Trustees (the "Authorizing Body"), required for the execution and delivery of the Bonds or the entering into of the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as has already been obtained.
- (e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction, including the Authorizing Body, which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.

- (f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter's actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate.
- (g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture.
- (h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.
- (i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.
- (j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.
- (k) The Second Amendment to Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.
- (l) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.

- (m) There are no affiliations, interrelationships and / or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in the Official Statement.
- (n) The Issuer acknowledges that the Underwriter is acting as an underwriter for the Bonds and has not agreed to serve as a financial advisor to the Issuer.
- Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended--collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. No failure of the Underwriter to give, and no delay in giving, that notice shall relieve the Issuer to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Issuer of the action, claim or proceeding, and only to the extent of that prejudice. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Underwriter or such controlling person, as the case may be, unless the retaining of such counsel has been specifically authorized by the Issuer or except as otherwise provided in the Issuer Documents.
- (b) The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an "Issuer Indemnified Party" and collectively the "Issuer Indemnified Parties") and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be

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

- (c) For the purpose of paragraphs (a) and (b) of this Section 5, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices of the Bonds set forth on the cover pages of, and under the caption "Underwriting" in, the Preliminary Official Statement and the Official Statement.
- If the indemnification provided for in subsection (a) of this Section is unavailable to the Underwriter (or any controlling person thereof) in respect of any losses, claims, damages or liabilities referred to therein, then the Issuer shall, in lieu of indemnifying the Underwriter, contribute to the amount paid or payable by the Underwriter as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Underwriter, respectively, from the underwriting of the Bonds. however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Issuer shall contribute to such amount paid or payable by the Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuer and the Underwriter, respectively, in connection with the statements or omission which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefit received by the Issuer or the Underwriter, respectively, shall be deemed to be in the same proportion as the total proceeds from the underwriting of the Bonds (before deducting costs and expenses other than underwriting fees and expenses), on the one hand, bear to the total underwriting fees and expenses received by the Underwriter, on the other hand. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material

fact or the omission or alleged omission to state a material fact related to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided, however, that in the case of an allegation or a determination that arises out of or is based upon a failure in connection with the public offering of the Bonds to register any security under the 1933 Act or to qualify any indenture under the Trust Indenture Act of 1939, the fault shall be deemed entirely that of the Issuer. The Issuer and the Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The amount paid or payable by the Underwriter as a result of the losses, claims, damages or liabilities referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by the Underwriter (or any controlling person thereof) in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriter shall not be required to contribute any amount in excess of the underwriting fee paid to the Underwriter under Section 8 hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who is not guilty of such fraudulent misrepresentation.

- 6. <u>Conditions Precedent.</u> The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:
 - (a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing:
 - (b) at or prior to the Closing, the Underwriter shall receive the following documents:
 - (i) an executed copy of the Original Indenture, the First Supplemental Indenture and the Second Supplemental Indenture;
 - (ii) an executed copy of the Second Amendment to Mortgage;
 - (iii) an executed copy of the Continuing Disclosure Agreement;
 - (iv) the approving opinion and supplemental opinion of bond counsel, in form reasonably acceptable to the Underwriter;

- (v) evidence satisfactory to the Underwriter that the Bonds have received a rating no lower than "BB" from S & P Global Ratings;
- (vi) a certificate of the Authorizing Body in form satisfactory to the Underwriter;
- (vii) evidence of the proper recording, in applicable real estate records, of the Second Amendment to Mortgage;
- (viii) a certificate of officers of the Trustee, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (ix) a certificate of the Issuer, dated the Closing Date, relating to the accuracy of the information in the Official Statement, incumbency and signature of authorized officers, execution and delivery of the Bonds and the other documents to which the Issuer is a party, no litigation and continued existence, in form reasonably acceptable to the Underwriter;
- (x) a certified copy of the resolution adopted by the Board of the Issuer authorizing the execution and delivery of the Bonds, the Trust Indenture and all related documents;
- (xi) a mortgagee's title insurance policy which shall evidence good and marketable title in the Facilities insuring the Trustee's interest granted by the Mortgage, in form reasonably satisfactory to the Underwriter;
- (xii) organizational documents of the Issuer certified by an authorized officer of the Issuer:
- (xiii) the Nonarbitrage and Tax Compliance Certificate of the Issuer;
- (xiv) a certificate, dated the Closing Date, signed by an authorized officer or officers of the Trustee, to the effect that the Trustee is a national banking association, duly organized and existing under the laws of the United States of America, and has full power and authority to conduct its activities, to execute, deliver and perform its obligations under the Trust Indenture, and to carry out the transactions contemplated thereby, and that the Trust Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee;
- (xv) an executed copy of the State Aid Agreement;

- (xvi) a certificate of MEP Services, dated the Closing date, in form reasonably acceptable to Underwriter;
- (xvii) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or the Issuer's counsel or bond counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.
- (c) at the Closing, the Issuer Documents and all other documents related thereto shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions and there shall have been executed and delivered such opinions, certificates, proceedings, instruments and other documents as, in the opinion of bond counsel or counsel to the Underwriter, shall be necessary in connection with the transactions contemplated hereby.

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

<u>Underwriter's Right to Cancel.</u> The Underwriter shall have the right to cancel its 7. obligation to purchase the Bonds if (i) between the date hereof and the Closing Date, legislation shall have been enacted by the Congress of the United States or the legislature of the State of Minnesota or the State of Michigan or legislation shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived from the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect as of such time any statement or information contained in the Preliminary Official Statement or the Official Statement or (b) is not reflected in the Preliminary Official Statement or the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for

the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, Minnesota or Michigan authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets.

- 8. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and registration fees) shall be the obligation of the Issuer. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds, in the approximate amount of \$260,300.00. The Underwriter's compensation in the amount of \$571,304.67 is reflected in the discounted purchase price for the Bonds.
- 9. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the addresses set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Herbert J. Sims & Co., Inc., 8500 Normandale Lake Blvd., Suite 540, Bloomington, MN 55437, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.
- 10. <u>Benefit</u>. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and

affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Minneapolis, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.

- 11. <u>Representations and Covenants of the Underwriter</u>. The Underwriter hereby represents and covenants to the Issuer that:
- (a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or "blue sky" law of any jurisdiction in which such registration or qualification is required.
- (b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.
- (c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 5, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.

[Remainder of Page Intentionally Left Blank]

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

Very truly yours,

HERBERT J. SIMS & CO., INC.,

Underwriter

By:

Its: Executive Vice President

Date and Time of execution:

August 31, 2016, 9; 202.m/p.m.

Accepted and Agreed to:

SUMMIT ACADEMY NORTH,

Issuer

Jason Walker

Its: Treasurer

Date and Time of execution:

August 31, 2016, 9:00 a.m. p.m.

Leann Hedke

Its: Superintendent

Date and Time of execution:

August 31, 2016, 4:00 p.m. p.m

BOND PURCHASE AGREEMENT

Summit Academy North
Public School Academy Refunding Revenue Bonds, Series 2016

Schedule A

Maturity

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

	Maturity Date	Principal	Interest	
920	(November 1)	Amount	Rate	Price
	2017	\$ 790,000	2.500%	100.000
	2018	810,000	2.750	99.747
	2021	2,610,000	4.000	102.074
	2024	2,945,000	4.000	99.144
	2031	8,735,000	5.000	103.044*
	2035	6,545,000	5.000	101.901*

^{*}Priced to first call date November 1, 2021

Redemption

Optional. The Bonds are subject to redemption prior to maturity at the option of the Issuer upon written request by the Issuer to the Trustee in whole or in part on any day commencing on or after November 1, 2021, at a redemption price equal to a percentage of the principal amount thereof as set forth below plus accrued interest to the date of redemption, and in such order of maturity as the Issuer shall direct, provided that no Bond may be redeemed in part if the principal amount to be Outstanding following such partial redemption is not an Authorized Denomination.

Optional Redemption Date	Purchase Price
November 1, 2021 through October 31, 2026	101%
November 1, 2026 and thereafter	100%

Mandatory. The Bonds maturing November 1, 2021, are subject to mandatory redemption on November 1, 2019, and on each November 1 thereafter, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date from amounts on deposit in the Bond Principal Fund as follows:

Redemption	Principal
Dates	Amounts
November 1, 2019	\$835,000
November 1, 2020	870,000
November 1, 2021 (Maturity)	905,000

The Bonds maturing November 1, 2024, are subject to mandatory redemption on November 1, 2022, and on each November 1 thereafter, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date from amounts on deposit in the Bond Principal Fund as follows:

Redemption	Principal
<u>Dates</u>	Amounts
November 1, 2022	\$945,000
November 1, 2023	980,000
November 1, 2024 (Maturity)	1,020,000

The Bonds maturing November 1, 2031, are subject to mandatory redemption on November 1, 2025, and on each November 1 thereafter, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date from amounts on deposit in the Bond Principal Fund as follows:

Redemption	Principal
Dates	Amounts
November 1, 2025	\$1,070,000
November 1, 2026	1,125,000
November 1, 2027	1,180,000
November 1, 2028	1,240,000
November 1, 2029	1,305,000
November 1, 2030	1,370,000
November 1, 2031 (Maturity)	1,445,000

The Bonds maturing November 1, 2035, are subject to mandatory redemption on November 1, 2032, and on each November 1 thereafter, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date from amounts on deposit in the Bond Principal Fund as follows:

Redemption	Principal
<u>Dates</u>	Amounts
November 1, 2032	\$1,515,000
November 1, 2033	1,595,000
November 1, 2034	1,675,000
November 1, 2035 (Maturity)	1,760,000

Mandatory Redemption Upon Determination of Taxability

The Bonds are subject to mandatory redemption prior to maturity, as a whole and not in part, on the earliest practicable date for which notice can be given following the occurrence of a Determination of Taxability under the Indenture, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date.

Redemption of Bonds Upon Occurrence of Certain Events

The Bonds are subject to redemption at the option and upon the direction of Beneficial Owners of at least two-thirds (2/3rds) of the Outstanding Bonds in whole at any time or in part on any Business Day from and to the extent of funds on deposit under the Indenture and available for such purpose at a redemption price equal to the principal amount of each Bond redeemed and accrued interest to the redemption date upon the occurrence of any of the following events:

- (a) The Facilities shall have been damaged or destroyed in whole or in part to such extent that, as expressed in a Consulting Architect's Certificate filed with the Trustee, either (i) the Facilities cannot reasonably be restored within a period of 12 consecutive months to the condition thereof immediately preceding such damage or destruction, (ii) the Issuer is thereby prevented from carrying on its normal operations for a period of 12 consecutive months, (iii) the cost of restoration thereof would exceed the Net Proceeds of insurance carried thereon pursuant to the requirements of the Indenture, or (iv) the final maturity of the Bonds is within five years of the date of such damage or destruction.
- (b) Title to, or the temporary use of, all or any substantial part of the Facilities shall have been taken under the exercise of the power of eminent domain by any governmental authority, or Person, firm or corporation acting under governmental authority or because of a defect in title.
- (c) As a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by the Issuer in good faith, the Indenture shall have become void or unenforceable or impossibility of performance in accordance with the intent and purposes of the parties as expressed in the Indenture. Redemption pursuant to this subsection (c) shall be in whole only.

Only Net Proceeds of insurance or a condemnation award shall be used for a partial redemption of Bonds pursuant to Sections (a) or (b) above.

BLOOMFIELD 39265-31 1692899v1

\$5,825,000 SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REVENUE BONDS SERIES 2011

BOND PURCHASE AGREEMENT

May 25, 2011

Summit Academy North 30100 Olmstead Road Flat Rock, Michigan 48134

Ladies and Gentlemen:

We, Piper Jaffray & Co. (herein called the "Underwriter") hereby offer to enter into this Bond Purchase Agreement (this "Agreement") with Summit Academy North (the "Issuer") for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 2:00 p.m., Minneapolis, Minnesota time, on May 25, 2011, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter.

Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank National Association, as trustee (the "Trustee"), to the Underwriter all (but not less than all) of the Issuer's Public School Academy Revenue Bonds, Series 2011, in the aggregate principal amount of \$5,825,000.00 (the "Bonds"), at an aggregate purchase price of \$5,708,500.00. Such purchase price represents the par amount of the Bonds (\$5,825,000.00), less Underwriter's discount (\$116,500.00). The Bonds shall be issued and secured under and pursuant to a Trust Indenture between the Issuer and the Trustee dated as of September 20, 2005, as supplemented by a First Supplemental Trust Indenture dated as of May 1, 2011 (the "Trust Indenture"), and under and pursuant to the Resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on April 18, 2011 (the "Bond Resolution"), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory sinking fund and extraordinary redemption as set forth in Schedule A hereto. The Underwriter agrees to make a public offering of the Bonds at the respective initial offering prices set forth in Schedule A hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to finance the furnishing, construction and equipping of certain improvements to the Issuer's existing

Schedule 6-69

facilities located in Romulus, Michigan (the "Facilities"), to fund a debt service reserve fund, to pay capitalized interest on the Bonds for a period of approximately five months, and to pay certain costs associated with the issuance of the Bonds (collectively, the "Project"). The Bonds will be secured by the trust estate created under the Trust Indenture, which consists, among other things, of State Aid Payments received by the Trustee on a parity with the Issuer's outstanding Public School Academy Revenue and Refunding Bonds, Series 2005 (the "Series 2005 Bonds") and other payments due with respect thereto. The Bonds will be further secured, on a parity basis with the Series 2005 Bonds, by a Mortgage dated as of September 20, 2005, as amended by a First Amendment to Mortgage dated as of the date of issuance of the Series 2011 Bonds, granting a lien on and security interest in the Project (the "Mortgage").

- 2. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer's expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto, dated May 31, 2011 (the "Official Statement"), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated May 25, 2011 (the "Preliminary Official Statement") in offering the Bonds for public sale to prospective purchasers of the Bonds, but the Issuer makes no representation as to whether it has conducted any independent investigation of the statements and information contained in or incorporated by reference therein except as set forth in Section 4(a) hereof.
- (b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") and all other applicable rules of the municipal securities rule-making board. The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.
- (c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.
- (d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.
- (e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB's Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.

- Closing. At 11:00 a.m., Minneapolis, Minnesota time, on June 6, 2011, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the "Closing Date"), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the "Closing." The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.
- 4. <u>Representations of the Issuer.</u> In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:
- The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading; provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official Statement under the caption "DESCRIPTION OF THE BONDS—Book-Entry-Only System," which was furnished by DTC; and (ii) furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement as described in Section 5(c) hereof, as to which statements and information the Issuer makes no representation other than that the Issuer has no knowledge or notice that such information is inaccurate or misleading. If, at any time prior to the later of (i) receipt of notice from the Underwriter pursuant to Section 2(c) hereof that final Official Statements are no longer required to be delivered under the Rule, or (ii) the date described in Section 2(e) hereof, any event occurs with respect to the Issuer as a result of which the Official Statement as then amended or supplemented might include an untrue statement of a material fact, or omit to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such events. Upon the request of the Underwriter, the Issuer shall prepare and deliver to the Underwriter, at the expense of the Issuer, as many copies of an amendment or supplement to the Official Statement which will correct any untrue statement or omission therein as the Underwriter may reasonably request. Any amendment of or supplement to the Official Statement to be distributed pursuant to this Section 4, Paragraph (a), shall contain a statement that the Underwriter has neither participated in the preparation thereof nor made any independent investigation of the facts contained therein and does not assume any responsibility for the sufficiency, accuracy or completeness of the information contained therein.

- The Issuer is duly organized and existing and in good standing as a nonprofit corporation under the laws of the State of Michigan (the "State") and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, an Agreement Concerning Continuing Disclosure dated as of May 1, 2011, between the Issuer and the Trustee, as dissemination agent (the "Continuing Disclosure Agreement"), and this Agreement (collectively, the "Issuer Documents"), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State of Michigan (the "State") to issue bonds to finance and refinance a portion of the costs of acquiring, renovating and equipping an educational facility such as the Project.
- (c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.
- (d) Except as may be required under Blue Sky or other securities laws of the United States or any state (as to which the Issuer makes no representation as to compliance therewith, or as to any permits or governmental permissions, including environmental clearances, rights and licenses, necessary for the construction and operation of the Facilities, as to which no representation or warranty or comment is made), there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer required for the execution and delivery of the Bonds or the entering into of the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as may have already been obtained.
- (e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.
- (f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter's actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate, provided, however, that the Issuer shall not be required to register as a dealer or broker in any such state or jurisdiction or make any additional representations or warranties in connection with the sale of

securities, or to subject itself to service of process in any state or jurisdiction other than the State of Michigan.

- (g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture, provided, however, that the Bonds and the payment of the principal thereof or the interest thereon shall never constitute a debt or general obligation of the State within the meaning of any constitutional or statutory provision or limitation and shall never constitute nor give rise to a charge against the general credit or taxing powers of the State, but shall be a full faith and credit obligation of the Issuer payable solely from and secured by the security as provided for and subject to the limitations set forth in the Trust Indenture. The Issuer has no taxing power.
- (h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.
- (i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.
- (j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.
- (k) The Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.
- (1) The Issuer is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended, and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended.

- (m) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.
- (n) There are no affiliations, interrelationships and/or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in writing to Oakland University.
- (o) The Issuer Board has fulfilled its fiduciary responsibilities in approving the Issuer Documents.
- 5. Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended--collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. The Underwriter or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Underwriter or such controlling person, as the case may be, unless the retaining of such counsel has been specifically authorized by the Issuer or except as otherwise provided in the Issuer Documents.
- (b) The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an "Issuer Indemnified Party" and collectively the "Issuer Indemnified Parties") and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be contained therein or which is necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect; or arising out

of violations by the Underwriter of representations made by it in this Agreement or violations by it of applicable securities laws; and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission, or violation, if such settlement is effected with the written consent of the Underwriter. In case any claim shall be made or action brought against an Issuer Indemnified Party or such controlling person (as aforesaid) based upon the Preliminary Official Statement, the Official Statement or this Agreement, in respect of which indemnity may be sought against the Underwriter, the Issuer or such controlling person shall promptly notify the Underwriter in writing setting forth the particulars of such claim or action and the Underwriter shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. The Issuer Indemnified Party or any controlling person shall have the right to retain separate counsel, in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the party retaining such counsel unless the retaining of such counsel has been specifically authorized by the Underwriter.

- (c) For the purpose of paragraphs (a) and (b) of this Section 5, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices and other statements with respect to the public offering of the Bonds set forth on the cover pages of, and under the caption "Underwriting" in, the Preliminary Official Statement and the Official Statement.
- (d) Any provision of this Agreement or any other instrument or document executed and delivered in connection herewith to the contrary notwithstanding, the Issuer retains the right to (i) enforce any applicable federal or state law or regulation or resolution of the Issuer and (ii) enforce any rights accorded the Issuer by federal or state law or regulation or resolution of the Issuer, and nothing in this Agreement shall be construed as an express or implied waiver thereof.
- 6. <u>Conditions Precedent.</u> The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:
- (a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing:
 - (b) at or prior to the Closing, the Underwriter shall receive the following documents:
 - (i) an executed copy of the Trust Indenture;
 - (ii) an executed copy of the Mortgage;
 - (iii) an executed copy of the Continuing Disclosure Agreement;

- (iv) the approving opinion of bond counsel, in form reasonably acceptable to the Underwriter;
- (v) the opinion of counsel to the Issuer, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (vi) a certificate of Central Michigan University in form satisfactory to the Underwriter;
- (vii) evidence of the proper recording, in applicable real estate records, of the Mortgage;
- (viii) a certificate of officers of the Trustee, dated the Closing Date, in form reasonably acceptable to the Underwriter;
- (ix) a certificate of the Issuer, dated the Closing Date, relating to the accuracy of the information in the Official Statement, incumbency and signature of authorized officers, execution and delivery of the Bonds and the other documents to which the Issuer is a party, no litigation and continued existence, in form reasonably acceptable to the Underwriter;
- (x) a certified copy of the resolution adopted by the Board of the Issuer authorizing the execution and delivery of the Bonds, the Trust Indenture and all related documents;
- (xi) a mortgagee's title insurance policy which shall evidence good and marketable title in the Project insuring the Trustee's interest granted by the Mortgage, in form reasonably satisfactory to the Underwriter:
- (xii) organizational documents of the Issuer certified by an authorized officer of the Issuer;
- (xiii) the Nonarbitrage and Tax Compliance Certificate of the Issuer;
- (xiv) a certificate, dated the Closing Date, signed by an authorized officer or officers of the Trustee, to the effect that the Trustee is a national banking association, duly organized and existing under the laws of the United States of America, and has full power and authority to conduct its activities, to execute, deliver and perform its obligations under the Trust Indenture, and to carry out the transactions contemplated thereby, and that the Trust Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable against the Trustee;
- such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or the

Issuer's counsel or bond counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

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

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

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

authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets.

- 8. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and registration fees), and rating agency fees, if any, shall be the obligation of the Issuer, but such expenses shall be paid only if the Bonds are issued. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds, in the approximate amount of \$207,920.31. The Underwriter's compensation in the amount of \$116,500.00 is reflected in the discounted purchase price for the Bonds.
- 9. <u>Notices.</u> Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the addresses set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Piper Jaffray & Co., 800 Nicollet Mall, Minneapolis, MN 55402, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.
- Benefit. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Minneapolis, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.

- 11. <u>Representations and Covenants of the Underwriter.</u> The Underwriter hereby represents and covenants to the Issuer that:
- (a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or "blue sky" law of any jurisdiction in which such registration or qualification is required.
- (b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.
- (c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 5, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.
- 12. <u>Limited Recourse.</u> No recourse shall be had for the payment of the principal of, redemption premium, if any, and interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in the Trust Indenture, the Nonarbitrage Certificate to be delivered by the Issuer or this Agreement against any past, present or future member, officer, official, agent or employee of the Issuer, or any incorporator, member, officer, official, employee, director or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, member, officer, official, employee, director, agent or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of the Trust Indenture, the Nonarbitrage Certificate, this Agreement and the issuance of the Bonds.

Very truly yours,

PIPER JAFFRAY, & CO., Underwriter

Its Senior Vice Product
Date and Time of execution:

May 25, 2011, 1:00 a.m. /p.m.

Accepted and Agreed to:

SUMMIT ACADEMY NORTH

Its President

Date and Time of execution:
May 25, 2011, 200 a.m. / p.m.

Ву

Its Program Director
Date and Time of execution:

May 25, 2011, 1:3 a.m. / p.m.

Schedule A

Maturity

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

Maturity Date	Principal	Interest	
(May 1)	Amount	Rate	Yield
2021	\$750,000	6.75%	100.000%
2031	1,615,000	7.75	100.000
2041	3,460,000	8.00	100.000

Redemption

Optional. The Bonds are subject to redemption at the option of the Issuer, as directed in writing by the Issuer, in whole or in part at any time on or after May 1, 2021 (and if in part in multiples of \$5,000) and in such order of maturity as the Issuer shall direct, at a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. No Bond may be redeemed in part if the principal amount to be Outstanding (as such term is defined in the Trust Indenture) following such partial redemption is not an Authorized Denomination, as such term is defined in the Trust Indenture.

Mandatory. The Bonds maturing on May 1, 2021 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on May 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing May 1, 2021

Year	Amount	Year	Amount
2013	\$65,000	2018	\$90,000
2014	70,000	2019	95,000
2015	70,000	2020	100,000
2016	75,000	2021*	105,000
2017	80,000		

^{*} final maturity

The Bonds maturing on May 1, 2031 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on May 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing May 1, 2031

Year	Amount	<u>Year</u>	Amount
2022	\$115,000	2027	\$165,000
2023	120,000	2028	175,000
2024	130,000	2029	190,000
2025	140,000	2030	205,000
2026	155,000	2031*	220,000

* final maturity

The Bonds maturing on May 1, 2041 are subject to mandatory redemption, in part, pursuant to the operation of the sinking fund provided for in the Trust Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on May 1 of the years and in the principal amounts, as follows:

For the Bonds Maturing May 1, 2041

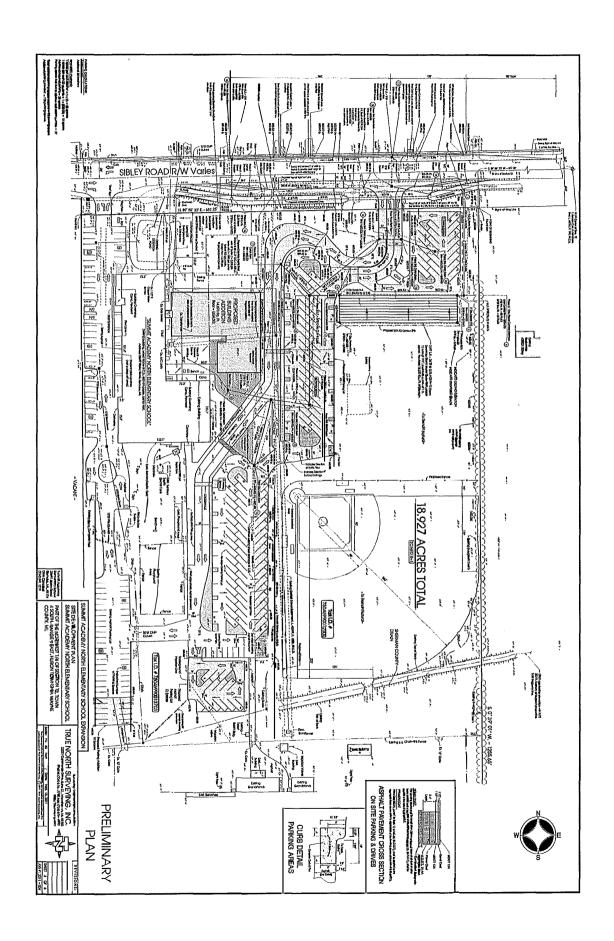
<u>Year</u>	<u>Amount</u>	<u>Year</u>	Amount
2032	\$240,000	2037	\$350,000
2033	260,000	2038	380,000
2034	280,000	2039	410,000
2035	300,000	2040	440,000
2036	325,000	2041*	475,000

* final maturity

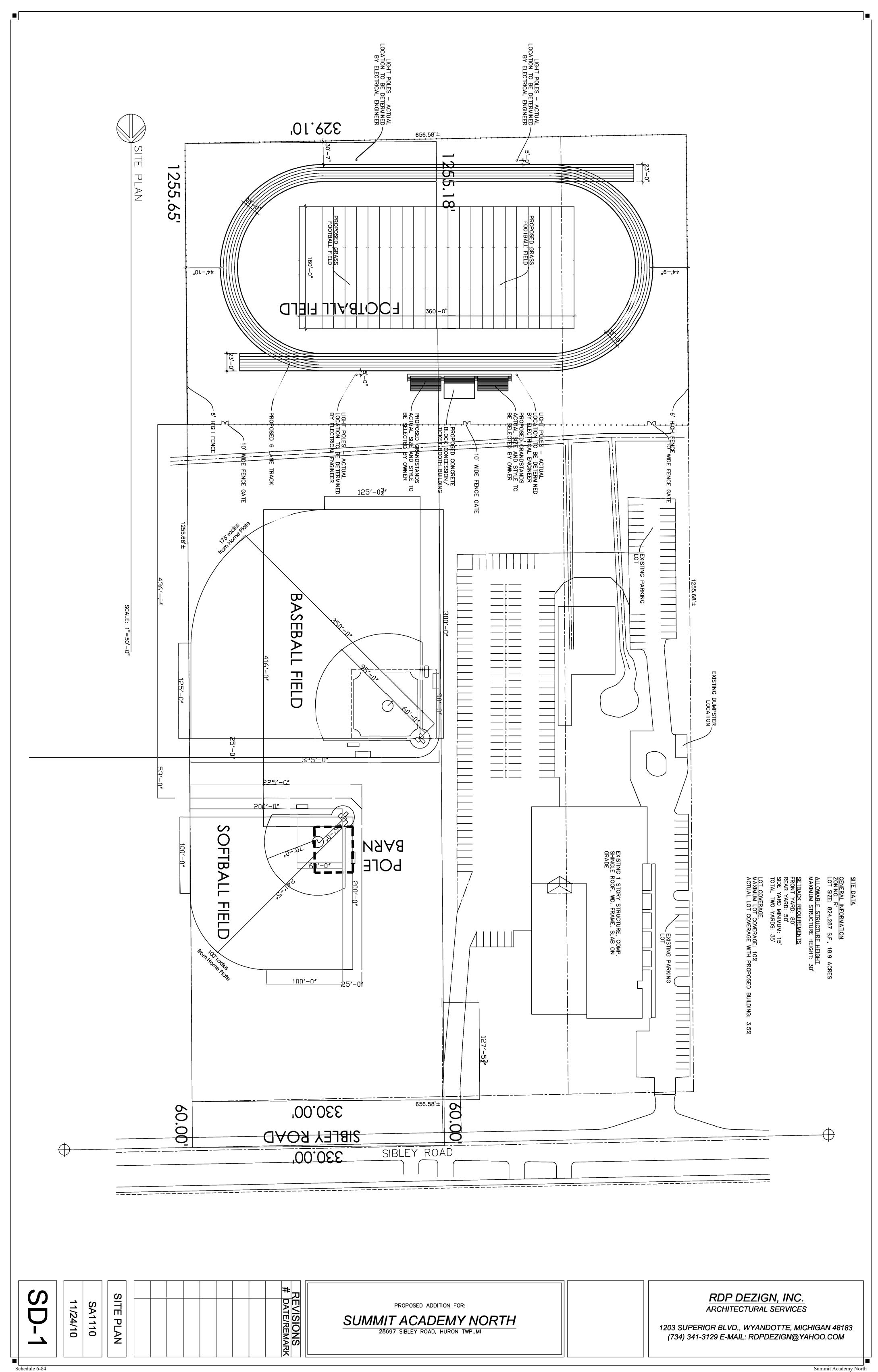
The Bonds are subject to mandatory redemption, in whole, but not in part, should there occur a Determination of Taxability, as such term is defined in the Trust Indenture. In the event of a Determination of Taxability, each of the Bonds shall be redeemed on the earliest practicable date for which notice can be given following the occurrence of a Determination of Taxability. The redemption price shall be equal to 100% of the principal amount of the Bonds plus accrued interest to the redemption date.

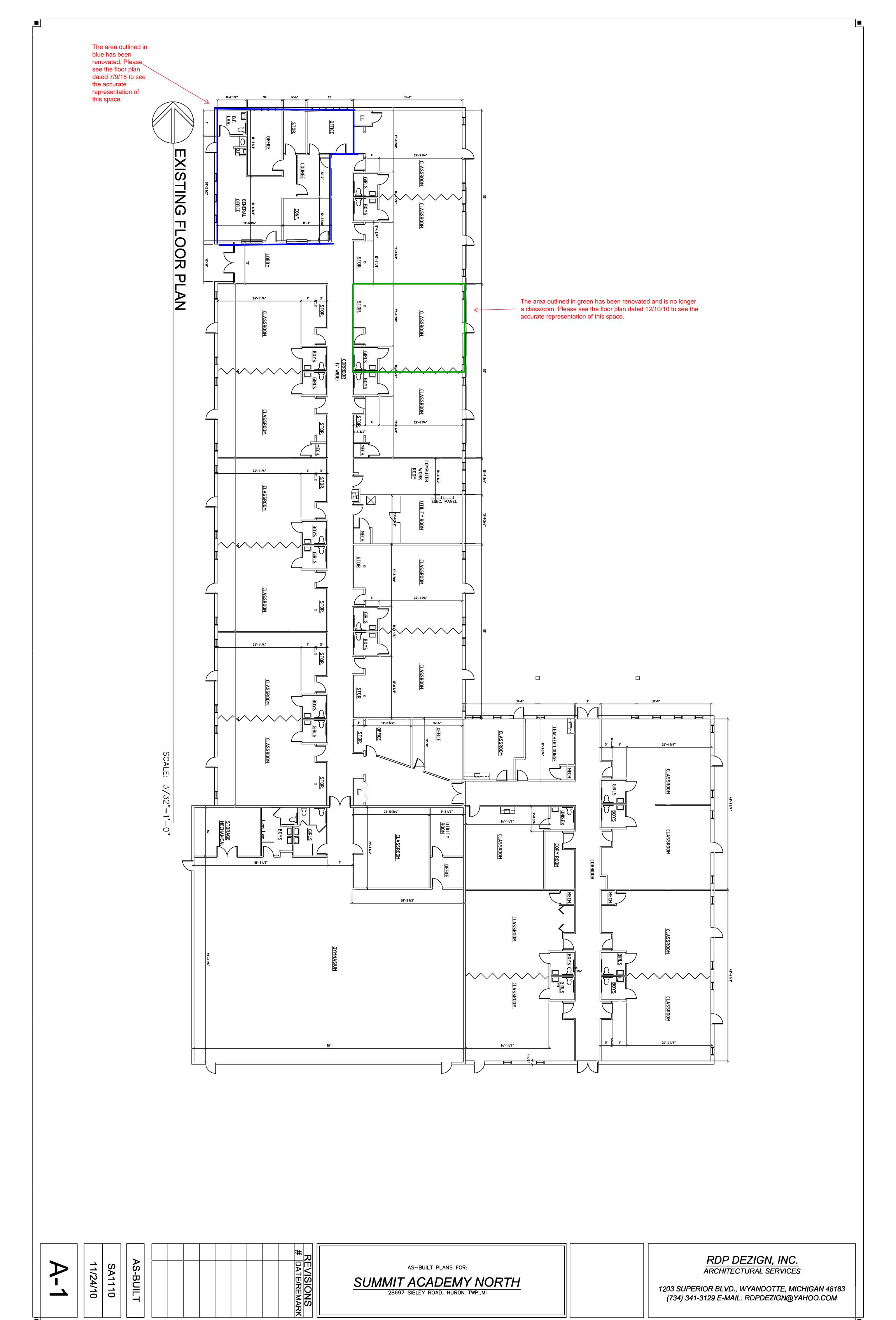
Extraordinary Optional Redemption. The Bonds are subject to redemption at the option and upon the direction of Beneficial Owners of at least two-thirds of the Outstanding Bonds in whole at any time or in part on any Business Day from and to the extent of funds on deposit under the Trust Indenture and available for such purpose at a redemption price equal to the principal amount of each Bond redeemed and accrued interest to the redemption date in the event the Facilities are damaged or destroyed, subject to eminent domain, or in the event that the Trust Indenture becomes void or unenforceable, as described in the Trust Indenture.

Elementary Site



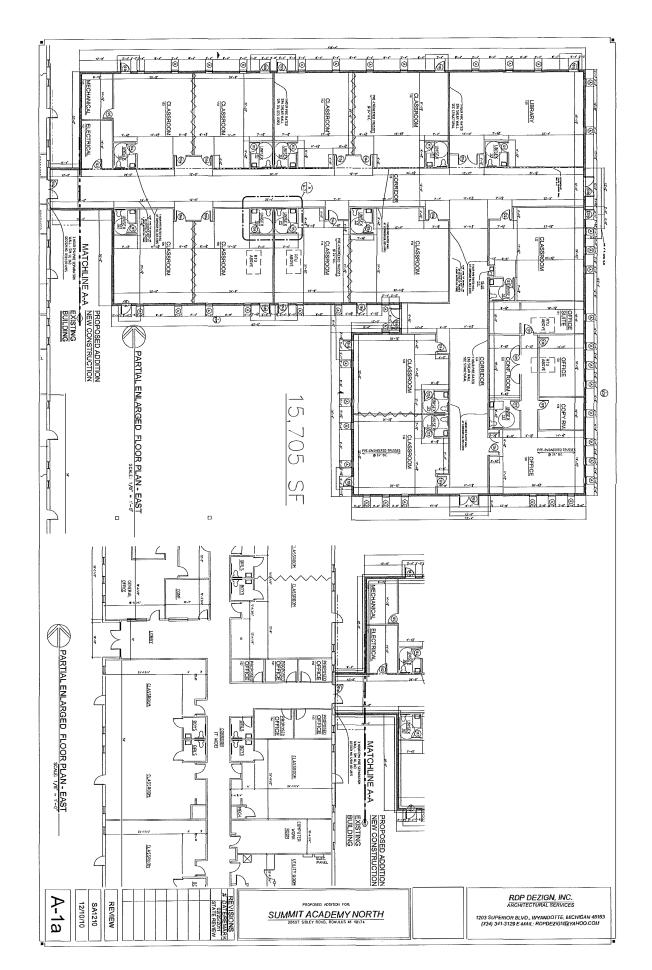
Schedule 6-83 Summit Academy North

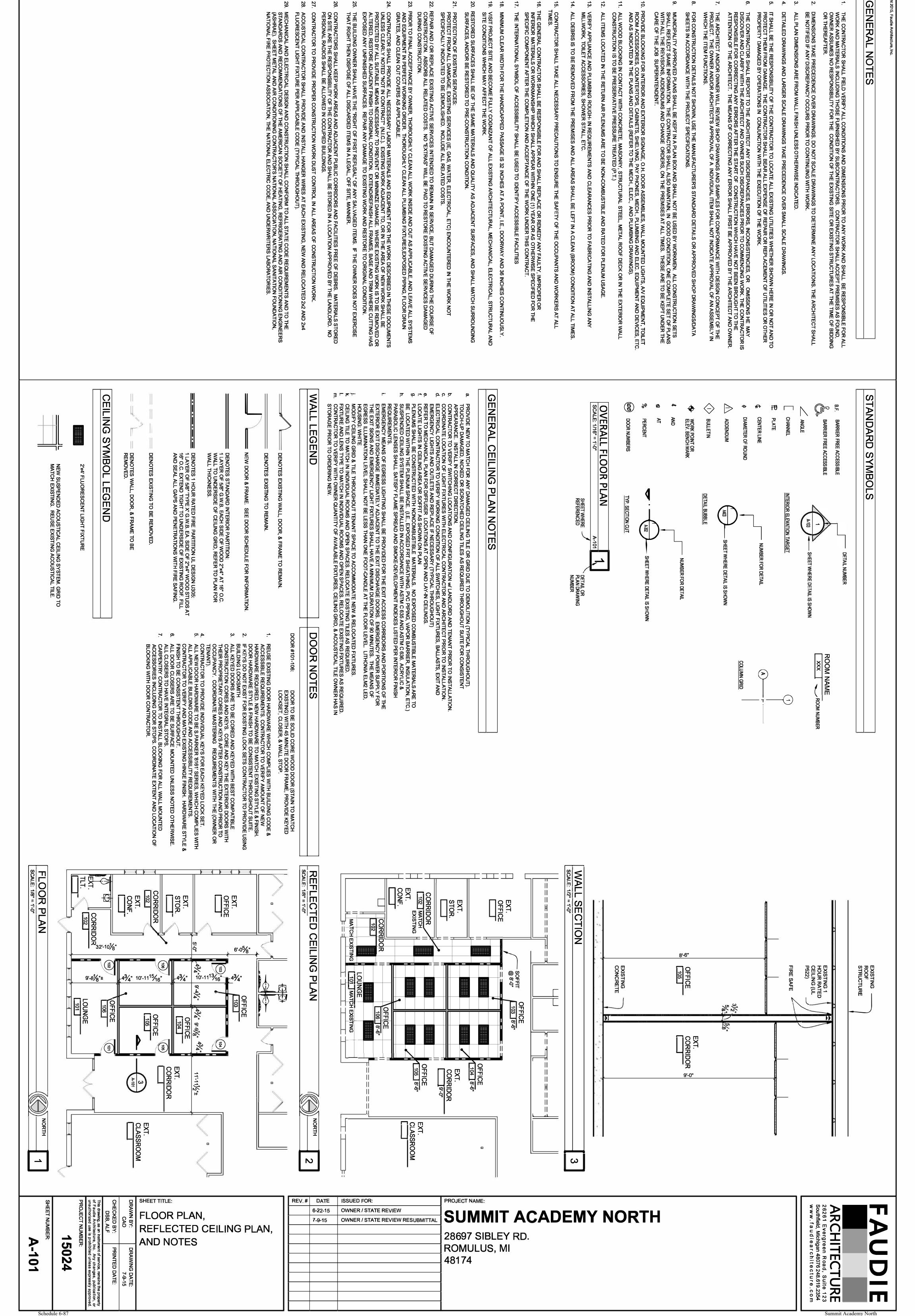




Schedule 6-85

(734) 341-3129 E-MAIL: RDPDEZIGN@YAHOO.COM





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INSPECTION REPORT

DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH BUREAU OF FIRE SERVICES FIRE MARSHAL DIVISION

FACILITY	INSPECTION DATE	COUNTY	PROJECT
Summit Academy North	October 12, 2001	Wayne	2283-00
ADDRESS	FACILITY TYPE	RULES/CODES	JOB/LIC/FAC. NO.
28697 Sibley Rd	School	School -99	20002
CITY, STATE ZIP CODE	FACILITY REPRESENTATIVE		INSPECTION TYPE
Romulus, MI 48174	Anthony Herk		Re-Check Final
FACILITY PHONE	PHONE 2	FACILITY FAX	

RE: Updated Report - 1/31/12

NOTE: The Bureau of Fire Services was notified by the Chartering Agency the address listed on the original report (28619 Sibley Rd) for the above mentioned project was incorrect and the proper address of the facility is 28697 Sibley Rd. Address verification was conducted and nothing exists at 28619 Sibley Rd.

Original Electrical Permit - # LE257319 approved 8/24/2001

Full Approval for project 2283-00

FIRE SAFETY CERTIFICATION	PROJECT STATUS	REVIEWED BY	
Full Approval		Mick Dingn	nan
INSPECTING OFFICIAL	ADDRESS	525 W. Allegan	
Mick Dingman, Fire Marshal Supervisor		Lansing, M	I 48933
SIGNATURE OF OFFICIAL	TELEPHONE	517-375-01	112
Mick Dingman	FAX	517-335-4061	
	E-MAIL	dingmanm	@michigan.gov
The Department of Energy, Labor & Economic Growth will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, disability, or political beliefs. If you need assistance with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.		Authority: Completion: Penalty:	PA207 of 1941, as amended Required Misdemeanor

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: B031997 Sunmit Academy North 28697 Sibley Road Huron Township, Michigan Wayne County SNEL

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

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

Larry Lehman, Chief

Charles E. Curtis, Assistant Chief

Building Division

March 22, 2012

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Building Permit No. B043404
Summit Academy North Elementary School
28697 Sibley Road
Romulus, Michigan
Wayne County

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

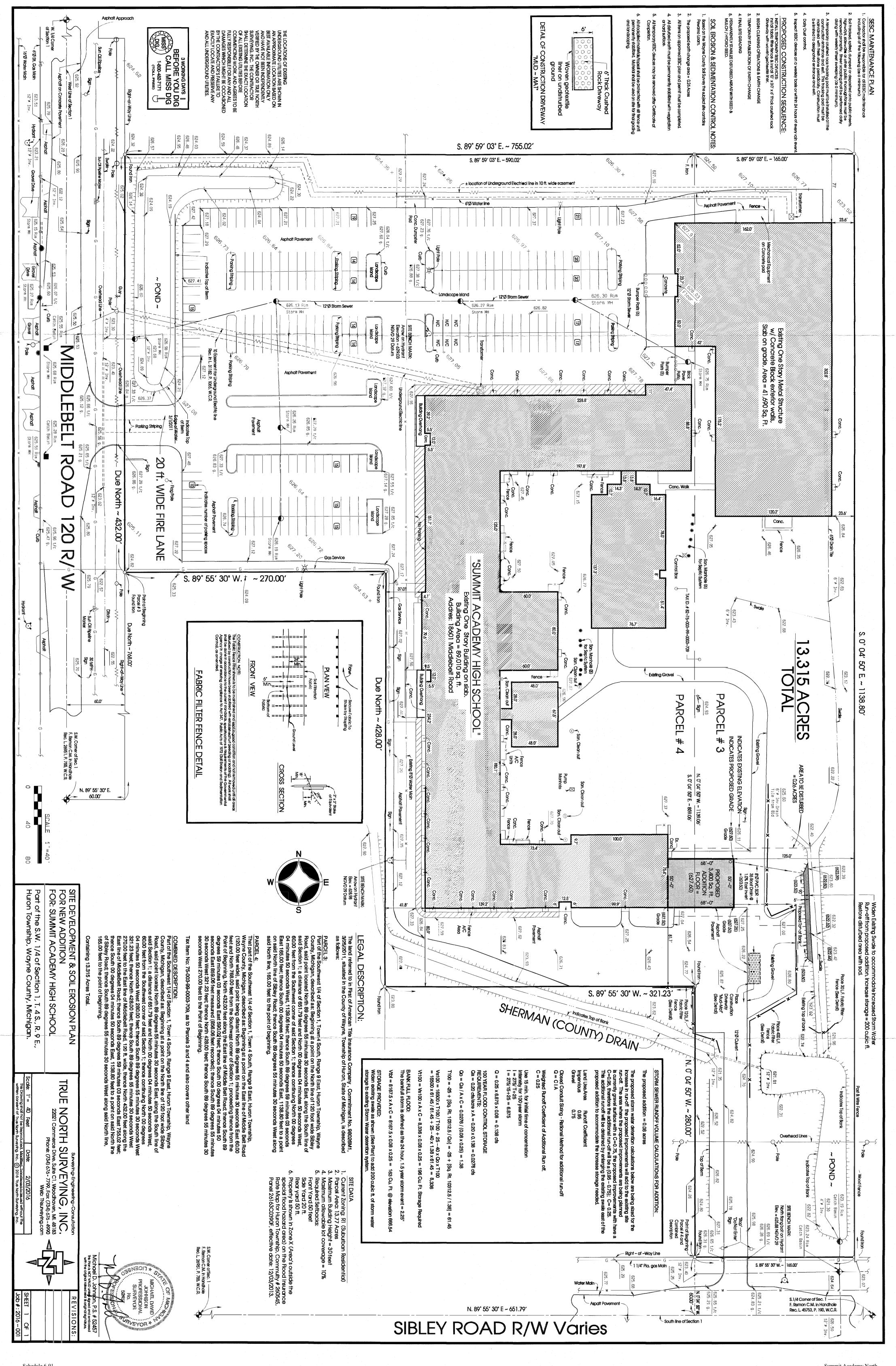
THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

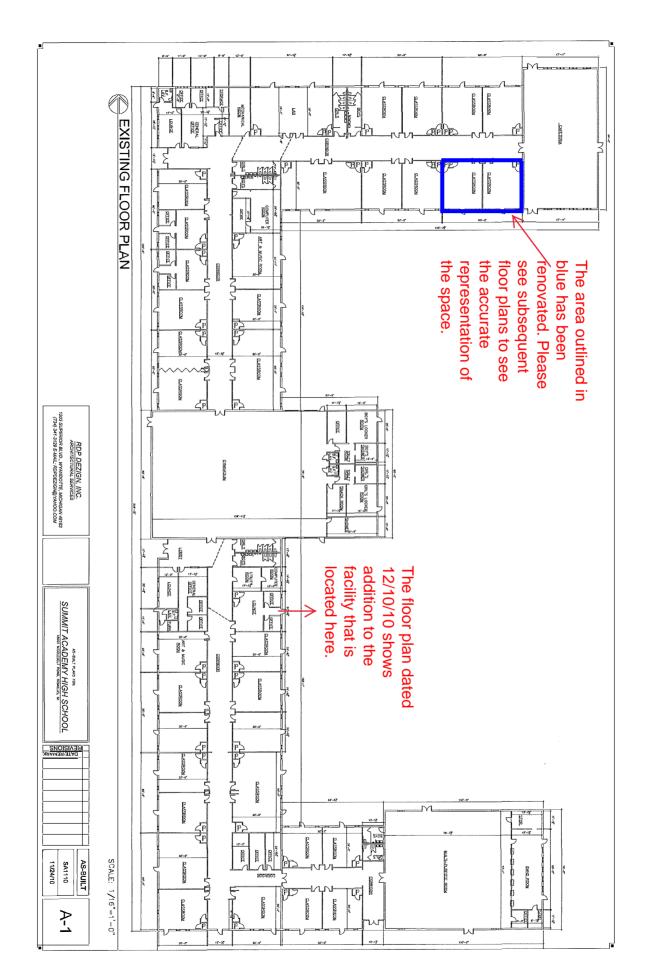
Charles E. Curtis, Assistant Chief

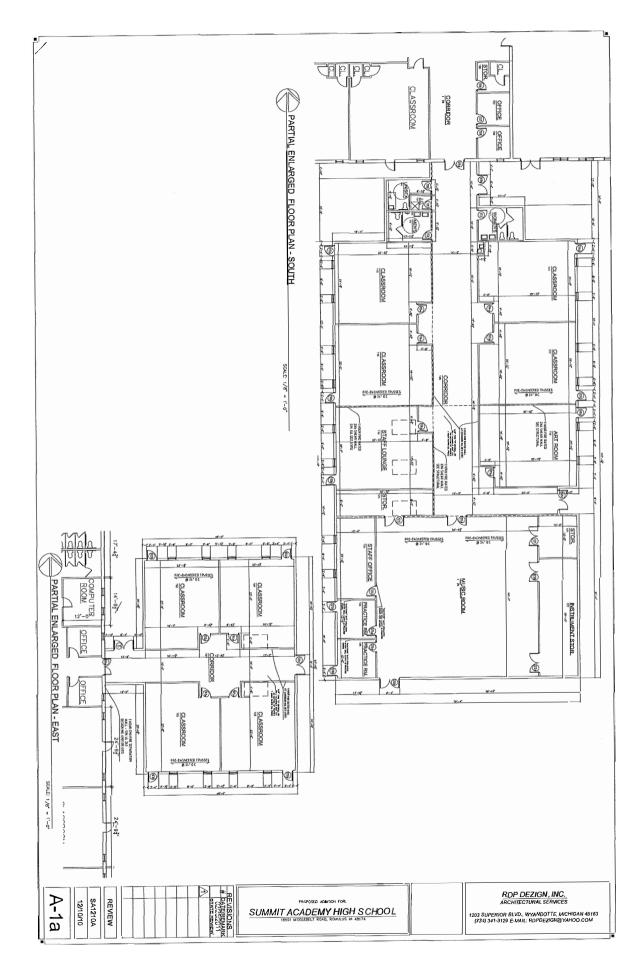
Building Division

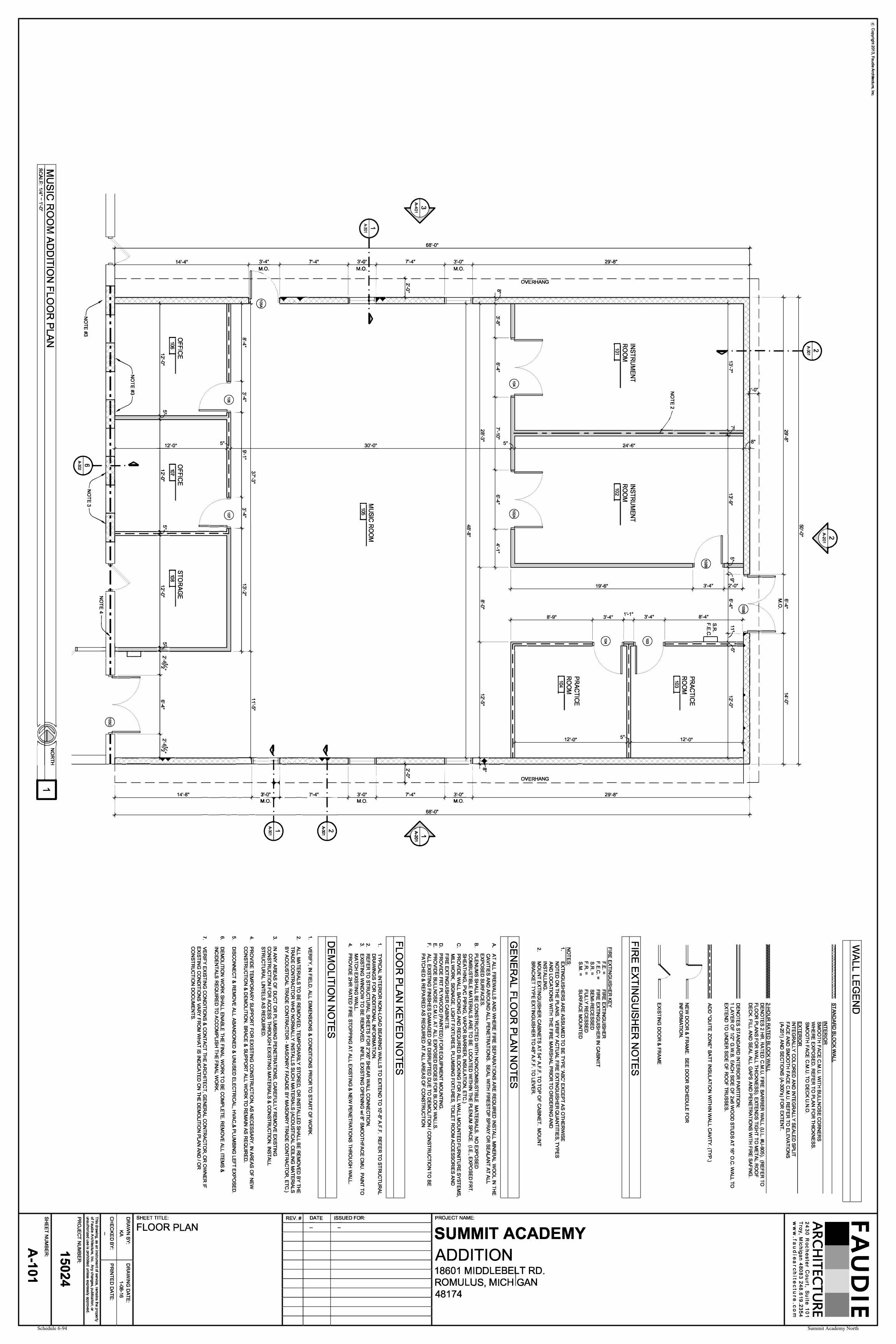
October 20, 2015

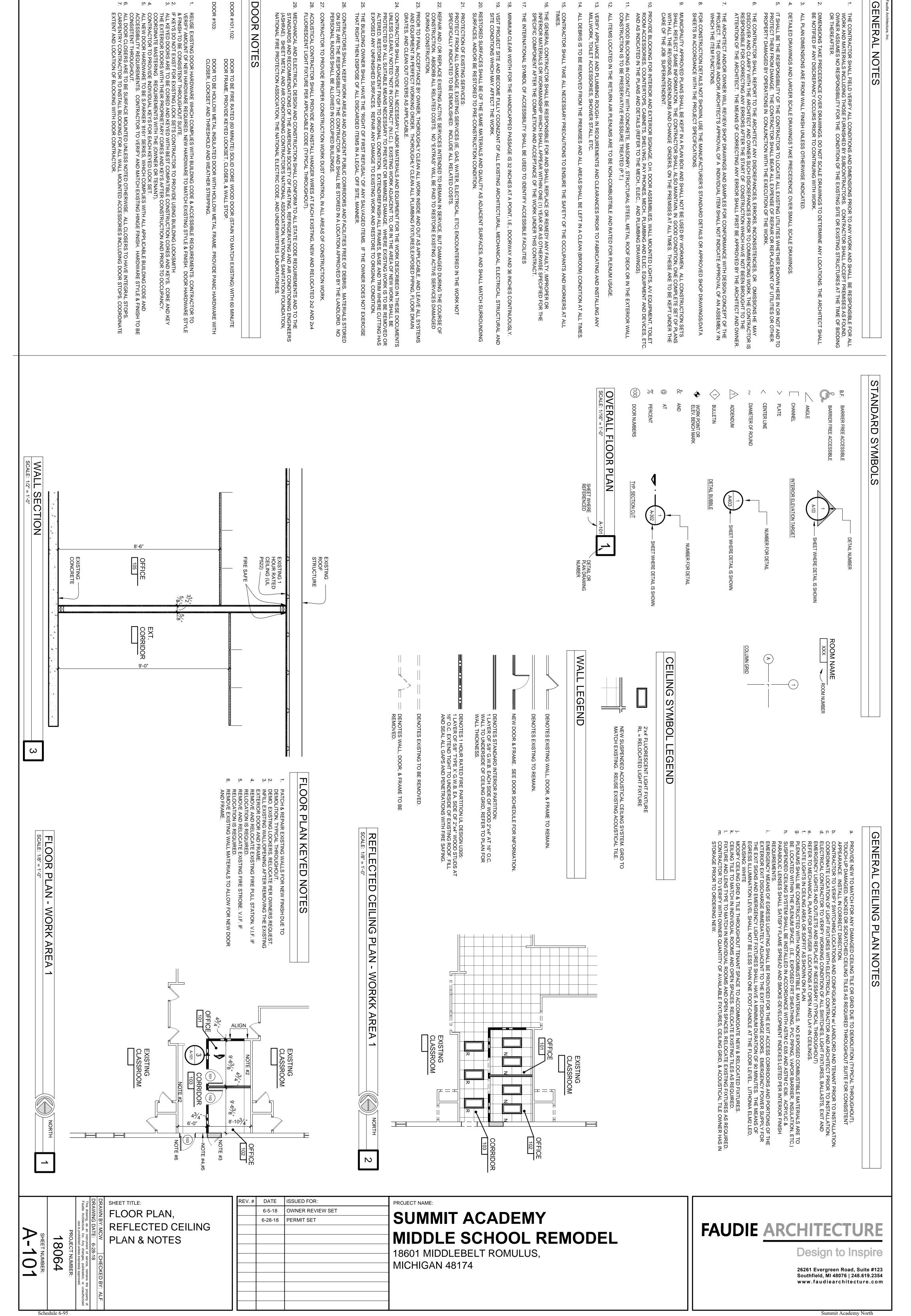
Middle School/High School Site







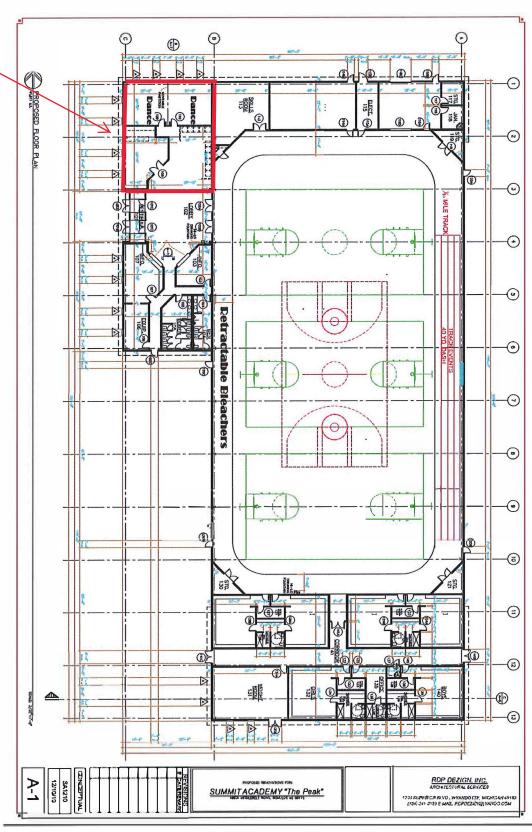


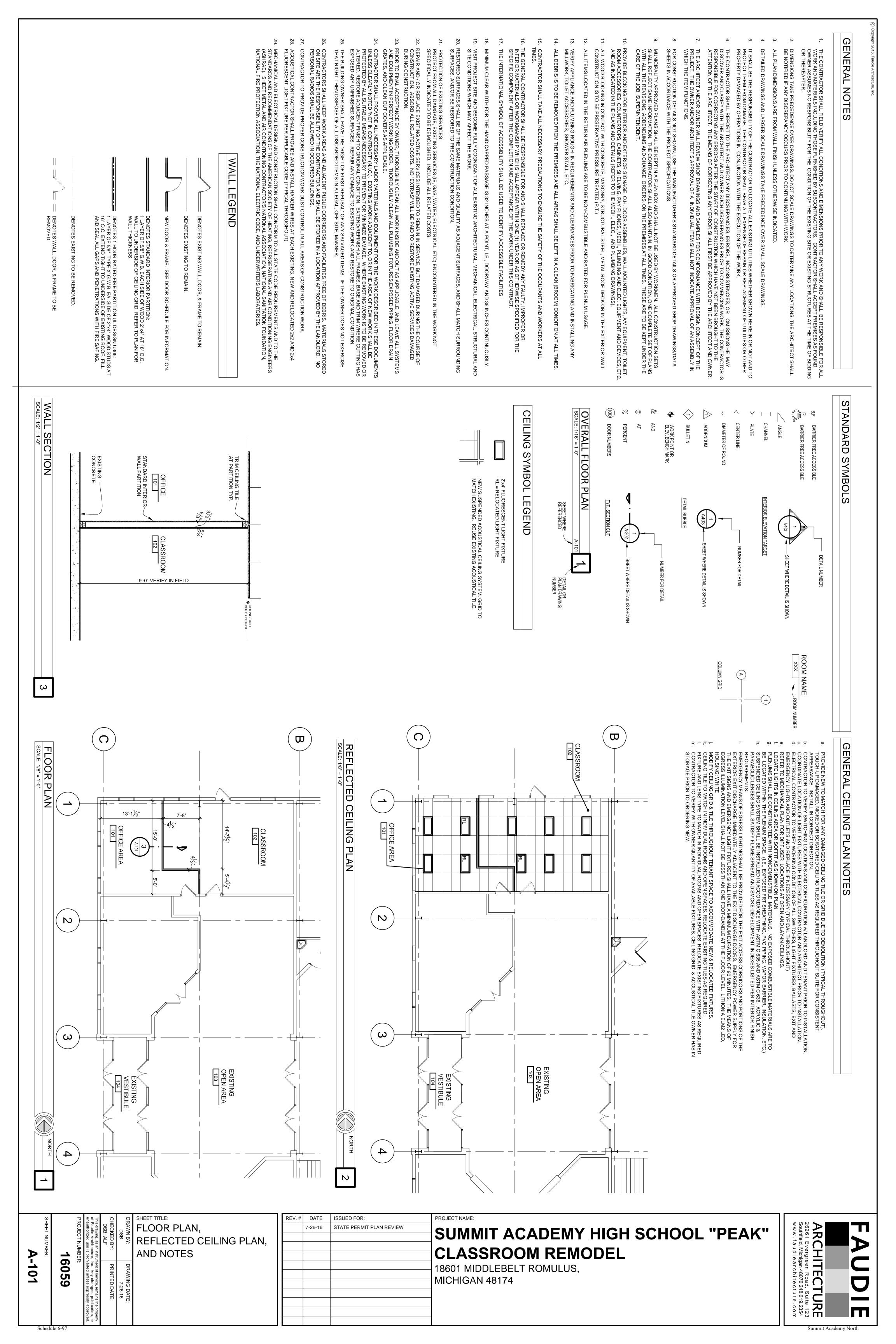


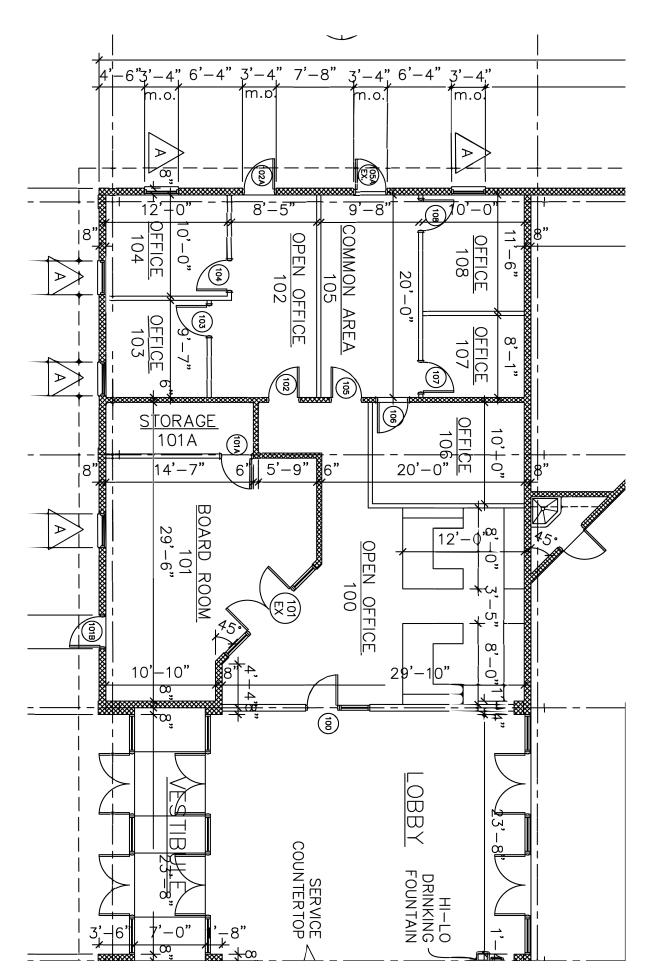
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The area outlined in red has been renovated. Please see the floor plans on the following pages.









Inspection Report

Page 1 of 1
OFS-4C
Office of Fire Safety
General Office Building
7150 Harris Drive
Lansing, MI 48000 7504
Web Site www.cis.state.mi.us/fire

Department of Consumer & Industry Services Kathleen M. Wilbur, Lucotos

Summit Academy High School	November 30, 2000	county Wayne	ргојест 0454 - 99
ADDRESS 18601 Middlebelt Road	FACILITY TYPE School	RULES/CODES School - 89	job/lic/fac. no. 98-013
CITY, STATE ZIP CODE New Boston, MI 48164	FACILITY REPRESENTATIVE	·	INSPECTION TYPE Re-Check Final

Re: New Building

FULL APPROVAL THIS PROJECT. FILE CLOSED.

Fire Alarm documentation and fee received.

Dino Cancilliari

Fax (734) 675-9619

FIRE SAFETY	CERTIFICATION		PROJECT STATUS	REVIEWED BY
Full Appro	oval		Closed	
DISTRIBUTION		INSPECTING OFFICIAL	ADDRESS	24155 Drake Rd
Fá .y	File	Hartman, David		Farmington, MI 48335
CIS/HQ	Local FD	SIGNATURE OF OFFICIAL	TELEPHONE	248-888-8763
Education			FAX	248-888-8760
			E-MAIL	david.hartman@cis.state.mi.us



Inspection Report

Page 1 of 1 OFS-40 Office of Fire Safety General Office Building 7150 Harris Drive Lanaing, Mi 46902-7504. Web Site www.cis.atate.mi.us/fire

Department of Consumer & Industry Services Kathleen M. Wilbur, Director

FACILITY NAME Summit Academy Learning Center	DATE	COUNTY	PROJECT
	October 12, 2001	Wayne	2284-00
ADDRESS	FACILITY TYPE	Ruleacodes	иовлістас, no.
18601 Middlebelt Road	School	School - 99	2000 1
CITY, STATE ZIF CODE	FACILITY REPRESENTATIVE		INSPECTION TYPE
Romulus, MI 43174	Anthony Herk		Re-Check Final

RE: Addition to existing school.

A recheck fire safety inspection was completed this date. Deficiencies noted in prior inspection reports have been satisfactority corrected. This report may be considered as final approval of this project.

Electrical Permit # 257320, approved 8/24/2001.

Summit Academy Learning Center, Dr. Michael Witucki, 734.379.99786 Anthony Herk & Assoc., 734.692.9570-Huron Twp-Fire Dept., 734.753.4111

FIRE 8AF6TY CERTIFICATION		PROJECT STATUS	REVIEWED BY	
Full Appro	val		Closed	
DISTRIBUTION		inspecting official	ADDRESS	24155 Drake Rd.
Facility	File	Robert Taylor		Farmington, MI 48335
CIS/HQ	Local FD	SIGNATURE OF OFFICIAL	TELEPHONE	(248) 888-8762
duantion.	Architect		FAX .	(248) 888-8760
		<u> </u>	E-MAIL	robert taylor@sis.state.mi.us

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08/29/2003 06:53 FAX 734 379 9786

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inspection report

Fire Safety

H. C. Bull 30/100

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Summit Academy Learning Center	NINGRECTION DATE	TCOUNTY Wayne	2558-02
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PACILITY PHUNE	PHONE Z	PACILITY LAX	

Re: Classroom Addition

A recheck fire safety inspection was completed this date. Deficiencies noted in prior inspection reports have been satisfactionly corrected. This report may be considered as final approval of this project

Tire Alarm CFS 175 repeived 7/22/03 No Sprinkler work completed Health approval not required.

Summit Academy 18801 Middlebell Road Romulus, MI 48174

D Cannillian 734-575-0619

Huran Teep Fire Dept.

FIRE SAPETY GERTIFICATION	PRIMERY STATUS	AFVIEWED HY
Approved	Closed	
MANAGERIAN CELICIAL	ADDREGS	24155 Drake Road
Larry Devyechter	j	Farmington, Mi 48355
SIGNATURE OF OFFICIAL	TELEPHONE	248-889-8761
•	FAX	249-880-8760
	E.MAII,	Idewac@mirchigan.pov
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Distribution: Architect BHS/BRB/Ed. Facility. Fig. Local Fire Department, BCQFS

Page 1 of 1

Dec. 6. 2006 10:03AM

No. 8685 P. 4

RECEIVED 12-6-06 BY:L.A.

11-30-06

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

> Building Permit No. LB023326 Summit Academy North / Ice Rink 18601 Middlebelt Road Huron Twp., Michigan Wayne County

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

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

Larry Lehman, Chief

Charles E. Curtle, Assistant Chief

Building Division

December 4, 2006

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

Michigan Department of Licensing and Regulatory Affairs
Bureau of Construction Codes/Building Division
P. O. Box 30254

P. O. Box 30254 Lansing, MI 48909 (517) 241-9317

Building Permit: B032748 Summit Academy/Bleachers 18601 Middlebelt Romulus, Michigan Wayne County

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

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

Larry Lehman, Chief

Charles E. Curtis, Assistant Chief

Building Division

March 22, 2012

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Building Permit No. B032290
Summit Academy High Middle School
18601 Middlebelt
Romulus, Michigan
Wayne County

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

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Larry Lehman, Chef

Charles E. Cartis, Assistant Chief

Building Division

September 12, 2012

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG16-01167

18601 MIDDLEBELT RD Romulus, MI 48174 COUNTY: Wayne

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

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 11/14/2016

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG17-00162

18601 MIDDLEBELT RD Huron Township, MI 48174 COUNTY: Wayne

The above named building of Use Group E, Education 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 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 04/20/2017

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG18-01217

18601 MIDDLEBELT RD Romulus, MI 48174 COUNTY: Wayne

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

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 11/30/2018

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division
P.O. Box 30254
Lansing, MI 48909
Authority: 1972 PA 230
(517) 241-9317

Building Permit No: BLDG20-01025

18601 W MIDDLEBELT RD ROMULUS, MI 48174 COUNTY: WAYNE

The above named building of Use Group E, Education and Construction Type 1B is approved for use and occupancy.

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 10/12/2020

CONTRACT SCHEDULE 7

REQUIRED INFORMATION FOR A PUBLIC SCHOOL ACADEMY

SCHEDULE 7

REQUIRED INFORMATION FOR A PUBLIC SCHOOL ACADEMY

<u>Required Information for a Public School Academy</u>. This Schedule contains information required by the Code and the Contract. The required information for the Academy is contained in this Schedule 7.

Section a.	Governance Structure. The governance structure of
	the Academy is set forth in Section a of this
	Schedule.

Section b. <u>Educational Goal and Related Measures</u>. The educational goal and related measures of the Academy are set forth in Section b of this Schedule.

Section c. <u>Educational Programs</u>. The educational programs of the Academy are set forth in Section c of this Schedule.

Section d. <u>Curriculum.</u> The curriculum of the Academy is set forth in Section d of this Schedule.

Section e. <u>Methods of Pupil Assessment.</u> The methods of pupil assessment of the Academy are set forth in Section e of this Schedule.

Section f. <u>Application and Enrollment of Students</u>. The Academy's criteria for the application and enrollment of students is set forth in Section f of this Schedule.

Section g. <u>School Calendar and School Day Schedule</u>. The school calendar and school day schedule procedures are set forth in Section g of this Schedule.

Section h. <u>Age or Grade Range of Pupils</u>. The age or grade range of pupils to be enrolled by the Academy is set forth in Section h of this Schedule.

SECTION A GOVERNANCE STRUCTURE

GOVERNANCE STRUCTURE

The People of Michigan through their Constitution have provided that schools and the means of education shall forever be encouraged and have authorized the Legislature to maintain and support a system of free public elementary and secondary schools. All public schools are subject to the leadership and general supervision of the State Board of Education and the Legislature has authorized an alternative form of public school designated a "public school academy" to be created to serve the educational needs of pupils and has provided that pupils attending these schools shall be eligible for support from the State School Aid Fund. The Legislature has delegated to the governing boards of state public universities, community college boards, intermediate school district boards and local school district boards, the responsibility for authorizing the establishment of public school academies. The University Board has approved the issuance of a contract conferring certain rights, franchises, privileges, and obligations of a public school academy to the Academy Board.

The Academy is incorporated as a Michigan nonprofit corporation, organized on a non-stock, directorship basis for the purpose of operating as a Michigan public school academy. The Academy shall conduct its affairs as a governmental entity exempt from federal income taxes under Section 115 of the United States Internal Revenue Code or any successor law. The Academy is a body corporate and is not a division or part of Central Michigan University. The relationship between the Academy and the University Board is based solely on the applicable provisions of the Code and the terms of this Contract.

The Academy Board shall have at least five (5), but no more than nine (9) members, as determined by the University Board. Academy Board members shall be appointed according to the terms of the Method of Selection, Appointment and Removal Resolution adopted by the University Board. The Academy Board has all the powers and duties permitted by law to manage the business, property and affairs of the Academy and for adopting policies by which the Academy shall be governed. The Academy Board is responsible for assuring that the Academy operates according to the Terms and Conditions of this Contract and Applicable Law. Contract Schedule 2: Amended Bylaws, set forth a further description of the Academy Board's governance structure.

Academy Board members shall serve in their individual capacity, and not as a representative or designee of any other person or entity. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest and prohibited familial relationships, including Article IV, Sections 4.4 and 4.5 of the Terms and Conditions of this Contract.

Pursuant to applicable law and the Terms and Conditions of this Contract, including Article III, Section 3.6, the Academy Board may employ or contract for personnel according to the position information outlined in Schedule 5. Before entering into an agreement with an Educational Service Provider or an employee leasing company to provide services or to provide personnel to perform services or work at the Academy, the Academy Board must first comply with the Educational Service Provider Policies issued by the Center.

SECTION B <u>EDUCATIONAL GOAL AND RELATED MEASURES</u>

EDUCATIONAL GOAL AND RELATED MEASURES

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

Educational Goal to be Achieved

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

Measures to Assist In Determining Measurable Progress Toward Goal Achievement

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

Measure 1: Student Achievement

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

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current, spring, grade-level national norms ² on the NWEA Growth reading and math tests administered in the spring.	Distribution (which will be in the form of percentages): Exceeds $\geq 70.0\%$ Meets $\geq 50.0\%$ Approaching $\geq 30.0\%$ Does not meet $< 30.0\%$	50%
	performance against the standard falls below the the	hese required expectations, "measurable progress towards t neasures and targets:	he
Over Time:	The percentage of students meeting or surpassing spring grade-level national norms over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ 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.

<u>Measure 2: Student Growth</u>
The academic growth of all students in grades 3-8 at the Academy will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The median of student growth percentiles (MGP) reflecting fall-to-spring scaled score growth on the reading and math NWEA Growth tests.	MGP: Exceeds \geq 65th Meets \geq 50th Approaching \geq 45th Does not meet $<$ 45th	Reading: 50 Math: 50
	performance against the standard falls below these requithis goal" will be defined using the following measures a		ards the
Over Time:	The percentage of students making at least one year's growth over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ 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%

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<u>Measure 3: Post-Secondary Readiness: Grades 9-11</u>
The 'on-track' towards college readiness rates of all students in grades 9-11 will be assessed using the following measures and targets.

Sub Indicator	Measure	Metric	Target
Against a Standard:	The percentage of students meeting or surpassing the current grade-level college readiness benchmarks on the PSAT (grades 9 and 10) and SAT (grade 11) in Evidence-Based Reading and Writing (EBRW) and Math.	For EBRW, distribution (which will be in the form of percentages):	PSAT 9 EBRW: 60% Math: 40% PSAT 10 EBRW: 60% Math: 40% SAT 11 EBRW: 60% Math: 40%
	t performance against the standard fathis goal" will be defined using the f	alls below these required expectations, "measurable progress following measures and targets:	towards the
Over Time:	The percentage of students meeting or surpassing the current grade-level college readiness benchmarks on the PSAT (grades 9 and 10) and SAT (grade 11) over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ Meets $\geq 3.0\%$ Approaching $\geq 1.0\%$ Does not meet $< 1.0\%$	3.0%
Comparison Measure:	The percentage of students meeting or surpassing the current grade-level college readiness benchmarks on the SAT (grade 11) will surpass the school's Composite Resident District percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	5.0%

SECTION C <u>EDUCATIONAL PROGRAMS</u>

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 Statement

To educate and empower our learning community through rigor and innovation to achieve personal excellence.

Program Alignment to Mission, Vision and Values

It is evident through the mission, vision and values that the educational programs provide a clear and direct path to success. Summit Academy North ("Academy") continually assesses data results from the educational programs to assure it is providing programming that enables students to reach their maximum potential. The programs are aligned to a rigorous and relevant curriculum. The curriculum is delivered by a highly qualified staff, in a safe environment, encompassing the use of technology and 21st century skills with a commitment to the students.

Alignment

Teachers set goals and design curriculum to ensure cohesion within and across grade levels and content areas (horizontal and vertical alignment). Grade level meetings and same-subject area meetings keep the alignment consistent throughout the Academy. Data discussions, surveys, goals, unit lesson plans, curriculum maps and monthly meetings with administrators ensure the curriculum is meeting the needs of all students. The Academy utilizes Rubicon Atlas, a digital curriculum mapping system, for every course taught, including core and elective courses in grades kindergarten through twelve. The Academy curriculum aligns to Michigan's Academic Standards ("MAS") in the creation of curriculum maps. The curriculum maps demonstrate a logical sequence of learning objectives aligned to state and national standards. Curriculum maps include the following categories: overarching questions/enduring understandings, unit abstracts, course descriptions, unit calendars, essential vocabulary, instructional strategies, resources/tools and a variety of assessment methods.

At the beginning of the school year, each teacher copies the course's curriculum master map into a diary map, which the teacher updates throughout the year with additional resources and materials that support the delivery of the curriculum. Additionally, the curriculum map serves as a timeline for the delivery of all curriculum and assessments. In order to maintain the integrity of the maps, one teacher is identified as a master mapper. There is one teacher per grade level and per content area that has access to and the ability to make changes to the master map. Also, the Academy has identified one administrator per building to oversee the entire curriculum mapping procedure. At the end of the school year, the curriculum maps are updated to include additions and changes that reflect effective best practices, rigorous and relevant curriculum and real-world experiences.

Research-Based Instructional Strategies and Methodologies

The Academy ensures the curriculum, instructional strategies and assessments are aligned and articulated across grade levels in support of the expectations for student learning. Alignment is supported through yearly review, updates and configuration of the curriculum mapping tool, and

MAS. Instructional strategies are implemented using best practices highlighted by Robert Marzano, John Hattie, etc. The Academy is working toward implementing each of the following instructional strategies: identifying similarities and differences, summarizing and note taking, reinforcing effort and providing recognition, homework and practice, setting objectives and providing feedback, using nonlinguistic representations, cooperative learning, generating and testing hypotheses, cues, questions, advanced organizers and vocabulary (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001).

1. Identifying Similarities and Differences

To break a concept into characteristics or smaller parts allows students to understand complex problems in a simple way. Teachers can use Venn diagrams, cubing, vocabulary strategies or charts to compare and classify items. All graphically organized information will be accompanied by deep discussion and inquiry.

2. Summarizing and Note Taking

According to research, summarizing and note taking requires substitution, deleting and having an awareness of the basic structure of the information presented (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers can use prepared notes, Cornell notes at a middle school/ high school level or Collins Writing techniques such as 10% summaries to guide a concise synopsis of material (Collins, 2007). When summarizing, students may also use middle school and high school Max Teaching strategies, such as Generating Interaction between Schemata and Text ("GIST"), Pre-reading Plan ("PreP"), Anticipation Guides or Sensible Sentence Highlighting (Forget, 2004). Teachers can also use guided notes, summarizing activities, interactive notebooks, etc. to build on summarizing and note taking skills.

3. Reinforcing Effort and Providing Recognition

A teacher must show the connection between effort and achievement. Research shows that although not all students realize the importance of effort, they can learn to change their beliefs to emphasize it (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers must demonstrate the relationship between hard work and success for students explicitly. Classroom procedures, Love & Logic, Positive Behavioral Intervention and Supports ("PBIS"), Positive Action, a culture of universal achievement and the Virtues Project at a middle and high school level can be utilized when reinforcing effort and providing recognition.

4. Setting Objectives and Providing Feedback

Setting objectives and providing feedback gives students direction and purpose (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001) (Echevarria, Short, & Vogt, 2012). Content objectives will be posted in the classroom. Student conferences will be held to set goals. Goals must be long-term, short-term and specific to a student's individual needs. Teachers must make certain that feedback is corrective in nature and is given in a timely manner (Collins, 2007).

5. Nonlinguistic Representations

Research shows that knowledge is stored in both a linguistic and visual way (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). The more students use these forms the more

actively engaged students are in the learning process. Science, Technology, Engineering, the Arts and Math ("STEAM") incorporate words and images to represent relationships. It also merges physical models, movement and student-generated graphics to represent information, which then leads to life-long learning. STEAM will be incorporated into the Arts because it fosters innovation, a necessary skill to be competitive in the 21st century job market. English language instruction, provided by our English language staff, will be delivered using Sheltered Instruction Observation Protocol ("SIOP") strategies (Echevarria, Short, & Vogt, 2012).

6. Generating and Testing Hypotheses

Using deductive reasoning, teachers ask students to predict what would happen if an aspect of a familiar system were changed. Teachers will also use checkpoints to generate questions, problem solve and prove hypotheses (Forget, 2004).

7. Cues, Questions, and Advanced Organizers

Cues, questions and advanced organizers are highly analytical and will focus on what is important (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers pause briefly to allow think time and use advanced organizers such as previewing sheets to tell a story, skim text or to create an image. Last, technology related activities are utilized to increase interest, experience and expertise. Teachers will also focus on creating higher level questioning based on Bloom's Taxonomy to bring a greater depth of knowledge.

8. Cooperative Learning

Learning cooperatively is a 21st Century skill; research has shown that organizing students into groups creates collaboration, discussion and higher levels of synthesis (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers can design group work around the core components of an inquiry-based lesson. Number Talks, Paired Reading, Think-Pair- Share and Center-Based Learning will yield face-to-face interaction and positive results. Last, Cooperative Learning will be utilized in our STEAM elective to encourage discourse and problem solving.

9. Vocabulary

Research has shown that student achievement will be increased if vocabulary instruction is emphasized (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers in all core courses will focus on increasing vocabulary comprehension in the classroom. The STEAM elective is a cross-curricular subject; therefore, vocabulary words studied will be from the core subject areas.

10. Differentiation

Differentiating instruction to meet the individual needs of the students will help students make academic growth, gain confidence, and increase proficiency. Differentiation will take place during guided reading, small group instruction, workshop lessons, scaffolding, tiered lessons, etc.

Research-based instructional strategies are an integral part of the daily workings of the classroom. Teachers implement these strategies to deliver the MAS. The Academy continually monitors and

evaluates the strategies through data review, surveys, walk-through observations and teacher evaluations.

Instructional Planning

As a part of the Academy's curriculum review and development cycle, approximately every six weeks stakeholders discuss growth and progress. The Academy calls these meetings "Data Talks," which are a part of the Multi-tiered System of Support ("MTSS") process. Currently, teachers and paraprofessionals meet in teams with an administrator and/or instructional coach to discuss individual student data and individual needs. There is a designated leader for each team who serves as the representative for the Academy's Curriculum Alignment Team ("CAT").

CAT, made up of teachers from grades K-12, meets four times throughout the year. All Academy data is reviewed at these meetings including District Assessments ("DAs"), Northwest Evaluation Association ("NWEA") assessments, the Michigan state assessment, writing assessments, Cambridge testing data and Fountas and Pinnell. Gaps and tools are identified to scaffold support for areas of need. In addition, curriculum units are discussed, and a variety of strategies are utilized to organize thinking, ("plus/delta"). There is specific emphasis on the transitional years including grades three, six and eight during CAT meetings. Strengths and weaknesses in curriculum are identified in order to pinpoint specific best practices that are in turn shared through professional development opportunities. As a result, the Academy's curriculum is evaluated consistently, both vertically and horizontally. A final end-of-year meeting is held which includes all stakeholders.

Modification of Curriculum

At the Academy, teachers are trained to meet the needs of all students by giving them opportunities to be successful by modifying or accommodating work in accordance with individual student needs. The teachers modify and apply accommodations through tiered interventions, 504 Plans and special education as well as adapt instruction for English Learners and advanced students. Teachers uniformly report and plan the accommodations and modifications being used for each student.

MTSS is a tiered process that allows struggling students to be identified early. For students who struggle with meeting state standards, MTSS can be a way to access math, reading and writing. MTSS offers focused instruction before students become frustrated. It allows students to catch up to peers through supplemental services and support. MTSS at the elementary building is designed to assist struggling students in both math and reading. Students are given extra support in and out of the classroom. Lessons are designed to target specific topics and are monitored for progress. At the secondary level, teachers are assigned as mentors to monitor work completion and to provide organizational support. Additionally, students' grades and progress are monitored on a regular basis to determine who needs MTSS services. In the middle school and high school students are placed in supplemental math and reading courses based on achievement data. Supplemental classes are designed purposely to boost college and career readiness. Additionally, trained paraprofessionals provide extra instructional support for struggling students K-12. Paraprofessionals work with small groups delivering interventions designated by a teacher, Reading Interventionist, coach or administrator. If students show little or no progress in the MTSS program, the interventions become more intense. If a student does not show growth within a given amount of time, referrals are made for special education testing. At any time, a parent or staff member can make a special education referral in writing. Thorough file reviews are conducted and Reviews of Existing Evaluation Data ("REEDs") are scheduled to determine, by the team, if the student will be tested for special education or if MTSS Tier 2 or Tier 3 interventions will be provided.

Early Childhood Education Program

The Academy operates an early childhood education program (Pre-Kindergarten and/or Great Start Readiness Program). On an annual basis, the Academy shall advise the Center on the current status of its early childhood education program. If changes occur in the Academy's early childhood 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.

Special Education

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.

Advanced students are challenged to go deeper into topics utilizing higher levels of thinking. An example might be if a student is asked to complete the five most difficult problems in math and those with eighty percent (80%) success are provided differentiated assignments to further promote the use of higher-level thinking skills. Advanced students are asked to expound on topics to make

sure students are being challenged within the classroom setting through extension map activities. Students are given test- out opportunities as well. The Academy has specific classes established for these students through honors classes, Advanced Placement ("AP") classes and dual enrollment opportunities.

Student Success in College, Work and Life

The Academy provides all students, kindergarten through twelfth grade, with a rigorous and relevant curriculum that is both hands-on and infused with skills necessary for life in the 21st century. Furthermore, all Academy students will have the skills for college or career, depending on their life choices.

To encourage college and career readiness, the Academy creates a culture of universal achievement by believing in students. During collaboration, teachers and administrators align the standards as a team then analyze and manage data. After examination, instructors pursue meaningful interventions with students. The Academy actively promotes a comprehensive model of college readiness the moment students begin elementary school and this model is carried through to graduation.

The Academy also places emphasis on the use of the 21st century skills students need to be college and career ready. The first component of this process is to provide students with technology experiences. In grades kindergarten through nine, the Academy offers a one-to-one laptop or iPad program. In grades ten through twelve, teachers utilize laptop and iPad carts. Instruction and assessment focus heavily on the use of technology. In addition to the use of technology, the 21st century skill of collaboration is stressed. It is becoming more and more important to have collaboration skills to be successful in post-secondary environments. Finally, the Academy strives to impart to students an understanding of how individuals can impact the community. Students are required to complete twenty (20) hours of community service over four years at the Academy high school. These volunteer opportunities, along with job shadowing opportunities, provide students with a more complete understanding of what skills are necessary to be successful in post-secondary life.

Educational Development Plans ("EDPs")

In accordance with the Michigan Merit Curriculum legislation (P.A. 141 of 2007) the Academy ensures that each pupil in grade seven is provided the opportunity to develop an EDP, and that each pupil has developed an EDP before beginning high school. The Academy utilizes Career Cruising® to manage and organize the EDP process. In grades seven and eight, students engage in activities that determine learning style, skill aptitude and career interest. The data is used to construct a list of careers in which students show interest and aptitude. Career Cruising also functions as a research tool student utilize to gain a deeper understanding of these careers. Students in grades seven and eight choose two career pathways of interest. Potential career planning activities (e.g. college visits, job shadows and volunteer work) and a post-secondary plan are completed. Finally, students develop short-term and long-term life goals.

EDPs are reviewed annually in grades nine through twelve. During the reviews, students may change career pathways and update or modify career planning activities and post-secondary plans. During the annual reviews, the following year's education plans (courses) are determined. Students

also have the opportunity to update the EDP with test scores, course grades, awards, work experiences and volunteer experiences.

Assessment

The Academy has clearly defined goals in the school improvement plans. An additional goal is to increase student achievement in accordance with state and federal adequate yearly progress requirements in the core academic subjects of math and reading, and in the non-academic indicator as defined by the state. Contracted goals are also assessed. The Academy utilizes Academy created assessments to ensure progress, along with the state assessment, EPASS, NWEA and Fountas and Pinnell. Observation and project-based assessments are also utilized. Assessment results are monitored closely to assist in furthering the school improvement plan. Accreditation procedures, such as NCAs Standards Assessment Report ("SAR"), MTSS, the Title I Plan and the Annual Education Report show the results of such assessments. District Assessments ("DAs") are based on the MAS. Teachers incorporate a variety of delivery methods to facilitate and monitor student achievement.

Method of Program Evaluation

Assessment data is effectively utilized to evaluate educational programs. The state assessments, NWEA, college readiness results, DAs and MTSS results are fully analyzed to show if programming is effective. As indicated, CAT and administrators meet quarterly to review building and Academy data from all sources to evaluate educational programming. Strengths are analyzed to determine the best practices that are most effective. Goals and weaknesses are analyzed to determine if decreases are caused by core content, strategies, need for professional development or lack of material resources.

Michigan Merit Curriculum ("MMC") High School Graduation Requirements

To prepare students with the knowledge and skills needed for jobs in the 21st Century, the State of Michigan has enacted a rigorous set of graduation requirements that are among the best in the nation. These graduation requirements will prepare students for future success in college and the workplace. The MMC requires students to obtain a minimum of 18 credits for graduation. At the Academy, students must complete the following MMC High School GraduationRequirements:

Mathematics – 4 credits

1 credit of Algebra 1 1 credit of Geometry 1 credit of Algebra 2

1 credit of a math course in the final year of high school

English Language Arts – 4 credits

1 credit of English Language Arts 9 1 credit of English Language Arts 10 1 credit of English Language Arts 11 1 credit of English Language Arts 12

Science – 3 credits

1 credit Biology

1 credit of Chemistry or Physics

1 credit of additional science course

Social Studies – 3 credits

1 credit of United States History and Geography

.5 credit of Government

.5 credit of Economics

1 credit of World History and Geography

Physical Education and Health

- .5 credit of Physical Education
- .5 credit of Health

Visual, Performance, and Applied Arts – 1 credit

1 credit from any visual, performance or applied arts course

Language other than English – 2 credits

In grades 9-12; OR equivalent learning experience in grades K-12

Online Learning Experience – 1 credit

1 credit course successfully completed via online or blended instruction

To extend student learning, the Academy offers a variety of online courses through Brigham Young University ("BYU"). In order to receive credit, the on-line program must be aligned with Michigan's high school content expectations and must be pre-approved by the parent, the student's teacher and an Academy administrator.

Virtual Learning Program ("VLP")

The Academy high school provides a 100% online model of delivery option for learners. The program is intended for students in grades 6-12 seeking a different learning option due to a variety of reasons. Students must apply for acceptance into the VLP. Any student seeking enrollment into the VLP option must be on track for graduation. In order to maintain fidelity with the Academy curriculum and in the best interest of the student's credit attainment, students that are currently enrolled in the traditional learning option are able to change programs within the first week of the new semester. Students are screened to ensure they are good candidates for online learning by determining readiness with an online learning rubric, student/parent questionnaires and an interview. All applicants are offered a placement at the Academy high school, either virtually or in the traditional learning environment.

The VLP at the Academy meets all requirements of the MMC, and curriculum is aligned to the state or national standards identified for each subject area. The Academy VLP is offered as a traditional fulfillment of the MMC. All students are required to earn credit in courses as defined by the MMC and approved by the Academy Board of Education. The district will provide a laptop, as needed, and access to rigorous courses that are 21st century skill oriented from the following providers: Lincoln Interactive and BYU Independent Learning. Lincoln Interactive is aligned to the MAS. BYU Independent Studies is aligned to national standards. BYU Independent Studies and Lincoln Interactive both use BrainHoney as the learning management system. To deliver content, each

vendor integrates multimedia and 21st century skills within the lessons. All courses have resources embedded or have an accompanying text. Courses have clear and focused learning objectives for each unit, essential vocabulary and a logical sequence of instruction/delivery. All vendors have final assessment tasks within each unit as well as a course culminating final assessment. The VLP uses Moodle as its learning management system and venue for all communication between the mentor teacher and student. Moodle houses all the program communication from the Academy, the handbooks, course guides and parent information. Links for each course provider are also found in Moodle.

Academy students will have the opportunity to work on courses in a way that suits individual learning styles, needs and the needs of the families. The curriculum and instruction is provided to students from multiple vendors; each student will be matched with courses and a vendor through interviews and a virtual learning assessment. Students are required to take courses that fulfill the MMC guidelines and all vendors of Core Curriculum meet the MMC guidelines. The curriculum providers offer options for students to go forward and back within the lessons, multi-media presentations and the availability of help from the course instructor. Student support will be available virtually or face to face dependent upon need. The Academy also addresses students' needs individually in a way that best supports the specific learning needs using Marzano's instructional strategies (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). For example, a student with lower Math skills may have increased contact hours required as well as a Highly Qualified Math teacher, employed by the district, available for tutoring hours. The program encourages student success and college readiness through student independence with guided support. The Academy's "No Excuses" philosophy is exemplified through a collaborative effort between students, parents and the program mentor to build a personalized schedule of rigorous and interest-based course work to yield 6 credits of study per school year.

Works Cited

- Collins, J. (2007). *Improving Student Performance Through Writing and Thinking Across the Curriculum*. West Newbury, Massachusetts: CEA Collins Education Associates.
- Echevarria, J., Short, D., & Vogt, M. (2012). *Making Content Comprehensible for English Learners: The SIOP Model* (4th ed.). Columbus, Ohio: Pearson.
- Forget, M. (2004). Max Teaching with Reading and Writing: Classroom Activities for Helping Students Learn New Subject Matter While Acquiring Literacy Skills. Victoria, British Columbia, Canada: Trafford Publishing.
- Marzano, R., Norford, J., Paynter, D., Pickering, D., & Gaddy, B. (2001). *A Handbook for Classroom Instruction that Works*. (K. M. Davis, Ed.) Upper Saddle River, New Jersey: Pearson Education.

SECTION D

CURRICULUM

CURRICULUM

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.4, the Academy shall implement, deliver, and support the curriculum identified in this schedule.

The Academy has adopted Academy written curriculum, housed in Rubicon Atlas[™], Michigan Model for Health[™], and virtual curriculum programs through Lincoln Interactive, Brigham Young University ("BYU") Independent Study and Edgenuity[®]. The curriculum for all core subjects has been received, reviewed and approved by the Center.

Rubicon Atlas https://summit-academy-public.rubiconatlas.org/Atlas/

Authentication/View/PublicLogin

• Michigan Model for Health http://www.emc.cmich.edu/EMC Orchard/

michigan-model-for-health

• Lincoln Interactive http://lincolnlearningsolutionstraining.geniussis.com

/PublicWelcome.aspx

• BYU Independent Study https://byuisdemo.brainhoney.com/Welcome.vp/page.htm

Edgenuity http://learn.education2020.com/

Elementary

The following subjects/courses are offered at the Academy.

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

Secondary

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

Course Name	Grade**
English (minimum 4)	
English 9/Honors English 9	9
English 10/Honors English 10	10

Course Name	Grade**
World Language (minimum 2)	
Spanish 1	Any
Spanish 2	Any

	1
English 11/Honors English 11	11
English 12	12
AP English	12
English Explorations	Any
ESL Supplemental	Any
Read 180	Any
Speech	Any
Creative Writing	Any
Intermediate Composition	Any
American Literature	Any
Young Adult Literature	Any
African American Literature	Any
Communication Arts	Any
Mathematics (minimum 4)	
Algebra I	9
Honors Algebra I	9
Geometry	9, 10
Honors Geometry	9, 10
Algebra II	10-12
Honors Algebra II	10-12
Algebra II (A&B)	11, 12
Trigonometry/Pre-Calculus	11, 12
AP Calculus	12
Math Explorations	Any
Accounting	10-12
Science (minimum 3)	
General Science	9
Honors General Science	9
Biology	Any
Honors Biology	Any
Physics	10-12
Intro to Computer Science	11-12
Chemistry	10-12
Honors Chemistry	10-12
Earth and Space Science	Any
Forensic	Any
	-
•	-

Spanish 3	Any
Physical Education & Health	
(minimum .5 each)	
Health Studies	Any
Intro to Physical Fitness	Any
Intro to Weight Training	Any
Advanced Physical Fitness	10-12
Visual, Performing & Applied Arts (minimum 1)	
Art & Design	Any
Advanced Art & Design	10-12
Art History	Any
History of Film	Any
Symphonic Band	Any
Show Choir	Any
Music Expression	Any
Jazz Band	Any
Drama	Any
Concert Percussion	Any
Mixed Medium I	Any
Mixed Medium II	Any
Art History (Western Art)	Any
Art History (Modern Art)	Any
Advanced Drawing and Painting	Any
Other	
Video Production	Any
Web Page Design	Any
Academic Assist	Any
Work Based Learning Experience	Any
AP Computer Science Principles	Any
History of Rock and Roll	Any
Communications	Any

Schedule 7d-2 Summit Academy North

Social Studies (minimum 3)	
US History	9
Honors US History	9
AP US History	11-12
World History	10-12
AP World History	10-12
Government	10-12
Honors Government	10-12
Economics	10-12
Honors Economics	11-12
Greco Roman History	Any
Military History	Any
Psychology	10-12
AP Psychology	11-12
Understanding the World	Any

Virtual Courses**	
See attached course lists for BYU, Lincoln Interactive, and Edgenuity course offerings by grade level.	
Off Campus Courses	

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

Middle School Virtual Courses: Grades 6-8

Edgenuity Courses

Core Courses	Grade**
English Language Arts 6	6
English Language Arts 7	7
English Language Arts 8	8
Mathematics 6	6
Mathematics 7	7
Mathematics 8	8

Western Hemisphere Studies	6
Eastern Hemisphere Studies	7
US History	8
Science 6	6
Science 7	7
Physical Science	8

Secondary Virtual Courses: Grades 9-12

Lincoln Interactive Courses

Course Name	Grade**
English	
English 9 (Parts 1&2)	9
English 10 (Parts 1&2)	10
American Literature (Parts 1&2)	11
Introduction to College Writing	12
Technical Writing	12

Course Name	Grade**
Science	
Earth Science (Parts 1&2)	9
Biology (Parts 1&2)	10
Chemistry (Parts 1&2)	11
Physics (Parts 1&2)	11

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

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

AP English Literature	12
Mathematics	
Algebra 1 (Parts 1&2)	9
Geometry (Parts 1&2)	10
Algebra 2 (Parts 1&2)	11
Trigonometry	11, 12
Calculus (Parts 1&2)	12
AP Calculus (Parts 1&2)	12

Social Studies	
American History (Parts 1&2)	9
Government (Part 1)	10
Economics (Part 1)	10
World History (Parts 1&2)	11
Other	
Personal Fitness	Any
Interactive Game Design (Parts	
1&2)	10-12

BYU Independent Study Courses

Core Courses	
Health Education (HLTH 041)	Any
Business and Consumers Math Parts 1&2 (BMATH 041/043)	12
World Languages	
Spanish 1 Parts 1&2 (SPAN 041/043)	Any
Spanish 2 Parts 1&2 (SPAN 051/053)	Any
Spanish 3 Parts 1&2 (SPAN 061/063)	Any
American Sign Language 1 Parts 1&2 (ASL 041/043)	Any
American Sign Language 2 Parts 1&2 (ASL 051/053)	Any
French 1 Parts 1&2 (FREN 041/043)	Any
French 2 Parts 1&2 (FREN 051/053)	Any
German 1 Parts 1&2 (GERM 041/043)	Any
German 2 Parts 1&2 (GERM 051/053)	Any
Japanese 1 Parts 1&2 (JAPAN 041/043)	Any
Japanese 2 Parts 1&2 (JAPAN 051/053)	Any

Course Name	Grade**
Elective Options	
Accounting (ACC 041)	11-12
Drawing (ART 045)	Any
Intro to Commercial Art (ART059)	11-12
Digital Photography (ART 061)	11-12
Marketing (BMARKT 041)	11-12
Automotive Basics (AUTO 043)	10-12
Clothing Fashion Fundamentals (CLOTH 047)	11-12
Foods and Nutrition Parts 1&2 (FOODS 041/043)	10-12
Child Development Parts 1&2 (CHILD 041/043)	10-12
Preparing for Responsible Parenting (CHILD 051)	11-12
Financial Literacy (FINL 041)	11-12
Medical Terminology (MEDIC051)	11-12
Preparing for Health Occupations (OCCUP 041)	11-12
Creative Writing (WRIT 045)	10-12
Writing Poetry (WRIT 047)	10-12
Education and Career Planning (SELFG 057)	Any
Intro to Music (MUSIC 041)	Any
Current Events (SOCSC 041)	Any
Sociology (SOCSC 051)	10-12
Psychology (SOCSC 055)	10-12

Elective Options	
Essential Life Skills (SELFG049)	Any
Computer Technology	Any
(CTECH041)	
Astronomy (EARTH 051)	10-12
Intro to Guitar (GUITR 041)	10-12

History of the American West (HIST 057)	11-12
World History: Ancient Civilizations (HIST 067)	11-12
Environmental Science (ENVRN041)	10-12
Project Self-Discovery (SELFG043)	Any

Edgenuity Courses

Core Courses	Grade**
Algebra I	9
Geometry	10
Algebra II	11
Pre-Calculus	12
Math I	9
Math II	10
Math III	11

	Grade**
English Language Arts 9	9
English Language Arts 10	10
English Language Arts 11	11
English Language Arts 12	12

SECTION E METHODS OF PUPIL ASSESSMENT

METHODS OF PUPIL ASSESSMENT

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

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

Academic Assessments to Be Administered:

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

SECTION F <u>APPLICATION AND ENROLLMENT OF STUDENTS</u>

APPLICATION AND ENROLLMENT OF STUDENTS

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

Enrollment Limits

The Academy will offer kindergarten through twelfth grade. The maximum enrollment shall be 2,110 students across the Elementary and Middle School/High School sites identified in Schedule 6 of the Contract. Enrollment will be distributed over the sites as follows:

Elementary: No more than 930 students may be served at this site. Middle School/High School: No more than 1,180 students may be served at this site.

At no time may the combined enrollment of the two sites exceed 2,110.

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

Requirements

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

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

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

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

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

Matriculation Agreement

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

Application Process

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

Legal Notice or Advertisement

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

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

Re-enrolling Students

- The Academy shall notify parents or guardians of all enrolled students of the deadline for notifying the Academy that they wish to re-enroll their child.
- If the Academy Board has a sibling preference policy, the re-enrollment notice must also request that the parent or guardian indicate whether a sibling(s) seeks to enroll for the upcoming academic year.
- An enrolled student who does not re-enroll by the specified date can only apply to the Academy during the application period for new students.
- An applicant on the waiting list at the time a new application period begins must reapply as a new student.
- After collecting the parent or guardian responses, the Academy must determine the following:
 - 1. The number of students who have re-enrolled per grade or grouping level.
 - 2. The number of siblings seeking admission for the upcoming academic year per grade.
 - 3. If space is unavailable, the Academy must develop a waiting list for siblings of re-enrolled students.
 - 4. The number of spaces remaining, per grade, after enrollment of current students and siblings.

Random Selection Drawing

A random selection drawing is required if the number of applications exceeds the number of available spaces. Prior to the application period, the Academy shall:

- Establish written procedures for conducting a random selection drawing.
- Establish the maximum number of spaces available per grade or age grouping level.
- Establish the date, time, place and person to conduct the random selection drawing.
- Notify the Center of both the application period and the date of the random selection drawing, if needed. The Center may have a representative on-site to monitor the random selection drawing process.

The Academy shall use a credible, impartial individual who is not employed by, under contract with, a member of the Board of, or otherwise affiliated with the Academy to conduct the random selection drawing. Further, the Academy shall:

• Conduct the random selection drawing in a manner that is open to parents, community members and members of the public who want to observe the process.

• Use numbers, letters, or another system that guarantees fairness and does not give an advantage to any applicant.

The Academy shall notify applicants not chosen in the random selection drawing that they were not selected and that their name has been placed on the Academy's official waiting list for openings that may occur during the academic year. Students shall appear on the official waiting list in the order they were selected in the random selection drawing.

Matriculation Agreement

This Matriculation Agreement ("Agreement") is entered into as of the last of the dates set forth in the signatures lines below ("Effective Date") between Summit Academy North, a body corporate and public school academy ("Receiving School") and Summit Academy, a body corporate and public school academy ("Sending School") (both parties referred to as "Schools").

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

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

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

Both Schools each represent and warrant to each other that this Agreement has been approved by the Boards of each School and the Authorizer of each School and that the Agreement has been incorporated into each Schools Charter Contract.

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

- Term. This Agreement shall be effective as of the Effective Date, provided that it has been
 approved by each School's governing board and their respective authorizing bodies. This
 Agreement shall expire June 30, 2023 unless otherwise terminated earlier as provided by this
 Agreement.
- 2. Qualifying Students. Students who meet all of the following requirements are deemed to be "Qualifying Students" for enrollment priority under this Agreement:
 - a. the student was enrolled in and attended the Sending School at any time during elementary school;
 - b. the student was not expelled from the Sending School;
 - c. the student has completed 8th grade from any school, including Sending School; and
 - d. the student is eligible to enroll in a public school in Michigan.
- 3. Application for matriculation. Qualifying Students who desire an enrollment priority in the Receiving School must complete the Receiving School application for the applicable school year and submit it to the Receiving School during its Open Enrollment Period as set forth in the Receiving School's Admission and Enrollment Practices and Procedures which are incorporated into this Agreement by reference.

- 4 Incultured Princity The conditioned princity of Qualifying Rusdens shall be determined exceeding to the Reserving School's Administration and Enter ment Practices and Procedures are incomparated into this Agrees are to by reference.
- S Eartillo at Quilling States over and school at the Reserving School at the first day of school in order to be emplied. Any Qualifying Southful who does not all that day of school and who does not obtain to the character from the Reserving School before the end of that when an dual and the property is so emplished as the Recovering School.
- 8 Material 3 remarker. Upon receipt of a property completed records release from from the Receiving School on passes of the statement, the Sending School whall transfer all student records of Quality's Student to the Restaurag School on have then 30 days after receipt of the request for transfer of tractored from the Receiving School.
- School of time for any reason upon providing minuty 1909 date weather receive ("Notice of Total party of the first of the Total party of the first of the Core for the providing minuty 1909 date; weather receive ("Notice of Total party of the first of the Core for the Core who applied for evolutional to the Month of the Core for the Core for
- 7. Receiving School Open Exercise. During this Agreement, the Receiving School in purities on the National School in purities for one like that seems that the Receiving Schools purities for one like thus income and a random se bestion process.
- Learn Agra most. The Agrange the same agrant between the Schools as to a Soverned by Mikhigan law, and that the Agrangest may not be exceeded unless agreed to in acting as day signed and approaching such School and the requirement Administrator of each School.

N WITNESS & HEREOF the period bee control this April ment on the date shown below.

Sending School: Summit Academy North

Sending School: Summit Academy

Date: 8/5 2020

SECTION G SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

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

School Calendar

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

School Day Schedule

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

Schedule 7g-1 Summit Academy North

SECTION H AGE OR GRADE RANGE OF PUPILS

AGE OR GRADE RANGE FOR PUPILS TO BE ENROLLED

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

The Academy will enroll students in kindergarten through twelfth grade.

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

CONTRACT SCHEDULE 8

INFORMATION AVAILABLE TO THE PUBLIC AND THE CENTER

INFORMATION AVAILABLE TO THE PUBLIC AND THE CENTER

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

Information Available to the Public and the Center

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

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

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

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

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

AMENDMENT NO. 1

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 1

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (the "Academy"), the parties agree to amend the Contract as follows:

1.) Amend Schedule 7, Section c: <u>Educational Programs</u>, by incorporating into this Section a virtual component for kindergarten through fifth grade, 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.

Core	Totano	Dated: _	09/15/2021	
'	1			

By: Corey R. Northrop, Executive Director

The Governor John Engler Center for Charter Schools

Designee of the University Board

Kathleen Operhall Dated: 9-15-21

By: Kathleen Operhall, Board President

Summit Academy North

Designee of the Academy Board

AMENDMENT NO. 2

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 2

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

1.) Amend Schedule 7, Section c: <u>Educational Programs</u>, 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, 2022.

_Corei	Tochan	Dated:	12/12/2022

By: Corey R. Northrop, Executive Director

The Governor John Engler Center for Charter Schools

Designee of the University Board

Dated: 2-08-2022

Summit Academy North

Designee of the Academy Board

Summit Academy North

Contract Amendment No. 2

Tab 1

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 Statement

To educate and empower our learning community through rigor and innovation to achieve personal excellence.

Program Alignment to Mission, Vision and Values

It is evident through the mission, vision and values that the educational programs provide a clear and direct path to success. Summit Academy North ("Academy") continually assesses data results from the educational programs to assure it is providing programming that enables students to reach their maximum potential. The programs are aligned to a rigorous and relevant curriculum. The curriculum is delivered by a highly qualified staff, in a safe environment, encompassing the use of technology and 21st century skills with a commitment to the students.

Alignment

Teachers set goals and design curriculum to ensure cohesion within and across grade levels and content areas (horizontal and vertical alignment). Grade level meetings and same-subject area meetings keep the alignment consistent throughout the Academy. Data discussions, surveys, goals, unit lesson plans, curriculum maps and monthly meetings with administrators ensure the curriculum is meeting the needs of all students. The Academy utilizes Rubicon Atlas, a digital curriculum mapping system, for every course taught, including core and elective courses in grades kindergarten through twelve. The Academy curriculum aligns to Michigan's Academic Standards ("MAS") in the creation of curriculum maps. The curriculum maps demonstrate a logical sequence of learning objectives aligned to state and national standards. Curriculum maps include the following categories: overarching questions/enduring understandings, unit abstracts, course descriptions, unit calendars, essential vocabulary, instructional strategies, resources/tools and a variety of assessment methods.

At the beginning of the school year, each teacher copies the course's curriculum master map into a diary map, which the teacher updates throughout the year with additional resources and materials that support the delivery of the curriculum. Additionally, the curriculum map serves as a timeline for the delivery of all curriculum and assessments. In order to maintain the integrity of the maps, one teacher is identified as a master mapper. There is one teacher per grade level and per content area that has access to and the ability to make changes to the master map. Also, the Academy has identified one administrator per building to oversee the entire curriculum mapping procedure. At the end of the school year, the curriculum maps are updated to include additions and changes that reflect effective best practices, rigorous and relevant curriculum and real-world experiences.

Research-Based Instructional Strategies and Methodologies

The Academy ensures the curriculum, instructional strategies and assessments are aligned and articulated across grade levels in support of the expectations for student learning. Alignment is supported through yearly review, updates and configuration of the curriculum mapping tool, and

MAS. Instructional strategies are implemented using best practices highlighted by Robert Marzano, John Hattie, etc. The Academy is working toward implementing each of the following instructional strategies: identifying similarities and differences, summarizing and note taking, reinforcing effort and providing recognition, homework and practice, setting objectives and providing feedback, using nonlinguistic representations, cooperative learning, generating and testing hypotheses, cues, questions, advanced organizers and vocabulary (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001).

1. Identifying Similarities and Differences

To break a concept into characteristics or smaller parts allows students to understand complex problems in a simple way. Teachers can use Venn diagrams, cubing, vocabulary strategies or charts to compare and classify items. All graphically organized information will be accompanied by deep discussion and inquiry.

2. Summarizing and Note Taking

According to research, summarizing and note taking requires substitution, deleting and having an awareness of the basic structure of the information presented (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers can use prepared notes, Cornell notes at a middle school/ high school level or Collins Writing techniques such as 10% summaries to guide a concise synopsis of material (Collins, 2007). When summarizing, students may also use middle school and high school Max Teaching strategies, such as Generating Interaction between Schemata and Text ("GIST"), Pre-reading Plan ("PreP"), Anticipation Guides or Sensible Sentence Highlighting (Forget, 2004). Teachers can also use guided notes, summarizing activities, interactive notebooks, etc. to build on summarizing and note taking skills.

3. Reinforcing Effort and Providing Recognition

A teacher must show the connection between effort and achievement. Research shows that although not all students realize the importance of effort, they can learn to change their beliefs to emphasize it (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers must demonstrate the relationship between hard work and success for students explicitly. Classroom procedures, Love & Logic, Positive Behavioral Intervention and Supports ("PBIS"), Positive Action, a culture of universal achievement and the Virtues Project at a middle and high school level can be utilized when reinforcing effort and providing recognition.

4. Setting Objectives and Providing Feedback

Setting objectives and providing feedback gives students direction and purpose (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001) (Echevarria, Short, & Vogt, 2012). Content objectives will be posted in the classroom. Student conferences will be held to set goals. Goals must be long-term, short-term and specific to a student's individual needs. Teachers must make certain that feedback is corrective in nature and is given in a timely manner (Collins, 2007).

5. Nonlinguistic Representations

Research shows that knowledge is stored in both a linguistic and visual way (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). The more students use these forms the more actively engaged students are in the learning process. Science, Technology, Engineering, the Arts and Math ("STEAM") incorporate words and images to represent relationships. It also merges physical models, movement and student-generated graphics to represent information, which then leads to life-long learning. STEAM will be incorporated into the Arts because it fosters innovation, a necessary skill to be competitive in the 21st century job market. English language instruction, provided by our English language staff, will be delivered using Sheltered Instruction Observation Protocol ("SIOP") strategies (Echevarria, Short, & Vogt, 2012).

6. Generating and Testing Hypotheses

Using deductive reasoning, teachers ask students to predict what would happen if an aspect of a familiar system were changed. Teachers will also use checkpoints to generate questions, problem solve and prove hypotheses (Forget, 2004).

7. Cues, Questions, and Advanced Organizers

Cues, questions and advanced organizers are highly analytical and will focus on what is important (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers pause briefly to allow think time and use advanced organizers such as previewing sheets to tell a story, skim text or to create an image. Last, technology related activities are utilized to increase interest, experience and expertise. Teachers will also focus on creating higher level questioning based on Bloom's Taxonomy to bring a greater depth of knowledge.

8. Cooperative Learning

Learning cooperatively is a 21st Century skill; research has shown that organizing students into groups creates collaboration, discussion and higher levels of synthesis (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers can design group work around the core components of an inquiry-based lesson. Number Talks, Paired Reading, Think-Pair-Share and Center-Based Learning will yield face-to-face interaction and positive results. Last, Cooperative Learning will be utilized in our STEAM elective to encourage discourse and problem solving.

9. Vocabulary

Research has shown that student achievement will be increased if vocabulary instruction is emphasized (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). Teachers in all core courses will focus on increasing vocabulary comprehension in the classroom. The STEAM elective is a cross-curricular subject; therefore, vocabulary words studied will be from the core subject areas.

10. Differentiation

Differentiating instruction to meet the individual needs of the students will help students make academic growth, gain confidence, and increase proficiency. Differentiation will take place during guided reading, small group instruction, workshop lessons, scaffolding, tiered lessons, etc.

Research-based instructional strategies are an integral part of the daily workings of the classroom. Teachers implement these strategies to deliver the MAS. The Academy continually monitors and evaluates the strategies through data review, surveys, walk-through observations and teacher evaluations.

Instructional Planning

As a part of the Academy's curriculum review and development cycle, approximately every six weeks stakeholders discuss growth and progress. The Academy calls these meetings "Data Talks," which are a part of the Multi-tiered System of Support ("MTSS") process. Currently, teachers and paraprofessionals meet in teams with an administrator and/or instructional coach to discuss individual student data and individual needs. There is a designated leader for each team who serves as the representative for the Academy's Curriculum Alignment Team ("CAT").

CAT, made up of teachers from grades K-12, meets four times throughout the year. All Academy data is reviewed at these meetings including District Assessments ("DAs"), Northwest Evaluation AssociationTM ("NWEATM") assessments, the Michigan state assessment, writing assessments, Cambridge testing data and Fountas and Pinnell. Gaps and tools are identified to scaffold support for areas of need. In addition, curriculum units are discussed, and a variety of strategies are utilized to organize thinking, ("plus/delta"). There is specific emphasis on the transitional years including grades three, six and eight during CAT meetings. Strengths and weaknesses in curriculum are identified in order to pinpoint specific best practices that are in turn shared through professional development opportunities. As a result, the Academy's curriculum is evaluated consistently, both vertically and horizontally. A final end-of-year meeting is held which includes all stakeholders.

Modification of Curriculum

At the Academy, teachers are trained to meet the needs of all students by giving them opportunities to be successful by modifying or accommodating work in accordance with individual student needs. The teachers modify and apply accommodations through tiered interventions, 504 Plans and special education as well as adapt instruction for English Learners and advanced students. Teachers uniformly report and plan the accommodations and modifications being used for each student.

MTSS is a tiered process that allows struggling students to be identified early. For students who struggle with meeting state standards, MTSS can be a way to access math, reading and writing. MTSS offers focused instruction before students become frustrated. It allows students to catch up to peers through supplemental services and support. MTSS at the elementary building is designed to assist struggling students in both math and reading. Students are given extra support in and out of the classroom. Lessons are designed to target specific topics and are monitored for progress. At the secondary level, teachers are assigned as mentors to monitor work completion and to provide organizational support. Additionally, students' grades and progress are monitored on a regular basis to determine who needs MTSS services. In the middle school and high school students are placed in supplemental math and reading courses based on achievement data. Supplemental classes are designed purposely to boost college and career readiness. Additionally, trained paraprofessionals provide extra instructional support for struggling students K-12. Paraprofessionals work with small groups delivering interventions designated by a teacher, Reading Interventionist, coach or administrator. If students show little or no progress in the MTSS

program, the interventions become more intense. If a student does not show growth within a given amount of time, referrals are made for special education testing. At any time, a parent or staff member can make a special education referral in writing. Thorough file reviews are conducted and Reviews of Existing Evaluation Data ("REEDs") are scheduled to determine, by the team, if the student will be tested for special education or if MTSS Tier 2 or Tier 3 interventions will be provided.

Early Childhood Education Program

The Academy operates an early childhood education program (Pre-Kindergarten and/or Great Start Readiness Program). On an annual basis, the Academy shall advise the Center on the current status of its early childhood education program. If changes occur in the Academy's early childhood 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.

Special Education

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.

Advanced students are challenged to go deeper into topics utilizing higher levels of thinking. An example might be if a student is asked to complete the five most difficult problems in math and those with eighty percent (80%) success are provided differentiated assignments to further promote the use of higher-level thinking skills.

Advanced students are asked to expound on topics to make sure students are being challenged within the classroom setting through extension map activities. Students are given test- out opportunities as well. The Academy has specific classes established for these students through honors classes, Advanced Placement ("AP") classes and dual enrollment opportunities.

Student Success in College, Work and Life

The Academy provides all students, kindergarten through twelfth grade, with a rigorous and relevant curriculum that is both hands-on and infused with skills necessary for life in the 21st century. Furthermore, all Academy students will have the skills for college or career, depending on their life choices.

To encourage college and career readiness, the Academy creates a culture of universal achievement by believing in students. During collaboration, teachers and administrators align the standards as a team then analyze and manage data. After examination, instructors pursue meaningful interventions with students. The Academy actively promotes a comprehensive model of college readiness the moment students begin elementary school and this model is carried through to graduation.

The Academy also places emphasis on the use of the 21st century skills students need to be college and career ready. The first component of this process is to provide students with technology experiences. In grades kindergarten through nine, the Academy offers a one-to-one laptop or iPad program. In grades ten through twelve, teachers utilize laptop and iPad carts. Instruction and assessment focus heavily on the use of technology. In addition to the use of technology, the 21st century skill of collaboration is stressed. It is becoming more and more important to have collaboration skills to be successful in post-secondary environments. Finally, the Academy strives to impart to students an understanding of how individuals can impact the community. Students are required to complete twenty (20) hours of community service over four years at the Academy high school. These volunteer opportunities, along with job shadowing opportunities, provide students with a more complete understanding of what skills are necessary to be successful in post-secondary life.

Educational Development Plans ("EDPs")

In accordance with the Michigan Merit Curriculum legislation (P.A. 141 of 2007) the Academy ensures that each pupil in grade seven is provided the opportunity to develop an EDP, and that each pupil has developed an EDP before beginning high school. The Academy utilizes Career Cruising® to manage and organize the EDP process. In grades seven and eight, students engage in activities that determine learning style, skill aptitude and career interest. The data is used to construct a list of careers in which students show interest and aptitude. Career Cruising also

functions as a research tool student utilize to gain a deeper understanding of these careers. Students in grades seven and eight choose two career pathways of interest. Potential career planning activities (e.g. college visits, job shadows and volunteer work) and a post-secondary plan are completed. Finally, students develop short-term and long-term life goals.

EDPs are reviewed annually in grades nine through twelve. During the reviews, students may change career pathways and update or modify career planning activities and post-secondary plans. During the annual reviews, the following year's education plans (courses) are determined. Students Schedule 7c-7 Summit Academy North also have the opportunity to update the EDP with test scores, course grades, awards, work experiences and volunteer experiences.

Assessment

The Academy has clearly defined goals in the school improvement plans. An additional goal is to increase student achievement in accordance with state and federal adequate yearly progress requirements in the core academic subjects of math and reading, and in the non-academic indicator as defined by the state. Contracted goals are also assessed. The Academy utilizes Academy created assessments to ensure progress, along with the state assessment, EPASS, NWEA and Fountas and Pinnell. Observation and project-based assessments are also utilized. Assessment results are monitored closely to assist in furthering the school improvement plan. Accreditation procedures, such as NCAs Standards Assessment Report ("SAR"), MTSS, the Title I Plan and the Annual Education Report show the results of such assessments. District Assessments ("DAs") are based on the MAS. Teachers incorporate a variety of delivery methods to facilitate and monitor student achievement.

Method of Program Evaluation

Assessment data is effectively utilized to evaluate educational programs. The state assessments, NWEA, college readiness results, DAs and MTSS results are fully analyzed to show if programming is effective. As indicated, CAT and administrators meet quarterly to review building and Academy data from all sources to evaluate educational programming. Strengths are analyzed to determine the best practices that are most effective. Goals and weaknesses are analyzed to determine if decreases are caused by core content, strategies, need for professional development or lack of material resources.

Michigan Merit Curriculum ("MMC") High School Graduation Requirements

To prepare students with the knowledge and skills needed for jobs in the 21st Century, the State of Michigan has enacted a rigorous set of graduation requirements that are among the best in the nation. These graduation requirements will prepare students for future success in college and the workplace. The MMC requires students to obtain a minimum of 18 credits for graduation. At the Academy, students must complete the following MMC High School Graduation Requirements:

Mathematics – 4 credits

1 credit of Algebra 1 1 credit of Geometry

1 credit of Algebra 2

1 credit of a math course in the final year of high school

English Language Arts – 4 credits

1 credit of English Language Arts 9

1 credit of English Language Arts 10

1 credit of English Language Arts 11

1 credit of English Language Arts 12

Science – 3 credits

1 credit Biology

1 credit of Chemistry or Physics

1 credit of additional science course

Social Studies – 3 credits

1 credit of United States History and Geography

.5 credit of Government

.5 credit of Economics

1 credit of World History and Geography

Physical Education and Health

.5 credit of Physical Education

.5 credit of Health

Visual, Performance, and Applied Arts – 1 credit

1 credit from any visual, performance or applied arts course

Language other than English – 2 credits

In grades 9-12; OR equivalent learning experience in grades K-12

Online Learning Experience – 1 credit

1 credit course successfully completed via online or blended instruction

To extend student learning, the Academy offers a variety of online courses through Brigham Young University ("BYU"). In order to receive credit, the on-line program must be aligned with Michigan's high school content expectations and must be pre-approved by the parent, the student's teacher and an Academy administrator.

inTandem Virtual Learning

The Academy provides a 100% online model of delivery option for learners called inTandem. The program is intended for students in grades K-12 seeking an alternative learning option due to a variety of reasons.

inTandem meets all requirements of the MMC, and curriculum is aligned to the state or national standards identified for each subject area. inTandem is offered as a traditional fulfillment of the MMC and state curriculum. All high school students are required to earn credit in courses as defined by the MMC and approved by the Academy Board of Education. The district will provide a laptop, as needed, and access to rigorous courses taught by Academy teachers and additional courses that are 21st century skill oriented from the following providers: Lincoln Interactive, BYU

Independent Learning and Edgenuity. Lincoln Interactive is aligned to the MMC. BYU Independent Studies is aligned to national standards. BYU Independent Studies and Lincoln Interactive both use Buzz as the learning management system. Edgenuity courses are aligned to MMC and utilize Edgenuity's learning management system. Courses have clear and focused learning objectives for each unit, essential vocabulary and a logical sequence of instruction/delivery. All vendors have final assessment tasks within each unit as well as a course culminating final assessment. inTandem uses Base Camp as its learning management system and venue for all communication between the mentor teacher and student. Base Camp houses all the program communication from the Academy, the handbooks, course guides and parent information. Links for each course provider are also found on Base Camp.

Academy students will have the opportunity to work on courses in a way that balances structure and learning flexibility. Students are required to take courses that fulfill the MMC guidelines and all Academy taught courses and courses offered by vendors meet the MMC guidelines. The Academy taught courses offer live instruction on a video conferencing platform, as well as pre-recorded videos and resources to support student learning. The curriculum providers offer options for students to go forward and back within the lessons, multi-media presentations and the availability of help from the course instructor. Student support will be available virtually or face to face dependent upon need. The Academy also addresses students' needs individually in a way that best supports the specific learning needs using Marzano's instructional strategies (Marzano, Norford, Paynter, Pickering, & Gaddy, 2001). For example, a student with lower math skills may have increased contact hours required as well as a Highly Qualified Math teacher, employed by the district, available for tutoring hours. The program encourages student success and college readiness through student independence with guided support. inTandem is built to create a balance between students, parents and staff to build a personalized schedule of rigorous and interest-based course work to provide a successful educational experience.

Career and Technical Education

The Academy has a partnership with the Taylor Public School District to provide Career and Technical Education ("CTE") courses. CTE courses provide students with real world experiences while earning high school credits. Academy students can take courses in career clusters that include:

- 1. Business, Management, and Administration
- 2. Construction Technology
- 3. Construction Home Repair and Remodeling
- 4. Culinary Arts
- 5. Cybersecurity
- 6. Digital Media
- 7. JROTC
- 8. Fire, EMS, and Public Safety
- 9. Marketing
- 10. Nursing Assistant
- 11. Teacher Cadet
- 12. Welding, Fabrication, Machine Tool, and CNC

The CTE program provides students with credits that fill graduation requirements for core academic areas and electives. Academy students attend the CTE program for half the school day and attend the Academy for the other half of the school day. Students are eligible for the CTE program that meet the following requirements:

- 1. Earned credits to be considered a 10th 12th grade students.
- 2. Have a cumulative GPA of at least 2.0.
- 3. Have credits to be on track for graduation.
- 4. Be in good standing regarding school attendance.

AMENDMENT NO. 3

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 3

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

1.) Amend Schedule 1: <u>Restated Articles of Incorporation</u>, by replacing the materials contained therein with the materials attached as Tab 1.

The changes identified in Section 1 shall have an effective date of August 16, 2022.

- 2.) Amend Schedule 6: <u>Physical Plant Description</u>, by replacing the Physical Plant Description narrative and Site Plan for the Elementary Site contained therein with the Physical Plant Description narrative and Site Plan, attached as Tab 2.
- 3.) Further amend Schedule 6: <u>Physical Plant Description</u>, by inserting at the end of this Schedule the materials attached as Tab 3.

The changes identified in Sections 2 and 3 shall have an effective date of September 5, 2023.

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

By: Corey R. Northrop, Executive Director

The Governor John Engler Center for Charter Schools

Designee of the University Board

Dated

Dated: 9/19/2023

Summit Academy North

Designee of the Academy Board

Summit Academy North

Contract Amendment No. 3

Tab 1



MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU			
Date Received AUG 16 2022	(FOR BUREAU USE ONLY) \$110 MC CEPAS 22081630647404		
	This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.	FILED —, AUG 16 2022	
Name George P. Butler Esq.		ADMINISTRATOR CORPORATIONS DIVISION	
Address 500 Woodward Ave., Suit	e 4000		
City Detroit, MI 48226	State ZIP Code	EFFECTIVE DATE:	
Document will be returned to the name and address you enter above. If left blank, document will be returned to the registered office.			

RESTATED ARTICLES OF INCORPORATION For use by Domestic Nonprofit Corporations

(Please read information and instructions on the last page)

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

1.	The present name of the corporation is:
	Summit Academy North
2.	The identification number assigned by the Bureau is: 800856189
3.	All former names of the corporation are:
4.	The date of filing the original Articles of Incorporation was: 05/07/1998

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

ARTICLE I

The name of the corporation is: Summit Academy North

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

ARTICLE II

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

- 1. The corporation is organized for the purpose of operating as a public school academy in the State of Michigan pursuant to Part 6a of the Revised School 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 academics.
- 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 George P. Butler, Esq.

The address of its registered office in Michigan is: 500 Woodward Ave., Suite 4000, Detroit, Michigan, 48226.

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

ARTICLE V

The corporation is a governmental entity.

ARTICLE VI

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

ARTICLE VII

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

ARTICLE VIII

The Board of Directors shall have all the powers and duties permitted by law to manage the business, propelty 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 called 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 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.

(Remainder of page intentionally left blank.)

5.	INCORPORA	SECTION (a) IF THE RESTATED ARTICLES WERE ADOPTED BY THE UNANIMOUS CONSENT OF THI TOR(S) BEFORE THE FIRST MEETING OF THE BOARD OF DIRECTORS, OTHERWISE, COMPLETE DO NOT COMPLETE BOTH.		
	a. These Restated Articles of Incorporation were duly adopted on theday of			
		Signed thisday of,		
		(Signatures of a Majority of Incorporators; Type or Print Name Under Each Signature)		
	b. The	ese Restated Articles of Incorporation were duly adopted on the <u>11th</u> day of <u>August</u> , 2022 , in accordance with the provisions of section 641 of the Act: (check one of the following)		
_	\ 	by the Board of Directors without a vote of the members or shareholders. These Restated Articles of Incorporation only restate and integrate the articles and include only amendments adopted under section 611(1) or section 611(2) of the Act and there is no material discrepancy between those provisions and the provisions of the Restated Articles of Incorporation.		
	~	were duly adopted by the shareholders, the members, or the directors (if organized on a nonstock directorship basis). The necessary number of votes were cast in favor of these Restated Articles of Incorporation.		
		were duly adopted by the written consent of all the shareholders or members entitled to vote in accordance with section 407(3) of the Act.		
		were duly adopted by the written consent of all the directors pursuant to section 525 of the Act as the corporation is formed on a directorship basis.		
		were duly adopted by the written consent of the shareholders, members, or their proxies having not less than the minimum number of votes required by statute in accordance with section 407 of the Act. Written notice to members or shareholders who have not consented in writing has been given. (Note: Written consent by less than all of the shareholders, members, or their proxies is permitted only if such provision appears in the Articles of Incorporation).		
		Signed this day of August , 2022		
		By (Signature of Authorized Officer or Agent)		
	Í	RISHA RING Vice President		
		(Type or Print Name) (Type or Print Title)		

Summit Academy North

Contract Amendment No. 3

Tab 2

a. Elementary Site

Address: 28697 Sibley Rd.

Huron Township, MI 48174

Description: This Site includes two facilities. The main facility is a single-story facility

constructed of wood and block and consists of approximately 43,575 square feet of space. The facility includes 31 classrooms, 35 restrooms, a computer workroom, two staff lounges, two copy rooms, two utility rooms, several storage areas, two conference rooms, several offices, a library and a full-size gymnasium. The Site also contains a football field with concession stand and bleachers, a baseball field,

softball field and two playground areas.

The other facility is constructed of wood and block and includes 7,400 square feet of space. It is a single-story facility that sits approximately 300 feet south of the main facility. The facility includes three classrooms, each of which has an exit door, two offices, six restrooms, one utility room, and one gross motor skills room.

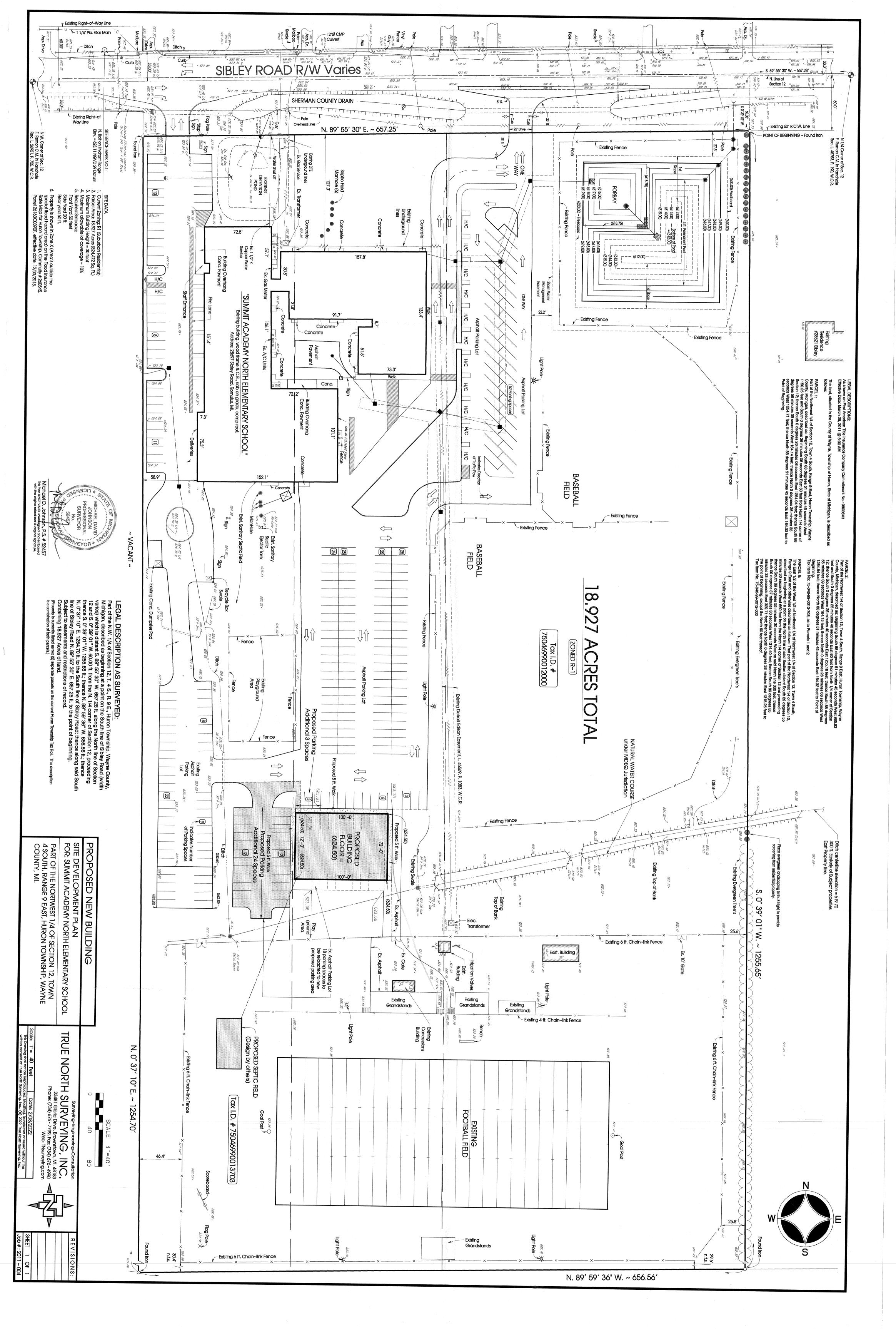
<u>Configuration of Grade Levels</u>: Kindergarten through Fifth Grade.

<u>Term of Use</u>: Term of Contract.

Name of School District and Intermediate School District:

Local: Woodhaven-Brownstown School District

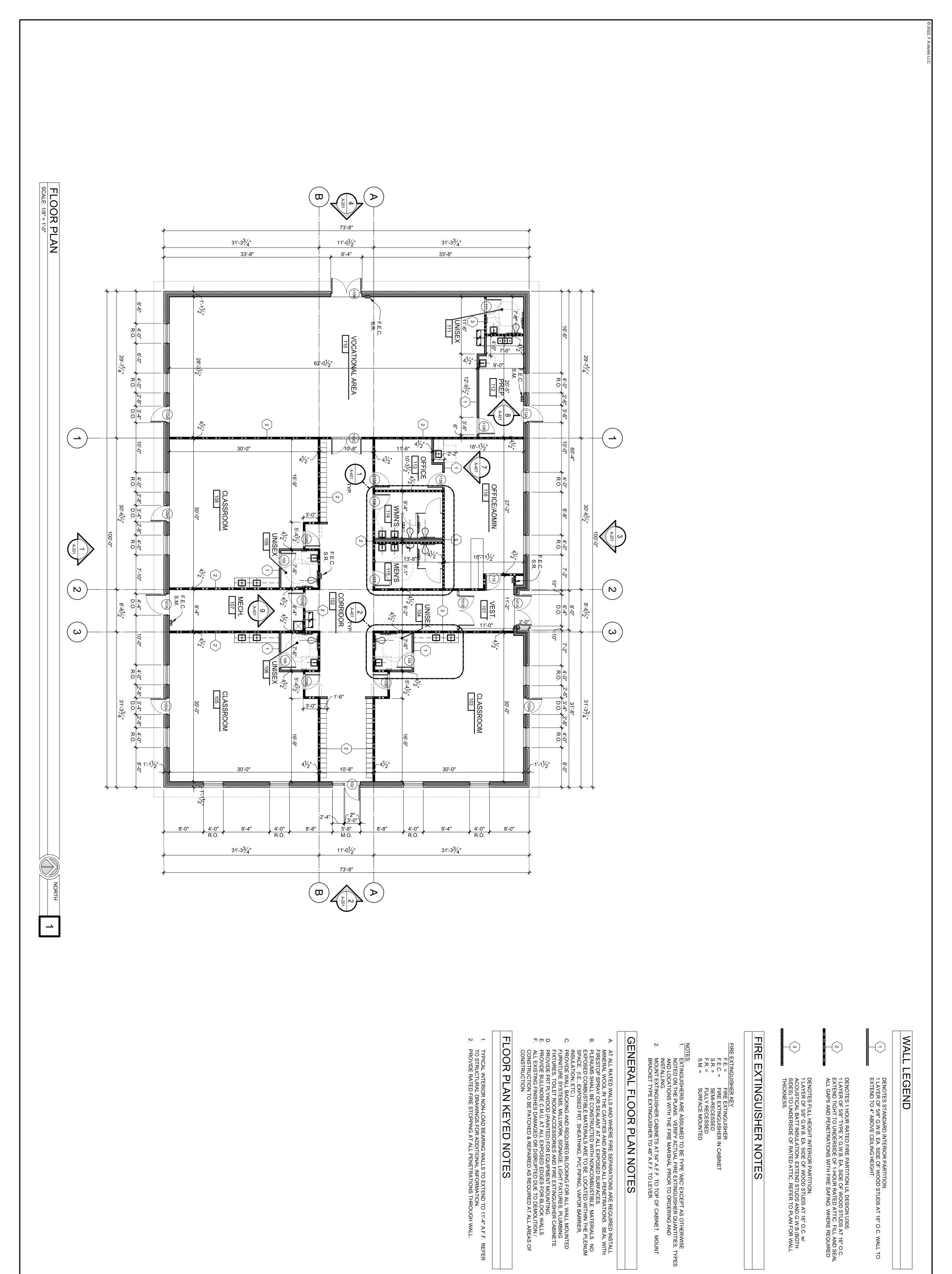
ISD: Wayne RESA



Summit Academy North

Contract Amendment No. 3

Tab 3



ELL OR

THIS drawing, as an instrument of service, remains the property of Faudie Architecture, Inc. Any changes, publication, or unauthorized use is prohibited unless expressly approved.

PROJECT NUMBER:

21094

SHEET NUMBER:

A-101

	4-25-22	BUILDING PERMIT	SU
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			1

DATE ISSUED FOR:

SUMMIT ACADEMY NORTH ELEMENTARY EARLY CHILDHOOD FACILITY

697 SIBLEY RD. DMULUS, MI 48174 F.A.studio

design to inspire

26261 Evergreen Road, Suite #123
Southfield, MI 48076 | 248.619.2354

CERTIFICATE OF USE AND OCCUPANCY PERMANENT

Michigan Department of Licensing and Regulatory Affairs

Bureau of Construction Codes/Building Division P.O. Box 30254 Lansing, MI 48909 Authority: 1972 PA 230 (517) 241-9317

Building Permit No: BLDG22-00648

28697 S SIBLEY RD ROMULUS, MI 48174 COUNTY: WAYNE

The above named building of Use Group E, Education 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 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Print Date: 10/27/2023

CERTIFICATE OF USE AND OCCUPANCY TEMPORARY

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

> BUILDING PERMIT NO.: BLDG22-00648 28697 SIBLEY RD ROMULUS, MICHIGAN WAYNE COUNTY

The above-named building of Use Group E, Education and Construction Type 5B - Combustible (All Elements Not Rated) is approved for use and occupancy for a period of three (3) months with an expiration date of December 5, 2023.

Conditions:

THIS APPROVAL IS GRANTED UNDER THE AUTHORITY OF SECTIONS 13 OF ACT 230 OF THE PUBLIC ACTS OF 1972, AS AMENDED, BEING §125.1513 OF THE MICHIGAN COMPILED LAWS, AND, IN ACCORDANCE WITH SECTION 111.0 OF THE STATE BUILDING CODE. THIS SHALL SUPERSEDE AND VOID ANY PREVIOUS APPROVAL OF USE AND OCCUPANCY.

Sheila Hartfield

September 5, 2023

Sheila Hartfield Building Section Chief Bureau of Construction Codes

AMENDMENT NO. 4

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 4

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

1.) Amend Schedule 6: <u>Physical Plant Description</u>, by replacing the Mortgage, First Amendment to Mortgage, and Second Amendment to Mortgage contained therein with the Mortgage, attached as Tab 1.

The changes identified in Section 1 shall have an effective date of September 1, 2021.

2.) Further amend Schedule 6: <u>Physical Plant Description</u>, by replacing the Bond Purchase Agreement dated May 25, 2011, and the Bond Purchase Agreement dated August 31, 2016, with the Bond Purchase Agreement, attached as Tab 2.

The changes identified in Section 2 shall have an effective date of September 15, 2021.

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

Court other	Dated: _11/10/2023
By: Corey R. Northrop, Executive Director	
The Governor John Engler Center for Charter Schools	
Designee of the University Board	
Samuel	Dated: <u>//~9-23</u>
By: Shelorda Bynum	
Summit Academy North	

Designee of the Academy Board

Summit Academy North

Contract Amendment No. 4

Tab 1

MORTGAGE

SUMMIT ACADEMY NORTH

as Mortgagor

to

U.S. BANK NATIONAL ASSOCIATION

as Mortgagee

RELATING TO:

\$21,455,000 SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING BONDS, SERIES 2021

Dated as of September 1, 2021

Prepared by, and when recorded, return to:

Craig W. Hammond Dickinson Wright PLLC 2600 West Big Beaver Road Suite 300 Troy, MI 48084 Tel: (248) 433-7256

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MORTGAGE

THIS MORTGAGE ("Mortgage") is made as of September 1, 2021, by and between SUMMIT ACADEMY NORTH, a Michigan nonprofit corporation and public school academy, whose address is 18601 Middlebelt Road, Romulus, Michigan 48174, as mortgagor ("Mortgagor") and U.S. BANK NATIONAL ASSOCIATION, a national banking association, with offices at 60 Livingston Avenue, St. Paul, Minnesota 55107, in its capacity as Trustee under the Trust Indenture defined below, as mortgagee ("Mortgagee" or "Trustee").

PRELIMINARY STATEMENTS

- A. Pursuant to the Trust Indenture, dated as of September 1, 2021 (the "Trust Indenture"), between Mortgagor and U.S. Bank National Association, as Trustee, Mortgagor is issuing its Public School Academy Refunding Bonds, Series 2021 in the aggregate principal amount of \$21,455,000 (the "Series 2021 Bonds" and together with any Additional Bonds issued under the Trust Indenture, the "Bonds") for the purposes set forth in the Trust Indenture. All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Trust Indenture.
- B. Pursuant to the Trust Indenture, certain state school aid payments have been pledged and assigned by Mortgagor to Mortgagee for the payment of the principal of and interest on the Bonds.
- C. The Bonds are secured by the Trust Estate (as defined in the Trust Indenture), including a lien on and security interest in the Mortgaged Estate (defined below) pursuant to this Mortgage, granted by Mortgagor.

GRANTING CLAUSES

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

LAND

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

IMPROVEMENTS

Any and all buildings, structures, fixtures and improvements existing or to be constructed on the Land, including, but not limited to, the fixtures, attachments, appliances, equipment,

machinery, and other articles attached to such buildings and improvements (collectively, the "Improvements" and, together with the Land, the "Real Property");

RENTS, REVENUES AND DERIVATIVE INTERESTS

All rents, issues, profits and royalties derived from the Real Property and the operation thereof (collectively the "Revenues"); including, but not limited to, all rights conferred by Act No. 210 of the Michigan Public Acts of 1953 as amended by Act No. 151 of the Michigan Public Acts of 1966 (MCL 554.231 et seq.), and Act No. 228 of the Michigan Public Acts of 1925 as amended by Act No. 55 of the Michigan Public Acts of 1933 (MCL 554.211 et seq.), as amended; all estate, right, title and interest of Mortgagor in and to all leases or subleases covering the Real Property or any portion thereof now or hereafter existing or entered into, including, without limitation, all cash or security deposits, advance rentals and deposits or payments of similar nature; all right, title and interest of Mortgagor in and to all options to purchase or lease the Real Property or any portion thereof or interest therein, and any greater estate therein now owned; all interests, estate or other claims, both in law and in equity, which Mortgagor now has in the Real Property or any portion thereof or interest therein; all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, all right, title and interest of Mortgagor, now owned, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Real Property and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Real Property (all of the foregoing in this paragraph being, collectively, the "Derivative Interests" and, together with the Real Property, the "Project");

INTANGIBLES

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

CLAIMS AND AWARDS

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

PROCEEDS

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

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

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

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

THIS MORTGAGE SHALL SECURE THE FOLLOWING INDEBTEDNESS AND OBLIGATIONS:

- (i) Payment of indebtedness evidenced by the Bonds and all replacements, renewals, amendments, extensions, substitutions and modifications thereof bearing interest and being payable as provided therein;
- (ii) Payment of all indebtedness and performance of all obligations and covenants of Mortgagor under the Trust Indenture and each agreement of Mortgagor incorporated by reference therein or herein, or contained therein or herein;
- (iii) Payment of all of the principal of and interest on any future advances under the Bonds, the Trust Indenture, this Mortgage, and any other instrument or other document given to evidence or further secure the payment and performance of any of the obligations thereunder; and
- (iv) Payment of all other indebtedness and performance of all other obligations and covenants of Mortgagor contained in any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby;

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

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

of this Mortgage, that until this Mortgage is released, any debt owed by Mortgagor under the Trust Indenture, including advances made subsequent to the recording of this Mortgage, shall be secured with the priority afforded this Mortgage as recorded.

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

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby represents, warrants, covenants and agrees:

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

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

Section 1.03. [Reserved]

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

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

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

- (a) All policies of insurance shall be issued by companies and in amounts as required by the provisions of the Trust Indenture.
- (b) In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee evidence of the policies of insurance required by the Trust Indenture, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums, together with interest thereon, shall be secured by this Mortgage.
- (c) Upon occurrence of an Event of Default, Mortgagee shall apply any sums or amounts received pursuant hereto, or as Revenues or income of the Mortgaged Estate or otherwise, as required under the Trust Indenture. The receipt, use or application of any such sums by Mortgagee hereunder shall not be construed to affect the maturity of any Secured Obligation or any of the rights or powers of Mortgagee under the terms of the Trust Indenture or any of the obligations of Mortgagor under the Trust Indenture. Notwithstanding the application of such sums to the payment of a portion of the Secured Obligations, any unpaid portion of the Secured Obligations shall remain in full force and effect, and Mortgagor shall not be excused in the remaining payment thereof.

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

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

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

1.05 hereof, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Mortgaged Estate, or such part thereof, if any.

Section 1.09. Expenses; Indemnification; Waiver of Offset.

- (a) Mortgagor shall pay or reimburse Mortgagee for all reasonable expenses incurred by Mortgagee before and after the date of this Mortgage with respect to any and all transactions contemplated by this Mortgage including without limitation, the preparation of any document reasonably required hereunder or any amendment, modification, restatement or supplement to this Mortgage, the delivery of any consent, non-disturbance agreement or similar document in connection with this Mortgage or the enforcement of any of Mortgagee's rights. Such expenses shall include, without limitation, all reasonable title and conveyancing charges, recording and filing fees and taxes, mortgage taxes, intangible personal property taxes, escrow fees, revenue and tax stamp expenses, privilege taxes, use taxes, insurance premiums (including title insurance premiums), title search and title rundown charges, brokerage commissions, finders' fees, placement fees, court costs, surveyors', photographers', appraisers', architects', engineers', consulting professionals', accountants', and attorneys' fees and disbursements.
- (b) If (i) any sale (or prerequisite to a sale), action or proceeding shall be commenced by Mortgagee (including but not limited to any sale of the Mortgaged Estate, or any action to foreclose this Mortgage or to collect the Secured Obligations), or any action or proceeding is commenced to which Mortgagee is made a party, or in which it becomes necessary to defend or uphold the rights granted by this Mortgage (including, without limitation, any proceeding or other action relating to the bankruptcy, insolvency or reorganization of Mortgagor or any other person or entity obligated hereunder), or in which Mortgagee is served with any legal process, discovery notice or subpoena, and (ii) in each of the foregoing instances such action or proceeding in any manner relates to or arises out of this Mortgage or issuance of the Bonds or acceptance of a guaranty from a guarantor of the Secured Obligations or any of the transactions contemplated by this Mortgage and such action or proceeding does not relate to or arise out of the gross negligence or willful misconduct of Mortgagee as applicable, then Mortgagor will immediately reimburse or pay to Mortgagee all of the expenses which have been or may be incurred by Mortgagee with respect to the foregoing (including reasonable counsel fees and disbursements), together with interest thereon, and any such sum and the interest thereon shall be included in the Secured Obligations and have the full benefit of this Mortgage, prior to any right, or title to, interest in or claim upon the Mortgaged Estate attaching or accruing to this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to sell the Mortgaged Estate, to foreclose this Mortgage, or to recover or collect the Secured Obligations, the provisions of law respecting the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.
- (c) To the extent permitted by law, Mortgagor shall indemnify and hold harmless Mortgagee and affiliates, and directors, officers, agents and employees and affiliates for, from and against all claims, damages, losses and liabilities (including, without limitation, reasonable attorneys' fees and expenses) arising out of or based upon any matter related to this Mortgage, the Mortgaged Estate or the occupancy, ownership, maintenance or

management of the Mortgaged Estate by Mortgagor, including, without limitation, any claims based on the alleged acts or omissions of any employee or agent of Mortgagor except for such damages incurred due to the gross negligence, breach of trust or willful misconduct of Mortgagee or its affiliates, directors, officers, agents or employees. This indemnification shall be in addition to any other liability which Mortgagor may otherwise have to Mortgagee.

- (d) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Estate, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage except for such damages incurred due to the gross negligence or willful misconduct of Mortgagee.
- (e) All sums payable by Mortgagor under this Mortgage shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the Secured Obligations of Mortgagor hereunder shall in no way be released, discharged or otherwise affected by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Mortgaged Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Mortgaged Estate or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagor, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagor, or by any court, in any such proceeding; or (v) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. To the extent permitted by law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Secured Obligation. Notwithstanding the above, Mortgagor may maintain a separate suit regarding such matters.

Section 1.10. Taxes and Impositions.

- (a) In accordance with the terms of the Trust Indenture, Mortgagor agrees to pay, prior to delinquency, all real and personal property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, which are assessed or imposed upon the Mortgaged Estate or any part thereof, or become due and payable, and which create, may create or appear to create a lien upon the Mortgaged Estate, or any part thereof, or upon any personal property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental and nongovernmental charges of like nature are hereinafter referred to as "Impositions").
- (b) Subject to the applicable State law provisions, Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings in accordance with the terms of the Trust Indenture.

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

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

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

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

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

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

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

- Section 1.16. Additional Security. In the event Mortgagee at any time holds additional security for any of the Secured Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before, concurrently with or after any sale is made hereunder.
- Section 1.17. Additional Indebtedness. Except as provided in the Trust Indenture and except for the Permitted Encumbrances, Mortgagor shall not further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the Uniform Commercial Code in effect in the State, the "UCC").
- Section 1.18. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The covenants and agreements of Mortgagor contained herein shall apply to and be binding upon any successor owner of the Mortgaged Estate or any part thereof.
- **Section 1.19. Inspections.** Mortgagee, or its agents, representatives or workmen, are authorized to enter upon notice of two Business Days to Mortgagor at any reasonable time upon or in any part of the Mortgaged Estate for the purpose of inspecting the same and all books, records and documents relating thereto, and for the purpose of performing any of the acts it is authorized to perform under the terms of the Trust Indenture.

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

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

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

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

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

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

Section 1.25. [Reserved].

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

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

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

Section 1.28. Enforceability. This Mortgage and the Trust Indenture have been duly executed and delivered by Mortgagor and constitute valid and binding obligations of Mortgagor enforceable in accordance with their respective terms, except as the enforceability (but not the validity thereof) may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally.

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

in default with respect to any order of any court or governmental authority or arbitration board or tribunal.

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

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

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

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

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

ARTICLE II

ENVIRONMENTAL MATTERS

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

ARTICLE III

ASSIGNMENT OF RENTS AND LEASES

Section 3.01. Assignment of Leases and Rents. As of the date of this Mortgage, as security in addition to the property described in this Mortgage, Mortgagor hereby assigns to Mortgagee all its right, title and interest in and to all written and oral leases, whether now in existence or which may hereafter come into existence during the term of this Mortgage, or any extension hereof, covering the Mortgaged Estate or any part thereof (but without an assumption by Mortgagee of liabilities of Mortgagor under any such leases by virtue of this assignment), and Mortgagor hereby assigns to Mortgagee the rents, issues and profits of the Mortgaged Estate. Until the occurrence of an Event of Default, Mortgagor shall have the right to receive and collect such rents, issues and profits. Upon the occurrence and during the continuation of an Event of Default, Mortgagee may elect upon written notice to Mortgagor to receive and collect said rents, issues and profits personally or through a receiver so long as any such Event of Default shall exist and during the pendency of any foreclosure proceedings and during any redemption period, and Mortgagor agrees to the appointment of a receiver if believed necessary or desirable by Mortgagee to enforce its rights under this paragraph. Mortgagee shall be entitled to all of the rights and benefits conferred by Act No. 210 of the Michigan Public Acts of 1953 as amended by Act No. 151 of the Michigan Public Acts of 1966 (MCL 554.231 et seq.) and Act No. 228 of Michigan Public Acts of 1925, as amended by Act 55 of the Michigan Public Acts of 1933 (MCL 554.211 et seq.) as amended. The collection of rents by Mortgagee shall in no way waive the right of Mortgagee to foreclose this Mortgage in the event of any Event of Default.

ARTICLE IV

SECURITY AGREEMENT

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

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

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

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

- (a) except for the security interest granted hereby, Mortgagor is, and as to any of the Fixtures to be acquired after the date hereof will be, the sole owner of the Fixtures, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for purchase money liens and Permitted Encumbrances. Mortgagor will notify Mortgagee of, and will defend the Fixtures against, all prohibited claims and demands of all persons at any time claiming the same or any interest therein;
- (b) Mortgagor will not lease, sell, convey or in any manner transfer the Fixtures (except Fixtures transferred in the ordinary course of business and replaced by Fixtures of a similar nature and having at least the same value as the Fixtures replaced, and except for Permitted Encumbrances as defined in the Trust Indenture) without the prior written consent of Mortgagee;
 - (c) the Fixtures are not used or bought for personal, family or household purposes;
- (d) the Fixtures will be kept on or at the Project and Mortgagor will not remove the Fixtures from the Project without the prior written consent of Mortgagee, except such portions or items of personal property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with new items of equal or greater quality; and
- (e) all covenants and obligations of Mortgagor contained herein relating to the Mortgaged Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES UPON DEFAULT

- Section 5.01. Events of Default. Any one or more of the following events shall be deemed an event of default hereunder (each, an "Event of Default"):
 - (a) the occurrence of an Event of Default (as defined in the Trust Indenture) under the Trust Indenture;
 - (b) the failure by Mortgagor to punctually perform or observe any covenant or agreement contained in this Mortgage and such failure shall not have been cured within 30 days (or such longer period as permitted under the Trust Indenture) after written notice from Mortgagee of such failure;
 - (c) if Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent within the meaning of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., as amended (the "Bankruptcy Code"), or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;
 - (d) if a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Mortgagor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Mortgagor or of all or any part of the Mortgaged Estate, or of any or all of the royalties, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Mortgagor and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);
 - (e) if a writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Estate, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on the Mortgaged Estate or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 60 days after its entry or levy;
 - (f) if, during the term of the Bonds secured by this Mortgage, Mortgagor shall without the prior written approval of Mortgagee (unless permitted as provided herein) sell, convey, alienate, mortgage or encumber the Mortgaged Estate or any part thereof or any interest therein, or shall be divested of its title or any interest therein, in any manner, whether voluntarily or involuntarily, or if there is any merger, consolidation or dissolution affecting Mortgagor, or if there is a transfer of a majority interest in Mortgagor in a series

of transactions or as a single transaction, unless any of the foregoing are permitted by the Trust Indenture;

- (g) any assignment by Mortgagor of the whole or any part of the Revenues, issues or profits arising from the Mortgaged Estate (including, without limitation, the Revenues) to any person without the consent of Mortgagee (unless permitted as provided herein) or if, without such consent, Mortgagor shall otherwise further encumber the Mortgaged Estate or any portion thereof (including, without limitation, secured transactions under the UCC) unless permitted by the Trust Indenture; or
- (h) if at any time any representation, warranty or statement made by Mortgagor in the Trust Indenture or any certificate delivered by Mortgagor shall be incorrect or misleading in any material respect, or any material misrepresentation shall at any time be made to Mortgagee by Mortgagor.
- Section 5.02. Acceleration Upon Default; Additional Remedies. Subject to the cure provisions of this Section 5.02, upon the occurrence of an Event of Default, Mortgagee may, at Mortgagee's sole option exercised in Mortgagee's sole discretion, pursue any one or more of the following remedies:
 - (a) Declare all or any portion of the Secured Obligations to be due and payable, and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind except as otherwise provided herein;
 - (b) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon and take possession of the Mortgaged Estate or any part thereof and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Estate, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Estate, take any action described in Article II, III or IV hereof, sue for or otherwise collect the Revenues thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any Secured Obligations, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Estate, the taking of any action described in Article II, III or IV hereof, the collection of such Revenues and the application thereof as aforesaid, shall not cure or waive any default or notice of default or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Estate or the collection, receipt and application of Revenues, issues or profits, Mortgagee shall be entitled to exercise every right provided for the Trust Indenture or by law upon occurrence of any Event of Default, including the right to exercise the power of sale herein conferred;
 - (c) Commence an action to foreclose this Mortgage (either judicially or non-judicially), appoint a receiver, specifically enforce any of the covenants hereof, or sell the Mortgaged Estate pursuant to the power of sale herein conferred and in a manner provided under Michigan law;

- (d) Exercise any or all of the remedies available to a secured party under the UCC, including, but not limited to:
 - (i) Either personally or by means of a court appointed receiver, commissioner or other officer, take possession of all or any of the Fixtures and exclude therefrom Mortgagor and all others claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect of the Fixtures or any part thereof. In the event Mortgagee demands or attempts to take possession of the Fixtures in the exercise of any rights under the Trust Indenture, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Mortgagee;
 - (ii) Without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to the security interest granted hereunder and, in exercising any such powers or authority, to pay all expenses incurred in connection therewith;
 - (iii) Require Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver such Fixtures to Mortgagee, or an agent or representative designated by it. Mortgagee, and its agents and representatives, shall have the right to enter upon any or all of Mortgagor's premises and property to exercise Mortgagee's rights hereunder;
 - (iv) Sell, lease or otherwise dispose of the Fixtures at public sale, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as Mortgagee may determine. Mortgagee may be a purchaser at any such sale; and
 - (v) Unless the Fixtures are perishable or threaten to decline speedily in value or are of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least 10 days' prior written notice of the time and place of any public sale of the Fixtures or other intended disposition thereof. Such notice may be mailed to Mortgagor at the address set forth in Section 6.05 of herein and shall be deemed to be given on the date of mailing thereof; and
 - (vi) Any sale made pursuant to the provisions of this subsection shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of all or a portion of the remainder of the Mortgaged Estate under power of sale as provided herein upon giving the same notice with respect to the sale of the Personal Property hereunder as is required for such sale of the remainder of the Mortgaged Estate under power of sale, and such sale shall be deemed to be pursuant to a security agreement covering both real and personal property under the UCC.

- (e) Exercise any other rights or remedies which may now or hereafter be available to Mortgagee under this Mortgage or the Trust Indenture or pursuant to applicable law or in equity; or
- (f) If held by Mortgagee, surrender the insurance policies maintained pursuant to Section 1.05, collect the unearned insurance premiums and apply such sums as a credit on the Secured Obligations in such priority and proportion as Mortgagee in its sole discretion shall deem proper, and in connection therewith, Mortgagor hereby appoints Mortgagee as agent and attorney-in-fact (which is coupled with an interest and is therefore irrevocable) for Mortgagee to collect such insurance premiums.

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

Section 5.03. [Reserved].

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

Section 5.05. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any Secured Obligation hereby and to exercise all rights and powers under this Mortgage or under the Trust Indenture or other agreement or any laws now or hereafter in force. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute

discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by the Trust Indenture to Mortgagee, or to which Mortgagee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee. Mortgagee may pursue inconsistent remedies.

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

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

Section 5.07. Relief from Stay. In the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code, subject to court approval, Mortgagee shall thereupon be entitled and Mortgagor irrevocably consents to relief from any stay imposed by Section 362 of the Bankruptcy Code on or against the exercise of the rights and remedies otherwise available to Mortgagee as provided in the Trust Indenture and Mortgagor hereby irrevocably waives its rights to object to such relief. In the event Mortgagor shall commence a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code, Mortgagor hereby agrees that no injunctive relief against Mortgagee shall be sought under Section 105 or other provisions of the Bankruptcy Code by Mortgagor or other person or entity

claiming through Mortgagor, nor shall any extension be sought of the stay provided by Section 362 of the Bankruptcy Code.

Section 5.08. Cash Collateral. To the fullest extent allowed by applicable law, Mortgagor hereby acknowledges and agrees that in the event that Mortgagor commences a case under the Bankruptcy Code or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (i) that all of the Revenues are, and shall for purposes be deemed to be, "proceeds, product, offspring, rents, or profits" of the Project covered by the lien of the Mortgage, as such quoted terms are used in Section 552(b) of the Bankruptcy Code; (ii) that in no event shall Mortgagor assert, claim or contend that any portion of the Revenues are, or should be deemed to be, "accounts" or "accounts receivable" within the meaning of the Bankruptcy Code and/or applicable state law; (iii) that the Revenues are and shall be deemed to be in any such bankruptcy proceeding "cash collateral" of Mortgagee as that term is defined in Section 363 of the Bankruptcy Code; and (iv) that Mortgagee has valid, effective, perfected, enforceable and matured rights in and to the Revenues without any further action required on the part of Mortgagee to enforce or perfect its rights in and to such cash collateral, including, without limitation, providing notice to Mortgagor under Section 546(b) of the Bankruptcy Code.

ARTICLE VI

MISCELLANEOUS

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

Section 6.02. Waiver of Rights. To the extent permitted by law, Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted (i) providing for any appraisement before sale of any portion of the Mortgaged Estate, or (ii) in any way extending the time for the enforcement of the collection of the Secured Obligations or creating or extending a period of redemption from any sale made in collecting the Secured Obligations. To the full extent Mortgagor may do so under the laws of the State, Mortgagor agrees that Mortgagor will not at any time insist upon, plea, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, extension, redemption or homestead exemption, and Mortgagor, for Mortgagor, Mortgagor's representatives, successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Estate, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, homestead exemption, notice of election to mature or declare due the whole of the Secured Obligations and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Mortgagor, Mortgagor's heirs, devisees,

representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Mortgagor expressly waives and relinquishes any and all rights, remedies and defenses that Mortgagor may have or be able to assert by reason of the laws of the State pertaining to the rights, remedies and defenses of sureties. The waivers and agreements contained in this section and elsewhere in this Mortgage are given by Mortgagor knowingly and voluntarily and upon advice of counsel.

Section 6.03. Limitation of Interest. All agreements between Mortgagor and Mortgagoe, whether now existing or hereafter arising and whether written or oral, are expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid, to Mortgagee for the use, forbearance, or detention of the money to be held pursuant to the Trust Indenture or otherwise, or for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever fulfillment of any provision hereof at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Mortgagee or holders of the Bonds shall ever receive as interest under the Bonds or this Mortgage or otherwise anything of value which would exceed interest at the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing under the Bonds or on account of other Secured Obligations and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of the Bonds and such other Secured Obligations, such excess shall be refunded to Mortgagor. All sums paid or agreed to be paid to Mortgagee for the use, forbearance, or detention of the Secured Obligations shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such obligations until payment in full so that the rate of interest on account of Secured Obligations is uniform throughout the term thereof. The terms and provisions of this paragraph shall control all agreements between Mortgagor and Mortgagee.

Section 6.04. [Reserved]

Section 6.05. Notices. Unless otherwise required by law, whenever Mortgagee or Mortgagor shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing and shall be deemed to have been given upon receipt if by hand delivery or certified mail, postage prepaid, addressed to the following mailing addresses:

If to Mortgagor: Summit Academy North

18601 Middlebelt Road Romulus, Michigan 48174,

If to Mortgagee: U.S. Bank National Association

Global Corporate Trust (EP-MN-WS3C)

60 Saginaw Avenue St. Paul, MN 55107

Attention: Global Corporate Trust

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

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

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

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

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

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

- **Section 6.11. Time is of the Essence**. Time is of the essence under this Mortgage and the Trust Indenture.
- Section 6.12. Obligations of Mortgagor. The obligations of Mortgagor to make payments hereunder and under the Trust Indenture and to perform and observe all agreements on its part contained herein and therein shall be absolute and unconditional. Until this Mortgage is terminated or payment in full of all Bonds is made or is provided for in accordance with the Trust Indenture, Mortgagor (i) will not suspend or discontinue any payments under the Trust Indenture or neglect to perform any of its duties required thereunder or hereunder; (ii) will perform and observe all of its obligations set forth in the Trust Indenture, this Mortgage and the Bonds; and (iii) except as provided herein will not terminate the Trust Indenture or this Mortgage for any cause.
- Section 6.13. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereon or under the Trust Indenture, this Mortgage or the Bonds or upon any obligation, covenant or agreement herein against any past, present or future officer, director, trustee, member, employee or agent of Mortgagor, whether directly or indirectly and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Bonds.
- Section 6.14. Supplements; Amendments. This Mortgage may be supplemented or amended by written agreement between Mortgagor and Mortgagee in accordance with the applicable provisions of the Trust Indenture.
- Section 6.15. Power of Attorney. Mortgagee may act as attorney-in-fact or otherwise on behalf of Mortgagor pursuant to Sections 1.22, 3.01 and 5.02(f) of this Mortgage. This power of attorney is coupled with an interest, is durable and is not affected by subsequent disability or incapacity of the principal or lapse of time.
- **Section 6.16. Mortgagee**. Any provision governing the rights, immunities and protections of the Trustee under the Trust Indenture are incorporated by reference into this Mortgage and shall be applied to the Mortgagee as though fully set forth herein.
- Section 6.17. Incorporation. Any provision governing the rights, immunities and protections of the Trustee under the Trust Indenture are incorporated by reference into this Mortgage and shall be applied to the Mortgagee as though fully set forth herein.

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

SUMMIT ACADEMY NORTH

Kathleen Operhal

Its: President

STATE OF MICHIGAN)
) ss:
COUNTY OF WAYNE)

Personally came before me on September 21, 2021, the above named Kathleen Operhall, the President of Summit Academy North, a Michigan nonprofit corporation and public school academy, to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of Summit Academy North.

Name: Tevesh And 6/ba Notary Public, State of Michigan

My commission expires
Acting in County of:

TERESA ANN GOLBA

Notary Public - State of Michigan

County of Wayne

My Commission Expires Oct 30, 2025

Acting in the County of TREE Oct.

EXHIBIT A

LEGAL DESCRIPTION

Land situated in the Township of Huron, County of Wayne, State of Michigan, described as follows:

PARCEL 1:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning South 88 degrees 51 minutes 45 seconds West 1150.25 feet and South 00 degrees 26 minutes 06 seconds East 60.00 feet from North 1/4 corner of Section 12; thence South 00 degrees 26 minutes 06 seconds East 1254.94 feet; thence South 88 degrees 56 minutes 39 seconds West 164.14 feet; thence North 00 degrees 26 minutes 35 seconds West 1254.71 feet; thence North 88 degrees 51 minutes 45 seconds East 164.33 feet to Point of Beginning.

PARCEL 2:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning South 88 degrees 51 minutes 45 seconds West 985.93 feet and South 00 degrees 25 minutes 40 seconds East 60.00 feet from North 1/4 corner of Section 12; thence South 00 degrees 25 minutes 40 seconds East 1255.18 feet; thence South 88 degrees 56 minutes 39 seconds West 164.15 feet; thence North 00 degrees 26 minutes 06 seconds West 1254.94 feet; thence North 88 degrees 51 minutes 45 seconds East 164.32 feet to Point of Beginning.

PARCEL 5:

The East 1/2 of the West 1/2 of Northeast 1/4 of Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan and otherwise described as follows: That part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of said Section distant South 89 degrees 55 minutes 30 seconds West 660.00 feet from the North 1/4 corner of Section 12 and proceeding thence South 89 degrees 55 minutes 30 seconds West on said North line, 330.00 feet, thence South 00 degrees 37 minutes 30 seconds West 1314.40 feet; thence South 89 degrees 55 minutes 33 seconds East 329.71 feet; thence North 00 degrees 38 minutes 00 seconds East 1315.25 feet to the Point of Beginning, EXCEPT the North 60.00 feet thereof.

PARCEL 1, 2 AND 5 ALSO DESCRIBED BY SURVEY AS FOLLOWS:

Part of the Northwest 1/4 of Section 12, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the South line of Sibley Road (width varies) which is distant South 89 degrees 55 minutes 30 seconds West 657.28 feet along the North line of Section 12 and South 00 degrees 39 minutes 01 second West 60.00 feet from the North 1/4 corner of Section 12 and proceeding thence South 00 degrees 39 minutes 01 second West 1255.65 feet; thence North 89 degrees 59 minutes 36 seconds West 656.56 feet; thence North 00 degrees 37 minutes 10 seconds East 1254.70 feet to the South line of Sibley Road; thence along said South line of Sibley Road, North 89 degrees 55 minutes 30 seconds East 657.25 feet to the Point of Beginning.

Tax Item Nos.

75-046-99-0013-703, as to Parcels 1 and 2

Property Address: 28697 Sibley Road, Romulus, MI

75-046-99-0012-000, as to Parcel 5

Property Address: 28697 Sibley Road, Romulus, MI

PARCEL 3:

Part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of 120.00 foot wide Sibley Road, said point located North 89 degrees 55 minutes 30 seconds East along the South line of said Section 1, a distance of 651.79 feet and North 00 degrees 04 minutes 50 seconds West 60.00 feet from the Southwest corner of said Section 1; thence continuing North 00 degrees 04 minutes 50 seconds West 1139.06 feet; thence South 89 degrees 59 minutes 03 seconds East 165.00 feet; thence South 00 degrees 04 minutes 50 seconds East 1138.80 feet to a point on said North line of Sibley Road; thence South 89 degrees 55 minutes 30 seconds West along said North line, 165.00 feet to the Point of Beginning.

PARCEL 4:

That part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the East line of Middle Belt Road (120.00 feet wide), said point being distant North 89 degrees 55 minutes 30 seconds East 60.00 feet and North 768.00 feet from the Southwest corner of Section 1; proceeding thence from the Point of Beginning, North 432.00 feet along the East line of Middle Belt Road; thence South 89 degrees 59 minutes 03 seconds East 590.02 feet; thence South 00 degrees 04 minutes 50 seconds East 859.06 feet measured (856.06 feet recorded); thence South 89 degrees 55 minutes 30 seconds West 321.23 feet; thence North 428.00 feet; thence South 89 degrees 55 minutes 30 seconds West 270.00 feet to the Point of Beginning.

PARCEL 3 AND 4 COMBINED DESCRIBED AS FOLLOWS:

Part of the Southwest 1/4 of Section 1, Town 4 South, Range 9 East, Huron Township, Wayne County, Michigan, described as: Beginning at a point on the North line of 120.00 foot wide Sibley Road, said point located North 89 degrees 55 minutes 30 seconds East along the South line of said Section 1, a distance of 651.79 feet and North 00 degrees 04 minutes 50 seconds West 60.00 feet from the Southwest corner of said Section 1; thence continuing North 00 degrees 04 minutes 50 seconds West 280.00 feet; thence South 89 degrees 55 minutes 30 seconds West 321.23 feet; thence North 428.00 feet; thence South 89 degrees 55 minutes 30 seconds West 270.00 feet to the East line of Middlebelt Road, 120.00 feet wide, thence North 432.00 feet along the East line of Middlebelt Road; thence South 89 degrees 59 minutes 03 seconds East 755.02 feet; thence South 00 degrees 04 minutes 50 seconds East 1138.80 feet to a point on said North line of Sibley Road; thence South 89 degrees 55 minutes 30 seconds West along said North line, 165.00 feet to the Point of Beginning.

Tax Item No. 75-003-99-0003-709, as to Parcels 3 and 4 and also covers other land Property Address: 18601 Middlebelt Road, Romulus, MI

EXHIBIT B

Permitted Encumbrances

- 1. The terms, provisions and easement(s) contained in the document entitled "Detroit Edison Underground Distribution Easement" recorded as <u>Liber 31182</u>, <u>Page 1065</u> of Official Records. (Affects as to Parcel 4)
- 2. The terms, provisions and easement(s) contained in the document entitled "Detroit Edison Overhead and Underground Easement (Right of Way)" recorded as <u>Liber 45052</u>, <u>Page 453</u> of Official Records. (Affects as to Parcel 3 and Parcel 4)
- 3. The terms, provisions and easement(s) contained in the document entitled "Detroit Edison Underground Easement (Right of Way)" recorded as <u>Liber 45569</u>, <u>Page 1083</u> of Official Records. (Affects as to Parcel 1)
- 4. The terms, provisions and easement(s) contained in the document entitled "Detroit Edison Underground Easement (Right of Way)" recorded as <u>Liber 45569</u>, <u>Page 1085</u> of Official Records. (Affects as to Parcel 2)
- 5. The terms, provisions and easement(s) contained in the document entitled "Detroit Edison Underground Easement (Right of Way)" recorded as <u>Liber 49617</u>, Page 732 of Official Records. (Affects as to Parcel 5)
- 6. Rights of the United States, State of Michigan and the public for commerce, navigation, recreation and fishery, in any portion of the land bordering on or comprising the bed of unnamed pond. (Affects Parcels 1, 2 and 5)
- 7. The nature, extent or lack of riparian rights, or the riparian rights of riparian owners and the public, in and to the use of waters of unnamed pond. (Affects Parcels 1, 2 and 5)
- 8. Correlative rights of other Riparian Owners and to the Public Trust in and to the waters of the drain crossing subject property. (Affects Parcels 3 and 4)

4813-3566-8210 v3 [39265-38]

Summit Academy North

Contract Amendment No. 4

Tab 2

\$21,455,000 SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING BONDS, SERIES 2021

BOND PURCHASE AGREEMENT

September 15, 2021

Summit Academy North 18601 Middlebelt Rd Romulus, MI 48174

Ladies and Gentlemen:

We, Piper Sandler & Co. (herein called the "Underwriter"), hereby offer to enter into this Bond Purchase Agreement (this "Agreement") with Summit Academy North (the "Issuer") for the purchase by the Underwriter and sale by the Issuer of the Bonds described below. This offer is made subject to acceptance by the Issuer by the execution hereof by the authorized officer of the Issuer prior to 5:00 p.m., Minneapolis, Minnesota time, on September 15, 2021, and upon such acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. If not so accepted, this Bond Purchase Agreement will be subject to withdrawal by the Underwriter upon notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer.

Purchase and Sale. Subject to the satisfaction by the Issuer of the terms and 1. conditions set forth herein, subject also to the conditions precedent set forth herein, and in reliance upon the representations herein set forth or incorporated by reference, the Underwriter hereby agrees to purchase and the Issuer hereby agrees to sell and cause to be authenticated and delivered by U.S. Bank National Association, as trustee (the "Trustee"), to the Underwriter all (but not less than all) of the Issuer's Public School Academy Refunding Bonds, Series 2021, in the aggregate principal amount of \$21,455,000 (the "Bonds"), at an aggregate purchase price of \$22,886,027.16 (the par amount of the Bonds, plus net original issue premium of \$1,609,779.20, less Underwriter's discount of \$178,752.04). The Bonds shall be issued and secured under and pursuant to a Trust Indenture between the Issuer and the Trustee dated as of September 1, 2021 (the "Trust Indenture"), and under and pursuant to the Resolution of the Issuer approving and authorizing the execution of this Agreement and certain related documents, adopted on February 18, 2021 (the "Bond Resolution"), and shall mature on the dates, shall bear interest at the annual rates and shall be subject to optional, mandatory and extraordinary redemption as set forth in Schedule I hereto. The Underwriter agrees to make a public offering of the Bonds at the respective initial offering prices set forth in Schedule I hereto, which prices may be changed from time to time by the Underwriter after the initial public offering.

Pursuant to the Trust Indenture, the Issuer will use the proceeds of the Bonds to (i) to currently refund and payoff certain of the Issuer's prior obligations; (ii) fund a debt service reserve fund; and (iii) pay certain costs associated with the issuance of the Bonds. The Bonds will be secured by the trust estate created under the Trust Indenture, which consists, among other things,

of State Aid Payments received by the Trustee and other payments due with respect thereto. The Bonds will be further secured by a Mortgage dated as of September 1, 2021 (the "Mortgage"), granting a lien on and security interest in the Issuer's Facilities.

2. <u>Establishment of Issue Price</u>. <u>Establishment of Issue Price</u>. The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" certificate substantially in the form attached hereto as Exhibit A, together with the supporting pricing wires, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer, and Dickinson Wright PLLC, Troy, Michigan ("Bond Counsel"), to accurately reflect the sales price or prices and the initial offering price or prices of the Bonds to the public.

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

The Underwriter confirms that any agreement among underwriters, any selling group agreement and any third-party distribution agreement (to which a Member of the Distribution Group is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Member of the Distribution Group, each dealer who is a member of the selling group and each broker-dealer that is a party to such distribution agreement, as applicable, to (i) neither offer nor sell Bonds of a Hold-the-Offering-Price Maturity to any person at a price that is higher than the respective initial offering price during the applicable Holding Period and (ii) report the prices at which it sells the Bonds of each Maturity allotted to it, and whether such sales are to the Public, until the Underwriter notifies it that the Holding Period for that Maturity has concluded. The Issuer acknowledges that, in making the representations set forth in this Section, the Underwriter will rely on the agreements described in this paragraph. The Issuer further acknowledges that each Member of the Distribution Group shall be solely liable for its failure to comply with its agreements described in this subsection (d) and that no Member of the Distribution Group shall be liable for the failure of any other Member of the Distribution Group to comply with its agreements.

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

- (i) "Hold-the-Offering-Price Maturity" means any Maturity less than 10% of which has been sold to the Public at the respective initial offering price;
- (ii) "Holding Period" means the period starting on the Sale Date and ending on the earlier of the following:
 - (a) the close of the 5th business day after the Sale Date; or

- (b) the date on which the Members of the Distribution Group have sold at least 10% of that Maturity to the Public at a price that is no higher than the initial offering price to the Public;
- (iii) "Public" means any person other than a Member of the Distribution Group or a related party to a Member of the Distribution Group
- (iv) "Maturity" means Bonds with the same credit and payment terms;
- (v) "Member of the Distribution Group" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public);
- (vi) A person is a "related party" to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (vii) "Sale Date" means the date of execution of this Bond Purchase Agreement by all parties.
- 3. Preliminary Official Statement and Official Statement. (a) The Issuer shall deliver or cause to be delivered to the Underwriter (at the Issuer's expense), promptly after acceptance hereof, copies of the final official statement relating to the Bonds, inclusive of appendices and exhibits thereto (the "Official Statement"), with only such changes as shall have been accepted by the Underwriter. The Issuer has heretofore authorized and hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement dated August 25, 2021, as supplemented on August 31, 2021 (together, the "Preliminary Official Statement"), in offering the Bonds for public sale to prospective purchasers of the Bonds.
- (b) The Issuer agrees to deliver to the Underwriter, at such addresses as the Underwriter shall specify, as many copies of the final Official Statement as the Underwriter shall reasonably request as necessary to comply with Paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") and

all other applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Issuer agrees to deliver such final Official Statements within seven business days after the execution hereof.

- (c) The Underwriter shall give notice to the Issuer on the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver the Official Statement pursuant to Paragraph (b)(4) of the Rule.
- (d) The Underwriter agrees that it shall, until a final Official Statement is available, send or cause to be sent no later than the next business day, by first class mail or other equally prompt means, to any potential customer, on request, one or more copies of the Preliminary Official Statement, as most recently supplemented or amended.
- (e) The Underwriter agrees from the time the final Official Statement becomes available, until the earlier of (i) ninety (90) days from the end of the underwriting period or (ii) the time when the final Official Statement is available to any person from the MSRB through the MSRB's Electronic Municipal Market Access System, but in no case less than twenty-five (25) days following the end of the underwriting period, the Underwriter shall send or cause to be sent no later than the next business day, by first class mail or other equally prompt means to any potential customer, on request, at least one copy of the final Official Statement.
- 4. Closing. At 10:00 a.m., Detroit, Michigan time, on September 30, 2021, or at such other time, or on such earlier or later date as the Issuer and the Underwriter may mutually agree (the "Closing Date"), the Issuer will cause the Trustee to deliver to the Underwriter or its representative in Minneapolis, Minnesota, the Bonds in definitive typewritten form, duly executed, together with the other documents mentioned herein. It is anticipated that CUSIP identification numbers will be printed on the Bonds, and the failure to print such number on any Bond or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Agreement. The Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 by Federal Reserve System wire transfer in immediately available Federal funds or by any other form of immediately available Federal funds to the order of the Trustee. Such delivery and payment for the Bonds is herein called the "Closing." The parties will use their best efforts to ensure that the Bonds will be made available for checking and packaging by the Underwriter or its representative at an office specified by the Underwriter in the city in which the Bonds are to be delivered at least one business day prior to the Closing Date.
- 5. <u>Representations of the Issuer</u>. In order to induce the Underwriter to enter into this Agreement and to make the offering and sale of the Bonds, the Issuer hereby represents, warrants and agrees with the Underwriter as follows:
- (a) The statements and information contained in the Official Statement are, and will be as of the Closing Date, true and correct in all material respects and do not, and will not as of the Closing Date, contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading, provided, however, that the Issuer did not prepare, but did review the statements and information (i) set forth and incorporated by reference in the Official

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

- The Issuer is duly organized and existing and in good standing as a nonprofit corporation, public school academy and public agency under the laws of the State of Michigan (the "State") and has all necessary power and authority to enter into and perform its duties under the Trust Indenture, the Mortgage, a Continuing Disclosure Agreement dated as of September 1, 2021, between the Issuer and the Trustee, as dissemination agent (the "Continuing Disclosure Agreement"), the Independent Contractor Agreement, dated July 1, 2021 (the "Management Agreement") between Partner Solutions and Partner Solutions for Schools (collectively, the "Manager") and the Issuer, the State School Aid Payment Agreement dated as of September 1, 2021 (the "State Aid Agreement"), between the Issuer and the Trustee and acknowledged by the Central Michigan University Board of Trustees (the "Authorizing Body"), and this Agreement (collectively, the "Issuer Documents"), and, when executed and delivered by the respective parties thereto, the Issuer Documents will constitute legally valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally. The Issuer has full legal right, power and authority under the constitution and the laws of the State to execute and deliver the Preliminary Official Statement and the Official Statement and to carry out and consummate all transactions contemplated by the Issuer Documents. The Issuer has full legal right, power and authority under the constitution and the laws of the State to issue bonds to refinance certain of its outstanding obligations.
- (c) The execution and delivery of the Issuer Documents, the issuance of the Bonds and compliance with the provisions hereof have been, or by the Closing Date will be, duly authorized by all necessary corporate action on the part of the Issuer and will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaw or any agreement to which the Issuer is subject or by which it is bound or by which its properties may be affected.

- (d) Except as may be required under Blue Sky or other securities laws of the United States or any state, there is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Issuer, including the Authorizing Body, required for the execution and delivery of the Bonds or the entering into of the Issuer Documents or the consideration by the Issuer of the other transactions contemplated thereby and by this Agreement, except as has already been obtained.
- (e) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body in or of any state and the federal government having jurisdiction, including the Authorizing Body, which would constitute a condition precedent to the performance by the Issuer of its obligations under the Issuer Documents have been obtained or, if not, will be obtained at the time of or prior to the Closing.
- (f) The Issuer consents to the use by the Underwriter of the Official Statement in connection with the Underwriter's actions in obtaining qualification of the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate.
- (g) The Bonds, when duly issued, authenticated and delivered by the Issuer in accordance with the Trust Indenture and sold to the Underwriter as provided herein, will be the validly issued and outstanding general obligations of the Issuer entitled to the benefits of the Trust Indenture.
- (h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or, to the best of the Issuer's knowledge, threatened, against the Issuer affecting the existence of the Issuer or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents or contesting the powers of the Issuer to execute and deliver or to consummate the transactions contemplated in such documents or the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or Official Statement or any amendment or supplement thereto, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents.
- (i) The Preliminary Official Statement is, as of this date, deemed "final" within the meaning of (b)(1) of the Rule.
- (j) The Underwriter represents, and the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer on other matters) or (y) any other obligation to the Issuer except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

- (k) The Mortgage shall be duly recorded to the extent necessary to preserve the validity or priority of the lien created thereby.
- (l) The Issuer is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended, and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended.
- (m) The Issuer has never been in default, at any time, as to the payment of principal of or interest or premium on (i) any obligation for the payment of indebtedness which the Issuer has issued or guaranteed, or (ii) any obligation with respect to which the Issuer is or was an obligor; except as specifically disclosed in the Official Statement.
- (n) There are no affiliations, interrelationships and / or conflicts of interest between the various parties to the Issuer Documents that have not been disclosed in the Official Statement.
- (o) The Issuer acknowledges that the Underwriter is acting as an underwriter for the Bonds and has not agreed to serve as a financial advisor to the Issuer.
- (p) The Issuer is in compliance with any and all prior continuing disclosure undertakings for the previous five years, except as specifically disclosed in the Official Statement.
- 6. Indemnification. (a) To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Underwriter and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended, and Section 20 of the Securities Exchange Act of 1934, as amended, collectively the "Securities Acts") the Underwriter (i) against any and all judgments, losses, claims, damages and liabilities arising out of any information contained in the Preliminary Official Statement or Official Statement (except information furnished in writing by the Underwriter expressly for inclusion in the Preliminary Official Statement and Official Statement) that is untrue or incorrect, or is alleged to be untrue and incorrect, in any material respect or the omission therefrom, or the alleged omission therefrom, of any material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made, not misleading (unless resulting from the Underwriter's or such controlling person's (as aforesaid) gross negligence or intentional or willful misconduct); and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the Issuer. In case any claim shall be made or action brought against the Underwriter or any controlling person based upon the Preliminary Official Statement or Official Statement, in respect of which indemnity may be sought against the Issuer, the Underwriter or such controlling person shall promptly notify the Issuer in writing setting forth the particulars of such claim or action, and the Issuer shall assume the defense thereof including the retaining of counsel and the payment of all expenses. No failure of the Underwriter to give, and no delay in giving, that notice shall relieve the Issuer to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Issuer of the action, claim or proceeding, and only to the extent of that prejudice. The Underwriter or any such controlling person shall have the right to retain separate counsel in

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

- The Underwriter agrees to indemnify and hold harmless the Issuer and any member, officer, director, trustee, official and employee of the Issuer (each an "Issuer Indemnified Party" and collectively the "Issuer Indemnified Parties") and each person, if any, who controls (as such term is defined in the Securities Acts) the Issuer (i) against any and all losses, claims, damages and liabilities arising out of any information furnished in writing by the Underwriter for use in the Preliminary Official Statement or Official Statement, that is untrue in any material respect, or the omission therefrom of any such information, which is required to be contained therein or which is necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect; or arising out of violations by the Underwriter of representations made by it in this Agreement or violations by it of applicable securities laws; and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission, or violation, if such settlement is effected with the written consent of the Underwriter. In case any claim shall be made or action brought against an Issuer Indemnified Party or such controlling person (as aforesaid) based upon the Preliminary Official Statement, the Official Statement or this Agreement, in respect of which indemnity may be sought against the Underwriter, the Issuer or such controlling person shall promptly notify the Underwriter in writing setting forth the particulars of such claim or action and the Underwriter shall assume the defense thereof, including the retaining of counsel and the payment of all expenses. No failure of the Issuer to give, and no delay in giving, that notice shall relieve the Underwriter to any extent from any of its covenants, agreements or obligations under this paragraph, unless that failure or delay prejudices the defense by the Underwriter of the action, claim or proceeding, and only to the extent of that prejudice. The Issuer Indemnified Party or any controlling person shall have the right to retain separate counsel, in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the party retaining such counsel unless the retaining of such counsel has been specifically authorized by the Underwriter.
- (c) For the purpose of paragraphs (a) and (b) of this Section 6, the information furnished in writing by the Underwriter for use in the Preliminary Official Statement and Official Statement shall consist of the interest rates and prices of the Bonds set forth on the cover pages of, and under the caption "Underwriting" in, the Preliminary Official Statement and the Official Statement.
- (d) If the indemnification provided for in subsection (a) of this Section is unavailable to the Underwriter (or any controlling person thereof) in respect of any losses, claims, damages or liabilities referred to therein, then the Issuer shall, in lieu of indemnifying the Underwriter, contribute to the amount paid or payable by the Underwriter as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Issuer and the Underwriter, respectively, from the underwriting of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Issuer shall contribute to such amount paid or payable by the Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of

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

- 7. <u>Conditions Precedent</u>. The Underwriter enters into this Agreement in reliance upon the representations and warranties of the Issuer contained herein and in the Issuer Documents and in reliance upon the representations of the Issuer to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:
- (a) the representations and warranties of the Issuer contained herein shall be true and correct on the date hereof and as of the Closing, as if made on and at the Closing:
 - (b) at or prior to the Closing, the Underwriter shall receive the following documents:
 - i. an executed copy of the Trust Indenture;
 - ii. an executed copy of the Mortgage;
 - iii. an executed copy of the Continuing Disclosure Agreement;

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

- xv. such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein and in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.
- (c) at the Closing, the Issuer Documents and all other documents related thereto shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions and there shall have been executed and delivered such opinions, certificates, proceedings, instruments and other documents as, in the opinion of Bond Counsel or counsel to the Underwriter, shall be necessary in connection with the transactions contemplated hereby.

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

<u>Underwriter's Right to Cancel</u>. The Underwriter shall have the right to cancel its obligation to purchase the Bonds if (i) between the date hereof and the Closing Date, legislation shall have been enacted by the Congress of the United States or the legislature of the State of Minnesota or the State of Michigan or legislation shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived from the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect, as of such time, any statement or information contained in the Preliminary Official Statement or the Official Statement or (b) is not reflected in the Preliminary Official Statement or the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, or (iii) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of which outbreak, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have

been declared by either Federal, Minnesota or Michigan authorities having jurisdiction and be in force, or (vi) there shall be any material adverse change in the affairs of the Issuer, or (vii) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or the change to the net capital requirements of, underwriters established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order, or (viii) a default shall have occurred with respect to any security issued by a state or political subdivision having a population over 1,000,000 which, in the opinion of the Underwriter, has a material adverse effect on the securities markets, or (ix) the credit rating assigned to the Bonds is downgraded below the rating shown on the Official Statement, or (x) additional events or announcements related to the COVID-19 virus and its impact result in the cancellation of orders from investors or inability of investors to proceed with the purchase of their bonds in an amount that the underwriter deems to have an adverse material impact on the sale of and market for the Bonds.

- 9. Payment of Expenses. Fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including the cost of printing the Preliminary Official Statement and the Official Statement (in reasonable quantities); CUSIP Service Bureau charges; clearing, administrative and processing fees; travel and miscellaneous expenses; advertising expenses; and fees and expenses of counsel, including Blue Sky and legal investment services (including filing and registration fees), and rating agency fees, if any, shall be the obligation of the Issuer. All expenses expected to be paid pursuant to this Agreement shall be paid by the Trustee from Bond proceeds. The Underwriter's compensation in the amount of \$178,752.04 is reflected in the discounted purchase price for the Bonds.
- 10. <u>Notices</u>. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the address set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to Piper Sandler & Co., 800 Nicollet Mall, Suite 1000, Minneapolis, MN 55402, Attention: Mr. Jay Hromatka. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Issuer.
- 11. Benefit. This Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Underwriter, but excluding any purchaser of a Bond from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All representations and agreements of the parties to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. Any and all controversies, disputes or claims between the Underwriter or the Issuer and affiliates or controlling persons thereof arising out of or relating to this Agreement or executed in connection herewith, or any breach hereof or thereof, or any services to be rendered hereunder or thereunder, shall be resolved by arbitration in Hennepin County, Minnesota, in accordance with the rules then observed by the National Association of Securities Dealers, and judgment upon any award

rendered may be entered by any court of competent jurisdiction. Time shall be of the essence of this Agreement.

- 12. <u>Governing Law</u>. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota.
- 13. <u>Counterparts</u>. This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together shall constitute one and the same instrument.
- 14. <u>Representations and Covenants of the Underwriter</u>. The Underwriter hereby represents and covenants to the Issuer that:
- (a) The Underwriter will comply with any registration or qualification requirements applicable to the Underwriter or the Bonds under any securities or "blue sky" law of any jurisdiction in which such registration or qualification is required.
- (b) The Underwriter has been duly incorporated and is validly existing as a Delaware corporation and has full power and authority to enter into and perform this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including equitable subordination.
- (c) The agreements, representations and warranties of the Underwriter and its officials or officers set forth in, or made pursuant to, this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, or any of its officials, officers or directors or agents or any controlling person referred to in Section 6, and will survive delivery of any payment for the Bonds, the maturity of the Bonds and any termination of this Agreement.
- 15. <u>Issuer Acknowledgment</u>. The Issuer acknowledges and agrees that the Underwriter has not undertaken and does not undertake to provide tax advice relating to the treatment of interest on the Bonds. No recourse shall be had against the Underwriter for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with the Bonds or otherwise relating to the tax treatment of interest on the Bonds, except for a loss, damage, liability, cost or expense directly attributable to representations made by the Underwriter recklessly or in bad faith in its certificate delivered at Closing.

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

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

Very truly yours,

PIPER SANDLER & CO., Underwriter

Iav Hromatka

Its: Managing Director

Accepted September 15, 2021, at 2:30 p.m.

Underwriter Signature page for Bond Purchase Agreement SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING BONDS, SERIES 2021 Accepted and Agreed to:

SUMMIT ACADEMY NORTH

Kathleen Operhall
Kathy Operhall
Procedure

Its: President

Issuer Signature page for Bond Purchase Agreement SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING BONDS, SERIES 2021

Schedule I

\$21,455,000 SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING BONDS, SERIES 2021

Maturity Date and Schedule of the Series 2021 Bonds

Term Bonds

\$4,015,000 2.250% Term Bond due November 1, 2026, priced at 99.403% to yield 2.375% CUSIP 86589T AT1

\$4,695,000 4.000% Term Bond due November 1, 2031, priced at 111.330%* to yield 2.625% CUSIP 86589T AU8

\$12,745,000 4.000% Term Bond due November 1, 2041, priced at 108.645%** to yield 3.000% CUSIP 86589T AV6

At least 10% of all maturities of the Series 2021 Bonds have been first sold to the Public at the respective initial offering price.

Redemption

Optional. The Series 2021 Bonds or portions of the Series 2021 Bonds maturing or subject to mandatory redemption on or after November 1, 2029, are subject to redemption at the option of the Academy upon written request by the Academy, in whole or in part, on any date on or after November 1, 2028, at the following redemption prices, plus accrued interest to the date of redemption, and in such order of maturity as the Academy shall direct, provided that no Series 2021 Bond may be redeemed in part if the principal amount to be Outstanding following such partial redemption is not an Authorized Denomination.

Optional Redemption Date	Price
November 1, 2028 through October 31, 2029	103%
November 1, 2029 through October 31, 2030	102
November 1, 2030 through October 31, 2031	101
November 1, 2031 and thereafter	100

Mandatory. The Series 2021 Bonds maturing on November 1 in the years 2026, 2031 and 2041 are subject to mandatory redemption, in part, pursuant to the Indenture by lot or such other method of random selection as the Trustee may determine, at a redemption price equal to the

^{*} Priced to call on the November 1, 2028 optional redemption date at a redemption price of 103%

^{**} Priced to call on the November 1, 2031 optional redemption date at a redemption price of 100%

principal amount thereof to be redeemed, plus accrued interest to the date fixed for redemption, on November 1 of the years and in the principal amounts, as follows:

Series 2021 Bonds Maturing November 1, 2026

<u>Year</u>	<u>Amount</u>
2022	\$765,000
2023	785,000
2024	805,000
2025	820,000
2026*	* 840,000
**	final maturity

Series 2021 Bonds Maturing November 1, 2031

<u>Year</u>	<u>Amount</u>
2027	\$865,000
2028	900,000
2029	940,000
2030	975,000
2031**	* 1,015,000
**	final maturity

Series 2021 Bonds Maturing November 1, 2041

Year	Amount
2032	\$1,060,000
2033	1,100,000
2034	1,145,000
2035	1,195,000
2036	1,240,000
2037	1,290,000
2038	1,345,000
2039	1,400,000
2040	1,455,000
2041**	1,515,000
** fin	al maturity

Exhibit A

\$21,455,000 SUMMIT ACADEMY NORTH PUBLIC SCHOOL ACADEMY REFUNDING BONDS, SERIES 2021

Issue Price Certificate

The undersigned, on behalf of Piper Sandler & Co. ("Piper") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

- 1. **Sale of the Bonds.** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.
- 2. **Yield on the Bonds**. We reasonably believe that the composite yield on the Bonds as computed by the undersigned is not less than 2.839449% per annum. We reasonably believe that such number is the discount rate that produces the same present value when used in computing, as of the date of issuance of the Bonds, (i) the present value of all of the issue payments paid and to be paid in connection with the Bonds (including all scheduled payments of principal and interest with respect to the Bonds) and (ii) the present value of the issue price of the Bonds. The yield on the Bonds of 2.839449% assumes that the callable Bonds maturing or subject to mandatory redemption on or after November 1, 2029 in the years 2029 to 2031, inclusive, are called for optional redemption on November 1, 2028 at a redemption price of 103% and the callable Bonds maturing or subject to mandatory redemption on or after November 1, 2032 in the years 2032 to 2041, inclusive, are called for optional redemption on November 1, 2031 at a redemption price of 100%. Such redemptions produce the lowest yield for each Bond maturity described above treated as a yield-to-call bond, pursuant to Treas. Reg. §1.148-4(b)(3)(ii)(B). We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by bond counsel.
- 3. **Reserve Fund.** The amount deposited in the Reserve Fund for the Bonds on the date hereof is reasonably required in that it was a material factor in selling the Bonds at the lowest possible yield (given other characteristics of the Bonds) without regard to any benefit from positive net investment earnings on amounts held in the Reserve Fund, and the funding of the Reserve Fund in such amount is reasonable and customary in marketing similar issues of obligations.

5. **Defined Terms**.

- (a) *Issuer* means Summit Academy North.
- (b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (c) *Public* means any person (i.e., an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. A person is a "related party" to a Underwriter if the Underwriter and that person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct

ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Nonarbitrage and Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dickinson Wright PLLC, Detroit, Michigan, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

PIPER SAND	LER & CO.	
By:		
Name:		
Dated:	, 2021	

[Signature Page -- \$21,455,000 Summit Academy North Public School Academy Refunding Bonds, Series 2021 -- Issue Price Certificate]

SCHEDULE A

SALE PRICES OF THE BONDS

(Attached)

37954042.3/125112.00012

AMENDMENT NO. 5

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 5

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (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. <u>Grounds and Procedures for Academy Termination of Contract</u> and Section 10.5. <u>Grounds and Procedures for University Termination of Contract</u>, with the corresponding language attached as Tab 1.
- 2.) Amend Schedule 2: <u>Amended Bylaws</u>, by replacing the language contained within Article XIII, Section 6. <u>Contracts Between Corporation and Related Persons</u>, with the language attached as Tab 2.
- 3.) Amend Schedule 7, Section b: <u>Educational Goal and Related Measures</u>, by replacing the materials contained therein with the materials attached as Tab 3.

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

By: Corey R. Northrop, Executive Director

The Governor John Engler Center for Charter Schools

Designee of the University Board

-

6-4-24

Dated: 06/07/2024

Summit Academy North

Designee of the Academy Board

Summit Academy North

Contract Amendment No. 5

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.

Summit Academy North

Contract Amendment No. 5

Tab 2

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

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

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

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

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

Summit Academy North

Contract Amendment No. 5

Tab 3

EDUCATIONAL GOAL AND RELATED MEASURES

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

Educational Goal to be Achieved

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

Measures to Assist In Determining Measurable Progress Toward Goal Achievement

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

Measure 1: Student Achievement

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

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

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

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

<u>Measure 2: Student Growth</u>
The academic growth of all students in grades 3-8 at the Academy will be assessed using the following measures and targets:

Sub Indicator	Measure	Metric	Target
Against a Standard:	The median of student growth percentiles (MGP) reflecting fall-to-spring scaled score growth on the reading and math NWEA Growth tests.	MGP: Exceeds \geq 65th Meets \geq 50th Approaching \geq 45th Does not meet $<$ 45th	Reading: 50 Math: 50
	performance against the standard falls below these requithis goal" will be defined using the following measures a		ards the
Over Time:	The percentage of students making at least one year's growth over time (CY-AVG(PY1+PY2+PY3)).	Trend score (which will be in the form of $-x$ to $+x$): Exceeds $\geq 6.0\%$ 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%

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<u>Measure 3: Post-Secondary Readiness: Grades 9-11</u>
The 'on-track' towards college readiness rates of all students in grades 9-11 will be assessed using the following measures and targets.

Indicator	Measure	Metric	Target
Career and College Readiness (CCR) Standard:	The percentage of full academic year students meeting or surpassing the current career and college readiness benchmarks on the SAT (grade 11) in Evidence-Based Reading and Writing (EBRW) and Math.	For Math & EBRW, distribution (which will be in the form of percentages): Exceeds: % CCR > state average by 20% or more Meets: School % CCR - State Average $\geq 0\% \leq 20\%$ Approaching: School % CCR - State Average $< 0\% \geq -20\%$ Does Not Meet: School % CCR - State Average $< -20\%$	EBRW: Current State Average Math: Current State Average
		rd falls below these required expectations, "measurable p	orogress towards the
Trend Over- Time:	The percentage of full academic year students meeting or surpassing the current career and college readiness benchmarks on the SAT (grade 11) in EBRW and Math over time (CY-AVG(PY1+PY2+PY3)).	e following measures and targets: Trend score (which will be in the form of −x to +x): Exceeds ≥ 6.0% Meets ≥ 3.0% Approaching ≥ 1.0% Does not meet < 1.0%	3.0%
High School Growth:	The percentage of students meeting or surpassing the expected growth between College Board (PSAT/SAT) assessments from spring to spring.	For Math & EBRW, distribution (which will be in the form of percentages):	50%
Comparative Career & College Readiness:	The percentage of students meeting or surpassing the current career & college readiness benchmarks on the SAT (grade 11) will surpass the school's Composite Resident District percentage.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): Exceeds $\geq 10.0\%$ Meets $\geq 5.0\%$ Approaching $\geq 0.0\%$ Does not meet $< 0.0\%$	+5%
Comparative Graduation Rate:	The 4-year graduation rate for students at the academy will meet or surpass the school's Composite Resident District's 4-year graduation rate.	Portfolio Distribution (which will be in the form of $-x$ to $+x$): $Exceeds \ge 10.0\%$ $Meets \ge 0.0\%$ $Does not meet < 0.0\%$	0%

AMENDMENT NO. 6

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 6

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

1.) Amend Schedule 5: <u>Description of Staff Responsibilities</u>, 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 June 10, 2024.

Dated: 08/12/2024

By: Corey R. Northrop, Executive Director

The Governor John Engler Center for Charter Schools

Designee of the University Board

Dated: 8-8-2124

By: Down Scale Summit Academy North

Designee of the Academy Board

Summit Academy North

Contract Amendment No. 6

Tab 1

DESCRIPTION OF STAFF RESPONSIBILITIES

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

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

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

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

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

Reporting Structure

All positions are employed by Partner Solutions ("PS") and Partner Solutions for Schools (collectively "Partner Solutions") 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-today duties include any or all of the following elements *:

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

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

Instructional Staff

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

Non-Instructional Staff

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

FIRST AMENDMENT TO INDEPENDENT CONTRACTOR AGREEMENT

The Independent Contractor Agreement (the "Agreement"), dated July 1, 2021, by and between **PARTNER SOLUTIONS** ("PS"), and **PARTNER SOLUTIONS FOR SCHOOLS** (collectively "Partner Solutions") and **SUMMIT ACADEMY NORTH** (the "Academy"), a Michigan public school academy (the "Academy") is hereby amended as follows:

Article IV, "PERSONNEL SERVICES" is amended by deleting section A, <u>Personnel Responsibility</u>, and Section B, <u>Partner Solutions Leader (currently, the Administrator of Data and Reporting)</u> under Article IV in their entirety and adding the language below. The remaining Sections in Article IV shall be renumbered accordingly B through G.

A. <u>Superintendent Role.</u> The Board or its designee shall identify and appoint a superintendent ("Superintendent"), subject to PS' approval. In the alternative, the Board may elect to contract with a third party to identify a Superintendent, subject to PS and Board approval. The Superintendent will be an employee of Partner Solutions for Schools. The Superintendent will serve as the on-site supervisor to staff.

The Superintendent will be a liaison to the Board and shall be responsible for supervising and managing the Educational Program, curriculum and the instruction of students. The Superintendent will hold all required certifications as required by the Code.

PS will provide administrative support to the Superintendent to staff the Academy. After qualified staff are selected by the Superintendent, Partner Solutions for Schools will onboard and provide additional administrative support to the Superintendent. It is the responsibility of the Superintendent or designee to verify and confirm that all teaching assignments align with teacher certification.

The Board is responsible for ensuring that the Superintendent has all the budget information necessary so that personnel costs fall within the parameters of the Academy's approved budget. The Superintendent or designee shall be responsible for approving and submitting appropriate hoursworked for all hourly Worksite Staff. The Superintendent or designee will notify PS of any staffing needs and/or change in status regarding Worksite Staff prior to any reassignment.

If the Board becomes dissatisfied with the performance of the Superintendent, it shall state the causes of such dissatisfaction in writing and deliver it to PS. PS shall have a reasonable period of time to remedy the dissatisfaction; however, if it cannot remedy the dissatisfaction, the Board or its designee shall identify and appoint a Superintendent, subject to PS' approval. In the alternative, the Board may elect to contract with a third party to identify a Superintendent, subject to PS and Board approval. Additionally, it is agreed that any dissatisfaction of the Board shall be reasonable in nature and related specifically to the duties and responsibilities of the Superintendent at the Academy.

Article IV, "PERSONNEL SERVICES" is amended by deleting the language below and adding the language in bold, to the first paragraph in renumbered section B, <u>Teachers and staff:</u>

B. <u>Teachers and staff.</u> Partner Solutions will assist the Superintendent and/or-the-Academy Leader to identify qualified teachers and support staff to perform services for the Academy. Partner Solutions will empower the <u>Academy-Leader-Superintendent</u> with the authority to select and hold accountable the teachers and support staff for the operation of the Academy. The Academy shall have the right to

require Partner Solutions to enlarge and reduce teachers and staff at any time and Partner Solutions shall cooperate with the Academy to determine staff/employee qualifications and the nature and type of staffing/employees required for the Academy to enable the Academy to meet its goals and objectives. The Academy shall not be bound by any contractual relationship between Partner Solutions and its staff and teachers. All Partner Solutions' staff and teachers shall be "at will employees" of Partner Solutions and shall be "terminable at will" by Partner Solutions.

Article VII, "INDEMNIFICATION & COOPERATION" is amended by deleting the language below and adding the language in bold, to the first paragraph in section A, <u>Indemnification of Partner Solutions</u>:

A. Indemnification of Partner Solutions. To the extent permitted by law, the Academy shall indemnify and save and hold Partner Solutions 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: (i) any willful non-compliance by the Academy with any agreements, covenants, warranties or undertakings of the Academy contained in or made pursuant to this Agreement; (ii) any misrepresentation or any breach of the representations and warranties of the Academy contained in or made pursuant to this Agreement; (iii) knowing violation of applicable laws (iii) the gross negligence of the Academy's directors, officers, employees, agents or representatives; (iv) any claim arising out of the Academy's educational and school operations that are-the-responsibility of the Superintendent and not CSP (including but not limited to student achievement, special education, student discipline, student or parent issues, implementation of policies and procedures; (v) and/or any failure to timely and accurately notify PARTNER SOLUTIONS of any workplace injuries, leaves of absence, hours worked, change in employment status; agents; SOLUTIONS; (vi) any acts or failures to act by Academy which occurred prior to the Effective Date of this Agreement.

Except as amended by this First Amendment, the Agreement shall remain in full force and effect.

The parties have executed this Agreement on \sqrt{WW} . 2024.

PARTNER SOLUTIONS, a Michigan

Corporation

PARTNER SOLUTIONS FOR SCHOOLS,

a Michigan corporation

Carly Lockwood

Its: Duly Authorized Representative

SUMMIT ACADEMY NORTH,

a Michigan public school academy

By Athles Marhall Its: Board President

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (the "Agreement") is made and entered into as of <u>May 23</u>, 2021 by and between **PARTNER SOLUTIONS** ("PS"); and, **PARTNER SOLUTIONS FOR SCHOOLS** (collectively "Partner Solutions") and **SUMMIT ACADEMY NORTH**, a Michigan public school academy (the "Academy") formed under Part 6(A) of the Revised School Code (the "Code"), as amended, being MCL §380.501 to §380.507.

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** (the "Authorizer") to organize and operate a public school academy. The Authorizer is the statutory authorizing body. The Code permits a public school academy to contract with persons and entities for the operation and management of the public school academy.

Partner Solutions represents and warrants that it is a duly organized Michigan for-profit corporation, in good standing, and that Partner Solutions (its officers, employees and agents) has the educational background, managerial experience, expertise, education/school personnel/staffing expertise, training, capacity, qualifications, education/school business expertise and financial resources to provide the Services contemplated under this Agreement.

The Academy and Partner Solutions desire to enter into an independent contracting relationship whereby Partner Solutions will be engaged to provide the personnel and back-office business services as set forth in this Agreement (the "Services"). This Agreement between the Academy and Partner Solutions sets forth the understandings with respect to the relationship between them, the scope of their relationship and the limitations on the relationship between the parties.

Subject to the terms of this Agreement, the Contract with the Authorizer and subject to governing and applicable law, the Academy and Partner Solutions agree that Partner Solutions shall have the authority to hire and fire Partner Solutions employed personnel/staff to fulfill the contractual terms and conditions as set forth herein.

THEREFORE, in consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties agree as follows:

ARTICLE I RELATIONSHIP OF THE PARTIES AND OTHER MATTERS

A. <u>Authority</u>. The Academy represents that (i) it is authorized by law to contract with a private entity for the provision of personnel services and back-office business services to the Academy, (ii) it has been issued a Contract from the Authorizer to organize and operate a public school academy, (iii) it is authorized by the Authorizer to supervise and control the Academy, and (iv) it is vested with all powers necessary or desirable for carrying out the duties contemplated in this Agreement.

To the extent permitted by law, this Agreement and the Authorizer's Contract, the Academy hereby authorizes and grants to Partner Solutions, the necessary authority and power to perform under this Agreement. No provision of this Agreement shall interfere and/or be interpreted and/or applied to

interfere in any manner with the Board's statutory, contractual, and fiduciary responsibilities, nor shall any provisions of this Agreement be construed so as to prohibit the Academy from acting as an independent, self-governing public body.

- B. Partner Solutions Authority. Partner Solutions represents that (i) it is in the business of providing human/personnel/staffing services and back-office business services as provided in this Agreement for other public school academies and that it has become familiar with the staffing and business and financial needs and requirements of the Academy and that it has the ability to provide the services required by this Agreement, (ii) that it is established in accordance with Michigan law (iii) that it is in good standing and that it has been authorized to enter into and be bound by this Agreement and the duly authorized officer of Partner Solutions has the authority to execute this Agreement and by executing this Agreement, Partner Solutions accepts all obligations and responsibilities contained herein.
- C. <u>Relationship of the Parties</u>. Partner Solutions is not a division, subsidiary or any part of the Academy. The Academy is a corporate and governmental entity authorized under the Code. The Academy is not a division or any part of Partner Solutions. The relationship between the parties hereto was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.
- D. <u>Compliance with Section 503c.</u> On an annual basis, Partner Solutions agrees to provide the Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement.
- E. Partner Solutions as Independent Contractor: Agency. The Board is the governing body with managerial authority and responsibility over the Academy. Under the policy direction of the Board, and in the performance of Services under this Agreement, Partner Solutions (its officers, directors, employees, and designated agents) shall be regarded at all times as performing services as independent contractors for the Academy. Consistent with that status, Partner Solutions reserves to itself the right to designate (to the extent required by this Agreement, the Authorizer's Contract and controlling law) the means and methods of accomplishing the objectives and purposes of this Agreement and the Academy shall not exercise (or have the right to exercise) control or direction over the means and methods utilized by Partner Solutions in providing services under this Agreement. Notwithstanding the foregoing, the Board, reserves the full right to verify and determine Partner Solutions compliance with this Agreement, the Authorizer's Contract and applicable law and Partner Solutions shall not provide its Services in a manner contrary to duly adopted motions and resolutions of the Board. No agent or employee of Partner Solutions shall be determined to be an agent or employee of the Academy, except as expressly acknowledged, if at all, in writing, by the Academy.

Notwithstanding the foregoing, Partner Solutions and its employees are hereby irrevocably designated as agents of the Academy for the limited purpose of allowing them access to educational

records under the Family Educational Rights and Privacy Act, 20 U.S.C. §1232(g), during the Term of this Agreement.

Except as permitted under the Code, Partner Solutions 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 Partner Solutions receives information that is part of an Academy's education records, Partner Solutions shall not sell or otherwise provide the information to any 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.

- F. Confidential Information. During the Term of this Agreement, the Academy may disclose confidential data and information to Partner Solutions, and its respective officers, directors, employees and designated agents to the extent permitted by applicable law, including without limitation, the Family Educational Rights and Privacy Act, 20 USC §1232g, 34 CFR Part 99; the Individual with Disabilities Education Act ("IDEA"), 20 USC §1401 et seq., 34 CFR 300.610 300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the American with Disabilities Act, 42 USC §12101 et seq.; the Health Insurance Portability and Accountability Act ("HIPAA"), 42 USC 1320d 13200d-8; 45 CFR 160, 162 and 164; and social security numbers, as protected by the federal Privacy Act of 1974, 5 USC §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84.
- G. <u>Partner Solutions Responsibility</u>. Partner Solutions will be solely responsible for its acts, the acts of its agents, employees, and those subcontractors who are contracted through Partner Solutions.
- H. No Related Parties or Common Control. The parties hereby agree that none of the voting power of the governing body of the Academy or the Board will be vested in Partner Solutions or its directors, members, managers, officers, shareholders, or employees. Further, the Academy and Partner Solutions are not, and shall not become: (i) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the "IRS Code"); or (ii) related persons, as that term is defined in the IRS Code.
- I. <u>Compliance with Academy's Contract.</u> Partner Solutions agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by the Authorizer. The provisions of the Academy's Contract with the Authorizer shall supersede any competing or conflicting provisions contained in this Agreement.
- J. <u>Non-Compete Agreement.</u> Partner Solutions agrees that it shall not impose any contractual requirement or contractual obligation on any of its employees assigned to the Academy to enter into a non-compete provision or agreement.
- K. <u>Lease and Loans.</u> If the Academy and Partner Solutions enter into a lease, execute promissory notes or other negotiable instruments, or enter into a lease-purchase agreement or other financing relationship, then such agreements must be separately documented and separately and duly approved by the Board and Partner Solutions and duly executed in a manner approved by the Board and

Partner Solutions and shall not be deemed a part of or incorporated into this Agreement. In addition, all such agreements must comply with this Agreement, the policies of the Academy, the Authorizer's Contract, as well as any applicable law.

- L. The Board. The Board is the governing body with oversight responsibilities over the Academy. The parties acknowledge that throughout this Agreement the term "Board" and the term "Academy" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject-matter of the article/section. This Agreement is executed by a duly authorized member of the Board (on behalf of the Academy), and by so executing this Agreement the Board acknowledges and accepts all obligations and responsibilities related to the Board as set forth in this Agreement. The Academy shall oversee and is responsible for: (1) education curriculum including special education curriculum, (2) the purchasing of instructional materials and equipment, food service, supplies, personal property, technology/software, (3) the repair and maintenance of Academy real and personal property, (4) student discipline, (5) academic requirements and outcomes, (6) athletic programs, (7) extracurricular activities, (8) Academy rules, policies and procedures, (9) rules and regulations governing the Academy, and (10) student transportation. The Academy is responsible for monitoring the implementation of (1) Academy policies, procedures and rules, (2) Academic performance, and (3) student, parent and community interactions and involvement at the Academy.
- M. Compliance with Academy Policies. Partner Solutions shall be bound by, comply with and enforce compliance by all Partner Solutions employees to Academy rules and policies including, but not limited to, the Academy's nepotism policy, conflict of interest policy and outside employment policy and any amendment to such policies and shall distribute the Academy policies and related forms and documents to Partner Solutions' employees. The Academy shall provide updated rules and policies and related forms/documents to Partner Solutions upon adoption of the same by the Academy Board and Partner Solutions shall implement the same within the time frame specified or thirty (30) days whichever is earlier.
- N. <u>Data Security Breach</u>. In the event the Academy experiences a data security breach of personally identifiable information from the Academy's education records not suitable to public release, Partner Solutions shall assist the Academy, in accordance with MCL 445.72, to take appropriate action to assess the risk and notify affected individuals whose personal information may have been compromised.

ARTICLE II TERM

A. <u>Term.</u> Subject to approval of the Authorizer, the term of this Agreement will be for a five (5) year period beginning July 1, 2021 and ending June 30, 2026 (the "Term"), subject to earlier termination under Article VI.

ARTICLE III COMPENSATION AND REIMBURSEMENT OF PERSONNEL SERVICES AND COSTS

A. Compensation for Services. The Academy shall pay Partner Solutions, for Personnel Services an

annual fee of Two and Seventy Five Hundredths percent (2.75%) of total gross wages (exclusive of benefits) paid to employees and staff assigned by Partner Solutions to the Academy as provided by this Agreement ("Fee").

The parties agree that the Fee amount is reasonable compensation for the Personnel Services which are in part described in the body of this Agreement and those Personnel Services described Article IV of this Agreement

B. Payment of Costs. Subject to the terms of this Agreement, in consideration of the Services provided to the Academy by Partner Solutions under this Agreement, the Academy will pay Partner Solutions, on an at-cost basis for properly invoiced salary, benefits, and other costs duly authorized by the Academy which are attributable to personnel employed by Partner Solutions and assigned by Partner Solutions to perform Services at the Academy under this Agreement, including but not limited to gross wages, FICA, Medicare, FUTA, SUTA, Workers' Compensation Insurance, Employment Practices Liability Insurance, employer portions of health, dental, vision and life insurance, and 401K employer contributions (if applicable) ("Payroll Costs").

Partner Solutions will rebate the Academy on October 1 of each year, following the school year if there are no new EPLI claims to the EPLI insurance plan. The rebate for the Academy will be in the amount of \$8,000. A new claim is defined as a lawsuit that applies to the EPLI plan filed with a court during the School Year. For example, if there are no new claims for the Academy on the EPLI policy for the 2022-23 School year, Partner Solutions will rebate the Academy \$8,000 on October 1, 2024. If there are claims against the policy during a School Year, Partner Solutions will pay the deductible of up to \$15,000 per claim, and there will not be a rebate paid to the Academy.

The Academy shall reimburse Partner Solutions for such other costs reasonably incurred and paid by Partner Solutions in providing the Services as specified in this Agreement and as duly authorized by the Academy. Such other costs may include, but are not limited to, employment ads, recruiting fees, background screening fees, costs mandated by governmental entities and administrative bodies and/or courts, testing fees, Job Fair booth fees, substitute charges/fees, and other expenses for equipment, software, supplies, food service, transportation, special education, psychological services, and medical services. In paying such costs on behalf of the Academy, Partner Solutions shall not charge an added fee (or mark-up). Marketing and development costs paid by and/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 Partner Solutions. No corporate costs of Partner Solutions shall be charged to and/or reimbursed by the Academy. The Academy will forward to Partner Solutions the funds to pay all costs of the Services provided pursuant to this Agreement. Notwithstanding the foregoing, the Academy shall not reimburse Partner Solutions for any costs, fees and expenses incurred by reason of Partner Solutions, intentional and/or negligent acts and/or omissions and/or breach of the Agreement and/or violation of applicable laws and regulation and/or violations of the Authorizer requirements.

The Academy Board agrees to annually maintain committed fund balance approximately the July and August wages that Partner Solutions owes staff assigned at the school.

C. Payment. Partner Solutions shall be advanced funds for Payroll Costs no later than the second day preceding each payroll date for Partner Solutions' employees performing services at the Academy. Said Payroll Costs shall be deposited by the Academy into a payroll account designated by Partner Solutions. All other expenses incurred by Partner Solutions will be paid by the Academy by the 15th day of the month following the month the expenditure was incurred by Partner Solutions. Notwithstanding any other term or provision in this Agreement to the contrary, in the Board's discretion, the Academy may pay fees for costs incurred by Partner Solutions. However, documentation of all expenses must be invoiced to the school and supported with back up documentation. At close of the fiscal year, Partner Solutions will have billed the Academy for all fees charged and costs incurred by Partner Solutions for the year in providing Services to the Academy. Documentation for all Payroll Costs will be broken down by each Partner Solutions' employee and must be in accord with the Academy's budget as approved by the Academy Board.

If Payroll Costs have not been funded by the Academy by the payroll date as provided herein and Partner Solutions is not otherwise in default/breach of this Agreement, Partner Solutions may send lay-off notices to Partner Solutions employees. Partner Solutions will timely provide the Academy an invoice for all accrued Partner Solutions' staff wages in accordance with the Academy Board approved budget (earned but not yet paid) for employees and staff assigned to the Academy for payment. For purposes of this Agreement the ("payroll date") shall be that date or dates established annually by Partner Solutions with written notice of the same to the Academy Board.

- D. <u>Availability of Funds</u>. Notwithstanding any other term or provision in this Agreement to the contrary, Partner Solutions shall not be, directly or indirectly, liable to any third party for any cost or expense incurred by the Academy. Partner Solutions shall, however, remain solely liable to the Academy for any cost it commits the Academy to without the Board's approval in the event such cost is beyond the amount anticipated in the Academy's budget or any amendment thereto.
- E. Other Institutions. The Academy acknowledges that Partner Solutions may enter into agreements similar to this Agreement with other public or private educational schools or institutions (the "Institutions"). Partner Solutions shall maintain separate accounts for reimbursable costs incurred on behalf of the Academy and for reimbursable expenses incurred on behalf of the Institutions. Partner Solutions shall only charge the Academy for costs incurred on behalf of the Academy as authorized by the terms of this Agreement.

If Partner Solutions incurs reimbursable costs on behalf of the Academy as authorized by the terms of this Agreement and the Institutions which are incapable of precise allocation between the Academy and the Institutions, then Partner Solutions shall allocate such expenses among the Institutions and the Academy equally unless such costs are properly chargeable to each student of the Academy and the Institutions and/or employees of Partner Solutions assigned to the Academy and the Institutions, in which case such costs shall be invoiced and paid, on a pro-rata basis, based on the number of students enrolled at the Academy and the Institutions, or upon such other equitable basis as agreed by the parties.

F. <u>Access to Records.</u> Partner Solutions shall keep accurate and complete records and documents as are required by the Academy and which are standard and customary to the Services as pertain to the Personnel Services and Back-Office Business Services provided to the Academy, together with all necessary records prepared by or in the possession of Partner Solutions, and retain all of said records

in the manner and for the duration required by the State of Michigan. In no event shall it be less than a period of six (6) years from the close of the fiscal year to which such books, accounts and records relate. All finance and other records of Partner Solutions related to the Academy (if any) will be made available to the Academy, the Academy's independent auditor whom shall be solely selected by the Academy Board and the Authorizer, upon request. Partner Solutions and the Academy shall maintain the proper confidentiality of personnel and other records as required by law. All records shall be kept in accordance with applicable state and federal requirements. The financial, educational and student records pertaining to the Academy are Academy property and such records are subject to the Michigan Freedom of Information Act. All Academy records shall be physically or electronically available, upon request, at the Academy's physical facilities. Partner Solutions shall provide such additional documentation as reasonably requested by the Academy to enable the Academy and/or the Authorizer to monitor and/or audit the performance and records including, but not limited to the financial records of Partner Solutions arising from and related to the Services and this Agreement.

G. Other Services. Upon request of the Academy, Partner Solutions will provide consulting services separate and distinct from the Personnel Services as defined in Article IV of this Agreement and Business Services as defined in Articles XII and XIII of this Agreement to the Academy at a mutually agreed upon reasonable rate commencing at the rate of \$80.00 per hour for time period of July 1, 2021 through June 30, 2022 plus mileage at the current IRS rate. These services may include, but not be limited to, marketing, facilities, compliance, curriculum, special education and/or any other consulting necessary to ensure successful operations.

ARTICLE IV PERSONNEL SERVICES

- A. <u>Personnel Responsibility</u>. Currently, the Academy's sole employee is the Superintendent. Within the parameters of the Academy's approved budget, Partner Solutions shall identify all personnel and work with the Superintendent and/or the Academy Board to recommend staffing levels, and select, evaluate, assign, discipline and transfer personnel, consistent with the Academy's educational programs, objectives and curriculum and consistent with applicable laws and as is necessary to fulfill Partner Solutions' obligations under this Agreement and as is required for the Academy to comply with the Academy's Contract with the Authorizer.
- B. Partner Solutions Leader (currently, the Administrator of Data and Reporting). Partner Solutions shall employ an Academy Leader. The Academy Leader shall be a liaison between the Board and Partner Solutions and shall assist the Superintendent in administrating the Educational Program of the Academy, shall coordinate with designated Partner Solutions' managers and officers of Partner Solutions home office with administrative and personnel responsibilities and will assist the Superintendent in the on-site supervision of Partner Solutions' employees assigned to the Academy and shall assist and provide information to Partner Solutions and the Board of the Academy to enable the Board to make informed decisions regarding the policies, procedures, programs and activities of the Academy.

In the event Partner Solutions determines to terminate the Academy Leader, it shall be guided by the Revised School Code and shall provide the Board reasonable written notice in advance of such termination. If the Board of the Academy becomes dissatisfied with the performance of the Academy Leader, it shall be guided by the Revised School Code and provide written notice of its dissatisfaction to Partner Solutions. Partner Solutions shall have a reasonable period of time to cure any such dissatisfaction, and if such dissatisfaction is not remedied by the Partner Solutions, Partner Solutions shall remove and replace the Academy Leader. The Academy Leader shall hold all certifications required by the Revised School Code.

C. Teachers and staff. Partner Solutions will assist the Superintendent and/or the Academy Leader to identify qualified teachers and support staff to perform services for the Academy. Partner Solutions will empower the Partner Solutions employed Academy Leader with the authority to select and hold accountable the teachers and support staff for the operation of the Academy. The Academy shall have the right to require Partner Solutions to enlarge and reduce teachers and staff at any time and Partner Solutions shall cooperate with the Academy to determine staff/employee qualifications and the nature and type of staffing/employees required for the Academy to enable the Academy to meet its goals and objectives. The Academy shall not be bound by any contractual relationship between Partner Solutions and its staff and teachers. All Partner Solutions' staff and teachers shall be "at will employees" of Partner Solutions and shall be "terminable at will" by Partner Solutions.

Partner Solutions shall require all staff and teachers assigned to the Academy to comply with an outside employment/outside contracting policy as may be required by the Academy and/or the Authorizer which prohibits staff and teachers assigned to the Academy from using Academy facilities and resources and materials for non-Academy purposes and which prohibits outside employment and outside contract services by teachers and staff during Academy working hours, which prohibits outside employment and outside contracting with any entity and/or person under contract with and/or providing services and/or material to the Academy and which may prohibit such other outside employment and outside contracting as permitted by applicable law.

The curriculum taught by such teachers shall be the curriculum prescribed by the Academy pursuant to the Authorizer's Contract. Such teachers may, in the discretion of Partner Solutions which shall be exercised in the best interests of the Academy, 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 Partner Solutions. Each teacher assigned or retained to the Academy shall meet all necessary requirements as established by the Michigan Department of Education, the Authorizer, and State and federal law and shall have all certifications required by applicable law to teach in a Michigan public school. Evaluation and compensation systems administered by Partner Solutions shall comply with all applicable laws and shall comply with this Agreement and the budgets approved by the Academy Board. All employees of Partner Solutions shall be subject to Partner Solutions' policies and procedures as outlined in the employee handbook and the policies and procedures adopted by the Academy and as required in the Authorizer's Contract. As the employer of record, Partner Solutions may discipline and/or terminate any employee for cause.

D. <u>Criminal Background Checks</u>. The parties understand and agree that criminal background checks and unprofessional conduct checks are required to be conducted on any individual assigned to the Academy under this Agreement. Partner Solutions agrees that it shall not assign any of its employees, agents or other individuals to perform any services under this Agreement except as permitted under Sections 1230, 1230a, 1230b and related provisions of the Code pertaining to criminal background and criminal conduct checks. The Academy shall require that the results of

the criminal background check are received, reviewed, and used (subject to a verification process) by the Academy's Authorized User acting on behalf of the Academy and/or the Board, only as permitted by law to confirm that the individual does not have a criminal history and to evaluate the qualifications of the individual for his/her assignment.

E. Employer of Personnel. Compensation of all employees of Partner Solutions shall be paid by Partner Solutions. For purposes of this Agreement, "compensation" shall include salary, fringe benefits, and state, federal, local, and social security tax withholdings. Partner Solutions shall be responsible for paying its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees assigned to the Academy. Unless required by applicable statute, court or administrative decision, or Attorney General's opinion, Partner Solutions shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. Teachers employed by Partner Solutions shall not be considered teachers for purposes of continuing tenure under MCL §38.71 et. seq. Partner Solutions accepts full liability and is responsible for paying all salaries, benefits, payroll taxes, workers compensation, unemployment compensation and liability insurance for its employees leased to the Academy or working on Academy operations for work already completed irrespective of whether Partner Solutions receives an advancement of its costs or the payment of service from the Academy. However, Academy's non-payment of such funds is considered a material breach of this Agreement.

To enable the Academy to comply with its reporting obligations under the Michigan Public School Employees Retirement Act, 1980 PA 300, as amended, Partner Solutions: (i) shall promptly notify the Academy in writing of the identity of any individual assigned by Partner Solutions to perform services at the Academy who is a retiring after July 1, 2010 from the Michigan Public School Employees Retirement System (MPSERS); and (ii) shall include on the Academy's payroll invoice on a pay period basis information regarding any such individual's wages or amounts paid and hours of service under this Agreement, as necessary for the Academy to report on a schedule and in such manner as may be determined from time to time by MPSERS, MCL 38.1342(6). The Academy shall be responsible for the reporting of that information and any payments required under the Act.

At the request of the Academy, and upon reasonable notice, Partner Solutions will attend Board meetings at no additional cost with regard to the Personnel Services provided by Partner Solutions and shall also provide such information that is reasonably requested by the Academy and/or Board to enable the Board to monitor Partner Solutions performance under this Agreement.

- F. <u>401K Plan Administration</u>. Partner Solutions will complete and sign all necessary 401K regulatory and plan documents as required by law and duties as fiduciary agent of the plan.
- G. <u>Financial Reporting for Personnel.</u> Partner Solutions shall provide the Board with:
 - i. A detailed invoice for payroll costs to be provided to the Academy by Partner Solutions on a per payroll basis.
 - ii. Other information on a periodic basis to enable the Academy to monitor Partner Solutions' performance and the efficiency of those services that are provided under this Agreement.
 - iii. All reasonably requested or expected information upon the Academy's reasonable request, to enable the Academy to monitor Partner Solutions' performance under this Agreement.

H. <u>Unusual Events.</u> Both parties agree to notify each other immediately of any known health, safety or other violations and of any anticipated labor, employee or funding problems or other problems or issues which could adversely impact the Academy in complying with its responsibilities as provided by law and as by provided by its agreement with the Authorizer or as to Partner Solutions in satisfying and performing its obligations pursuant to this Agreement.

ARTICLE V ACADEMY FUNDS, PROCUREMENT, PROPRIETARY RIGHTS & REMEDY FOR BREACH

- A. <u>Academy Funds</u>. The Board shall determine the depository of all funds received by the Academy. All funds received by the Academy shall be deposited in the Academy's depository account. Signatories on the Academy Board accounts shall solely be members of the Board. All interest or investment earnings on Academy accounts shall accrue to the Academy.
- B. Procurement Policies. The Board hereby retains the obligation, as provided in the Code, to adopt written policies governing the procurement of supplies, materials, and equipment for the Academy. Payment of any and all Academy invoices, contracts and purchase orders shall be in a manner dictated by the Academy Board in accordance with Academy policies and as required by the Authorizer Contract and applicable law. If Partner Solutions is authorized by the Academy Board to procure supplies, materials and equipment as provided by applicable law, the policies of the Academy and the Authorizer's Contracts, then in such case, Partner Solutions shall directly procure all supplies, materials, and equipment provided that Partner Solutions complies with the Code including, but not limited to, Sections 1267 and 1274 of the Code, MCL 380.1267 and MCL 380.1274 as if the Academy were making these purchases directly from a third party supplier or vendor and the Board's written policies promulgated thereunder related to such items. Partner Solutions shall not include any added fees or charges with the cost of equipment, materials and supplies purchased from third parties or vendors. All items acquired with Academy funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and other technology, shall be owned by and remain the property of the Academy.
- C. Academy's Rights to Curriculum and Educational Materials. The Academy shall own, without restriction, all proprietary rights to curriculum and educational materials that: (a) are or were directly developed by the Academy and paid for with Academy funds; or (b) are or were developed by Partner Solutions at the direction of the Board using Academy funds.
- D. <u>Partner Solutions' Rights to Curriculum and Educational Materials.</u> Subject to proprietary ownership of third parties, Partner Solutions shall own, without restriction, all curriculum, and educational materials, and all other proprietary information owned by, developed by or otherwise in the possession of Partner Solutions, except as set forth in this Agreement and except as provided by applicable law or by the Authorizer's Contract. Any Partner Solutions educational and teaching materials and techniques shall be subject to disclosure pursuant to the Revised School Code and Freedom of Information Act.
- E. Except as otherwise provided in this Agreement and as specifically required by the Code, the Contract, or the Michigan Freedom of Information Act, the proprietary information and materials of each respective party shall be held in strict confidence by the other party during the Term of this Agreement, and continuing for three (3) years thereafter, and both parties hereby agree that, to the

extent not prohibited by law, they will not use or disclose to anyone, directly or indirectly, for any purpose whatsoever, any such proprietary information without the prior written consent of the other party.

If a party uses or discloses such propriety information in violation of this Section E, the disclosing party shall (i) be liable to the other party for all damages, including, but not limited to, lost profits resulting from the breach, and (ii) be obligated to reimburse the non-disclosing party for its legal costs and reasonable attorney fees related to the enforcement of this Section E.

ARTICLE VI Termination

A. <u>Termination by Partner Solutions</u>. Partner Solutions may terminate this Agreement prior to the end of the Term in the event the Board fails to remedy a material breach within the required time frames below or it is determined that Partner Solutions is required to pay MPSERS. A material breach includes, but is not limited to, Partner Solutions' failure to receive for any reason, compensation or reimbursement as required by the terms of this Agreement. Partner Solutions may also terminate this Agreement if the Academy makes decisions regarding personnel materially inconsistent with the written recommendations of Partner Solutions and/or there is a substantial and unforeseen material increase in the cost of administering Personnel Services of this Agreement.

Partner Solutions upon thirty (30) days prior written notice may terminate this Agreement prior to the end of the term in the event the Academy ceases to exist as a consequence of bankruptcy, adjudged insolvency, discontinued operations by successor and assigns for period of more than 30 consecutive days not including school holidays, vacations including summer vacation or by reason acts of God, pandemics, the Academy requests a reduction in Partner Solutions workforce by more than twenty percent (20%), and/or the Academy is a financially distressed entity as set forth in the Worker Adjustment and Retraining Notification Act ("WARN") 29 USC section 2101 et. seq. The Board shall provide Partner Solutions ninety (90) days advance written notice prior to the facility closure in order for Partner Solutions notice requirements pursuant to WARN.

Notwithstanding anything in this Agreement to the contrary, the Academy has ten (10) days after written notice from Partner Solutions to remedy a breach that involves the advancement of funds for all "compensation" required for Payroll Costs or to reach an agreement with Partner Solutions on the payment of those funds. The Academy has thirty (30) days after written notice from Partner Solutions to remedy all other material breaches.

Termination prior to the end of the Term shall not relieve the Academy of any financial or other obligations to Partner Solutions outstanding as of the date of termination as provided by this Agreement. Failure by Partner Solutions to (i) declare a breach, (ii) place the Academy on notice thereof, or (iii) fail to exercise or exert any remedy available to Partner Solutions under this Agreement or applicable laws, shall not be deemed a waiver of Partner Solutions' rights and remedies whatsoever.

Notwithstanding the foregoing, the this Agreement may be terminated at any time by Partner Solutions without cause or for no reason upon ninety (90) days prior written notice to the Academy or Partner Solutions without liability to the Academy or Partner Solutions.

B. Termination by Academy. The Academy may terminate this Agreement prior to the end of the Term in the event that Partner Solutions fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to: (i) failure by Partner Solutions to reasonably account for its expenditures; (ii) failure by Partner Solutions to provide the Services as required by this Agreement; (iii) a determination has been made by some governmental entity or administrative agency or court of law that Partner Solutions is required to participate in MPSERS; (iv) any action or inaction by Partner Solutions that places the Contract in jeopardy of revocation, suspension or termination, as evidenced by written notification from the Authorizer which is not fully cured within the time frame required by the Authorizer or sixty (60) days, whichever is the shorter period of time; (v) failure by Partner Solutions to pay any Academy expenses as required by this Agreement including, but not limited to Payroll Costs funded by the Academy as required under this Agreement (provided funds are available); (vi) failure by Partner Solutions to follow Academy policies, resolutions, procedures, rules, or regulations; and/or (vii) a violation of applicable law.

The Academy upon thirty (30) days written notice to Partner Solutions may terminate this Agreement in the event Partners Solution operations cease to exist by reason of bankruptcy, insolvency, and/or for such other reason.

Partner Solutions has ten (10) days after notice from the Academy to remedy a breach that involves the non-payment of expenses including, but not limited to Payroll Costs required to be paid by Partner Solutions pursuant to this Agreement which have been funded by the Academy or to reach an agreement with the Academy on the payment of those expenses and funds. Partner Solutions has thirty (30) days after notice from the Academy to remedy all other material breaches. Upon expiration of this Agreement, or termination for any reason, all advances or billable costs, if any, paid by Partner Solutions shall be immediately repaid by the Academy, unless otherwise agreed in writing by Partner Solutions and the Academy.

Notwithstanding the foregoing, this Agreement may be terminated in whole or in part at any time by the Academy without cause or for no reason upon ninety (90) days written notice to the Academy or Partner Solutions without liability to the Academy or Partner Solutions.

- C. Revocation or Termination of the Charter Contract. If the Academy's Contract issued by the Authorizer is revoked or terminated, or a new charter contract is not issued to the Academy after expiration of the Contract, this Agreement shall automatically be terminated, as the case may be, on the same date as the Academy's Contract is revoked, terminated or expires without further action of the parties.
- D. Change in Law. If any federal, state or local law or regulation, or court or administrative decision, or attorney general's opinion (collectively referred to in this Agreement as the "applicable laws") has a substantial and material adverse impact (as reasonably determined by the party suffering the impact) on the ability of the impacted party to carry out its obligations under this Agreement, then the impacted party, upon written notice, may request a renegotiation of this Agreement. If the parties are unable or unwilling to successfully renegotiate the terms of this Agreement within ninety (90) days after the notice, and after making good faith efforts which shall include, but not be limited to, the use of a third party arbitrator and/or alternative dispute resolution process, the impacted party may terminate this Agreement as of the end of the then-current academic year.

- E. Transition. The Academy Board and Partner Solutions 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 Partner Solutions agree to work cooperatively to transition management and operations of the school without disrupting the school's operations. In the event of any termination prior to the end of the Term of this Agreement, Partner Solutions shall provide the Academy reasonable assistance in accordance with the Authorizer's Educational Service Provider Policies to assist in the orderly transition to another service provider, to a self-managed school or dissolution. Upon termination, it is agreed that with the cooperation of Partner Solutions that the Academy shall be free to approach Partner Solutions employees assigned to the Academy and arrange for them to be assigned to another independent contractor providing personnel to the Academy. Partner Solutions warrants and represents that it will not bind any individual and/or entity assigned to the Academy by contract or otherwise, in such manner that if, he/she would be unable to continue serving the Academy upon termination of this Agreement.
- F. Obligations upon Termination or Expiration. Upon any termination or the expiration of this Agreement, the parties shall remain obligated for all financial or other obligations due at the time of the termination or expiration. Upon termination or expiration of the Agreement, or the Agreement is terminated due to a Contract revocation, reconstitution, termination or non-renewal, Partner Solutions shall, as applicable, without additional charge: (i) close the financial records on the thencurrent 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 Partner Solutions 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.
- G. Amendment Caused By Academy Site Closure or Reconstitution. In the event that the Academy is required (i) to close an Academy site pursuant to a notice issued by the Michigan Department of Education under Section 507, 528 or 561 of the Code, MCL 380,507, 380.528 or 380,561; or (ii) to undergo reconstitution pursuant to Section 507, 528 or 561 of the Code, MCL 380.507, 380.528 or 380.561 and the Contract, and such closure of an Academy site or reconstitution causes an amendment to or termination of this Agreement, the parties agree that this Agreement shall be amended or terminated to implement the Academy site closure or reconstitution, with no cost or penalty to the Academy, and Partner Solutions shall have no recourse against the Academy or the Authorizer Board for implementing such site closure or reconstitution.

ARTICLE VII INDEMNIFICATION & COOPERATION

A. <u>Indemnification of Partner Solutions</u>. To the extent permitted by law, the Academy shall indemnify and save and hold Partner Solutions 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: (i) any willful non-compliance by the Academy with any agreements, covenants, warranties or undertakings of the Academy contained in or made pursuant to this Agreement; (ii) any misrepresentation or any breach of the representations and warranties of the Academy contained in or made pursuant to this Agreement; (iii) knowing violation of applicable laws (iii) the gross negligence of the Academy's directors, officers, employees, agents or representatives; (iv) any claim arising out of the Academy's educational and school operations that are the responsibility of the Superintendent and not CSP (including but not limited to student achievement, special education, student or parent issues, implementation of policies and procedures); (v) and/or any failure to timely and accurately notify PARTNER SOLUTIONS of any workplace injuries, leaves of absence, hours worked, change in employment status; agents; SOLUTIONS; (vi) any acts or failures to act by Academy which occurred prior to the Effective Date of this Agreement.

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

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

To the extent the parties each agree to coordinate a defense at their respective sole discretion, the parties shall utilize shared counsel which shall be paid for by the Academy and no reimbursement of any costs or fees shall be necessary. The Academy may reimburse Partner Solutions at its sole discretion for pre-approved legal expenses and costs associated with the defense of any such claim, demand, or suit which are not otherwise covered by the shared defense.

In addition, to the extent permitted by law, the Academy shall indemnify and reimburse Partner Solutions for all legal costs and reasonable attorney fees associated with the defense of any such claim, demand or suit. If desired, all or part of the indemnification obligations set forth in this Section A, may be met by the purchase of insurance by the Academy. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the

time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of the Academy.

B. <u>Indemnification of the Academy.</u> During the Term and continuing forever after any termination or the expiration of this Agreement, Partner Solutions 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: (i) non-compliance by Partner Solutions with any agreements, covenants, warranties or undertakings of Partner Solutions contained in or made pursuant to this Agreement; (ii) Partner Solutions' breach of the Agreement; and/or (iii) the negligence of Partner Solutions' directors, officers, employees, agents or representatives.

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

To the extent the parties each agree to coordinate a defense at their respective sole discretion, the parties shall utilize shared counsel which shall be paid for by Partner Solutions and no reimbursement of any costs or fees shall be necessary. Partner Solutions may reimburse the Academy at its sole discretion for pre-approved legal expenses and costs associated with the defense of any such claim, demand, or suit which are not otherwise covered by the shared defense.

In addition, Partner Solutions shall reimburse the Academy for all legal costs and reasonable attorney fees associated with the defense of any such claim, demand, or suit. If desired, all or part of the indemnification obligations set forth in this section may be met by the purchase of insurance by Partner Solutions. The indemnification in this Section shall also specifically apply, without limitation, to any current claims or litigation at the time this Agreement is executed, as well as any future or additional claims or litigation regarding any prior activities of Partner Solutions.

- C. <u>Immunities and Limitations</u>. The Academy shall be entitled to assert all immunities and statutory limitations of liability in connection with any claims arising under this Agreement.
- D. Responsibility of the Academy and Partner Solutions. The Academy will be solely and entirely responsible for its acts and omissions and for the acts and omissions of the Academy's agents and employees (if any) in connection with the performance of the Academy's responsibilities under this Agreement; provided, however, that nothing in this Agreement is intended, to designate Partner Solutions and/or its employees as agents of the Academy and however, nothing in this Agreement is intended to be construed, as a waiver of the governmental immunity provided to the Academy and its incorporators, board members, officers, employees, and volunteers under Section 7 of Act 170, Public Acts of Michigan, 1964, as amended, MCL 691.1407. If Partner Solutions is made a party to any litigation involving claims arising out of or relating in any way to any alleged acts and/or omissions of the Academy or its directors, agents, or employees, the Academy will provide

- any non-monetary reasonable assistance requested by Partner Solutions in the defense against such claims as long as such assistance does not adversely affect the Academy's ability to defend against such claims.
- E. Mutual Duty to Cooperate. The parties acknowledge that each party has a duty and obligation to cooperate with the other party, and further that such duty to cooperate is a material part of this Agreement. The purpose of the duty to cooperate is to enable each party to perform its obligations as efficiently as possible. The duty to cooperate shall include all areas of the business of the Academy and the Services, including but not limited to potential and actual issues related to employees or teachers as they arise. The duty to cooperate also includes reasonable assistance in the event of litigation or a dispute involving a party related to the Academy or the Services, such as provision of testimony, records and/or documents reasonably related to the litigation or dispute (which are not otherwise protected from disclosure).
- F. Indemnification of Authorizer. The parties acknowledge and agree that the Authorizer, 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, Partner Solutions 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, 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, Partner Solutions' preparation for or operation of the University, or which are incurred as a result of the reliance by the Authorizer upon information supplied by Partner Solutions, or which arise out of Partner Solutions' failure to comply with the Contract or applicable law. The parties expressly acknowledge and agree that the University may commence legal action against Partner Solutions to enforce its rights as set forth in this section of the Agreement.

ARTICLE VIII INSURANCE

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

will maintain such policies of insurance as are required by the Contract and the Michigan Universities Self-Insurance Corporation ("M.U.S.I.C."), including the indemnification of the Academy as required by this Agreement. In the event the Authorizer or M.U.S.I.C. requests any change in coverage by Partner Solutions, Partner Solutions 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. Partner Solutions will, upon request, present evidence to the Academy and Authorizer that it maintains the requisite insurance in compliance with the provisions of this section. The Academy will comply with any information or reporting requirements applicable to Partner Solutions under Partner Solutions' policy with its insurer(s), to the extent reasonably practicable.

- C. Evidence and Notices. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance as required in this Article VIII. The policies of insurance of each party shall also provide that the other party receive from the insurer(s) a minimum thirty (30) day written notice of any termination of said policies.
- D. <u>Workers' Compensation Coverage</u>. Additionally, each party shall maintain workers' compensation insurance, as required by state law, covering their respective employees.

ARTICLE IX WARRANTIES AND REPRESENTATIONS

- A. <u>Warranties and Representations of the Academy.</u> The Academy represents to Partner Solutions that (i) it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, (ii) its actions have been duly and validly authorized, and (iii) it will adopt the necessary resolutions or expenditure approvals required for execution of this Agreement.
- B. Warranties and Representations of Partner Solutions. Partner Solutions represents and warrants to the Academy that (i) it is a Michigan corporation in good standing duly authorized to conduct business in the State of Michigan, (ii) it has the authority under applicable laws to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement, (iii) its actions have been duly and validly authorized, and (iv) it will adopt any and all resolutions required for execution of this Agreement.
- C. <u>Mutual Representations and Warranties</u>. Each party represents and warrants to the other party that except as disclosed in writing to the other party, to its knowledge, there are no pending actions, claims, suits, or proceedings, whether threatened or reasonably anticipated, against or effecting it, which if adversely determined would have a material adverse effect (as might be reasonably determined by the non-affected party if disclosed) on its ability to perform its obligations under this Agreement.

ARTICLE X ALTERNATIVE DISPUTE RESOLUTION

A. <u>Mediation.</u> Any and all disputes between the parties concerning any alleged breach of this Agreement or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement shall first be communicated in

writing to the other party and mutually discussed between the parties with an opportunity to cure the alleged breach/default within the time frames specified in Article VI of this Agreement. If no resolution can be ascertained through mutual discussion within the time periods specified in Article VI of this Agreement, then the matter may upon mutual agreement of the parties be submitted to mediation for resolution in Wayne County. Both parties must mutually agree upon the mediator selected and shall participate in all meetings in good faith. The parties will share equally in the costs of the mediation including forum fees, expenses and charges of the mediator.

B. <u>Arbitration</u>. If voluntary mediation does not result in a mutually satisfactory compromise or if mediation is not conducted, then the matter shall be resolved by arbitration in accordance with the Commercial Rules of the American Arbitration Association which such procedure shall be the sole and exclusive remedy for such matters. The arbitration shall be conducted by a mutually agreed upon arbitrator in Wayne County, Michigan and in the event the parties cannot agree to an arbitrator within 30 days of written demand for arbitration the claims will be arbitrated through the American Arbitration Association. The arbitrators' 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, by any party, without the consent of the other party. The losing party shall pay the cost of arbitration, not including attorney fees. It shall be within the discretion and purview of the arbitrator or arbitration panel to award reasonable attorney fees to the prevailing party. The Authorizer shall be notified of said decision, and upon the Authorizer's request, the cause opinion shall be made available.

ARTICLE XI MISCELLANEOUS

- A. <u>Entire Agreement.</u> This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between the Academy and Partner Solutions. This Agreement constitutes the entire agreement of the parties.
- B. <u>Force Majeure</u>. Notwithstanding any other sections of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, accident, labor strike, flood, terrorism, or other acts beyond its control.
- C. <u>Governing Law.</u> This Agreement and the rights of the parties hereto shall be interpreted according to the laws of the State of Michigan.
- D. Official Notices. All notices or other communications required by the terms of this Agreement shall be in writing and sent to the parties at the addresses set forth below. Notice may be given by certified or registered mail, postage prepaid, return receipt requested, traceable carrier or personal delivery. The ("Board Liaison") as provided in this Agreement shall be the Board President, unless otherwise designated in writing by the Board. Notices shall be deemed to have been given on the date of personal delivery, or, if given by mail, the postmark date. Unless amended or updated in writing, the addresses of the parties hereto for the purposes of this Agreement shall be:

THE ACADEMY: Board President

Summit Academy North

P.O. Box 310

Flat Rock, MI 48134

with a copy to: Timothy A. Stoepker

Dickinson Wright PLLC

200 Ottawa Avenue, NW, Suite 1000

Grand Rapids, MI 49503

PARTNER SOLUTIONS: Partner Solutions

c/o Maria Dockins 869 South Old US 23 Brighton, Michigan 48114

- E. <u>Assignment</u>. This Agreement shall not be assigned (i) by Partner Solutions, without prior consent of the Board, in writing which consent shall be within the sole discretion of the Academy; or (ii) by the Academy, without the prior consent of Partner Solutions, in writing, which consent shall be within the sole discretion of Partner Solutions. Any assignment, if any, must be consistent with the Authorizer's Educational Service Provider Policies and shall require prior written notice.
- F. <u>Amendment.</u> This Agreement may only be amended in writing, signed by a duly authorized representative of each party, with said amendment being subject to the Authorizers prior non-disapproval and shall be in a manner consistent with the Contract and the Authorizer's Educational Service Provider Policies.
- G. <u>Effect of Headings</u>. The underlined headings are included for convenience of the reader, and if the underlined headings are inconsistent with the other text the underlined text shall be disregarded.
- H. Tax Exempt Financing. If at any time the Academy determines that it is in the best interests of the Academy to obtain financing from the Michigan Public Educational Facilities Authority or any other type of financing that is tax-exempt pursuant to the IRS Code, then the parties hereby agree that this Agreement shall be automatically amended for the sole and limited purpose of compliance with Revenue Procedure 97-13, as modified by Rev. Proc. 2001-39 amplified by Notice 2014-67, and/or its progeny. Any such automatic amendment shall be as limited as practicable, and the parties shall promptly execute a written agreement reflecting such amendment, but the failure of the parties to do so shall not affect the effectiveness of the automatic amendment referenced above; provided, however, that any such amendment shall be consistent with the Authorizer's Educational Service Provider Policies.
- I. <u>Waiver</u>. No waiver of any portion of this Agreement shall be deemed or shall constitute a waiver of any other provision, nor shall such waiver constitute a continuing waiver unless otherwise expressly stated in writing.
- J. <u>Severability</u>. The invalidity of any portion or term of this Agreement shall not affect the remaining portions or terms of this Agreement. In the event a portion or a term of this Agreement is deemed invalid, the parties shall cooperatively work together to modify the invalid portion or term as minimally as possible to cure the invalidity, while at all times preserving the spirit and purpose of the applicable portion or term.

- K. <u>Successors and Assigns</u>. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.
- L. <u>No Third Party Rights</u>. This Agreement is made for the sole benefit of the Academy and Partner Solutions. Except as otherwise expressly provided herein, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.
- M. <u>Survival of Termination</u>. All representations, warranties, and indemnities made in this Agreement shall survive any termination or expiration of this Agreement without limitation.
- N. <u>Delegation of Authority; Compliance with Laws.</u> Nothing in this Agreement shall be construed as delegating to Partner Solutions any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with all applicable laws. The parties agree to comply with all applicable laws.
- O. <u>Execution</u>. The parties may execute this Agreement by facsimile or in counterparts. A facsimile or photographic copy of this Agreement may be relied upon by either party, or any third party, as if it were an original signature copy. If this Agreement is executed in counterparts, the separate counterpart signature pages shall be combined and treated by the parties, or any third party, as if the separate counterpart signature pages were part of one original signature copy.
- P. <u>Review by Independent Counsel</u>. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

ARTICLE XII BACK OFFICE FINANCIAL SERVICES BY PARTNER SOLUTIONS

- A. <u>Back Office Business Services.</u> The Board shall pay Partner Solutions for back office financial services ("Back Office Services") an annual fee of Fifty Four Thousand, Five Hundred and Ninety Dollars ("Back Office Fee").
- B. <u>Travel Reimbursement.</u> In the performance of the Back Office Services Partner Solutions will attend Board meetings as requested for the budget, budget revisions and/or such other essential business services. In the event Partner Solutions is requested by the Academy Board to travel to other Academy meetings, events or the like, the Academy shall pay ordinary and customary costs to Partner Solutions for such travel. The costs for such travel will be mutually agreed upon by the Academy Board and Partner Solutions prior to the occurrence of that travel.
- C. <u>Back Office Services</u>. Partner Solution shall provide the Academy Board and the School Leader as directed by the Academy Board the following Back Office Service inclusive of those Back Office Services articulated in this Agreement:
 - 1. A projected annual budget for the July 1st through June 30 school year prior to May 15th each school year in accordance with the Authorizer's Contract the Educational Program so to enable the Academy Board to timely adopt the annual budget as required by the

Authorizer's Contract and as required by applicable law, and Partner Solutions thereafter, shall prepare amendments to the annual budget and budget projections as required by the Academy Board and as required to perform the Back Office Services. Partner Solutions shall provide the School Leader a budgeting tool to assist the Academy in working with Partner Solutions to prepare the annual budget and budget amendments. The Academy Board is responsible for reviewing and approving annual budgets, amendments to the annual budget and for the Academy's financial decisions. Pursuant to the Uniform Budget and Accounting Act, MCL 141.422b, the Academy Board is responsible for designating the Chief Administrative Officer ("CAO") of the Academy. If the Academy employs a superintendent or a person having general administrative control, then the Academy Board may designate that employee as the CAO of the Academy. If the Academy does not employ a superintendent or person having general administrative control, then the Academy Board shall designate an Academy Board member as the CAO of the Academy. Partner Solutions nor any owner, officer, director or employee of Partner Solutions shall be designated as the CAO of the Academy, but a Partner Solutions employee may assist the CAO in carrying out their duties

- 2. Detailed monthly financial statements ("Financial Statements") (or as requested by the Board via the School Leader) no more than thirty (30) days after month's end and not less than seven (7) days in advance of Academy Board meetings. The Financial Statements shall include: a balance sheet, a statement of revenues, expenditures and changes in fund balance at object level detail with comparison of budget-to-actual and a cash flow statement. These Financial Statements shall include all revenues received, from whatever source, with respect to the Academy, and detailed budgets inclusive of explanations for variances from budget, with statements of all direct expenditures incurred for the Services rendered to or on behalf of the Academy, whether incurred on-site or off-site;
- 3. Facilitate the annual audit in compliance with applicable laws showing the manner in which funds are spent at the Academy, however, it is acknowledged that only the Academy shall select and retain independent auditors and the Academy shall contract directly with any auditor of its choice, and Partner Solutions will cooperate with the production of any and all documents necessary for the audit. Any such audit shall be the property of the Academy; and,
- 4. Other information as reasonably requested by the Board and/or the School Leader to enable the Board to monitor Partner Solutions' performance under the Agreement, to monitor the Academy's finances and as may be required by the Academy to comply the Academy's Contract with the Authorizer.
- D. <u>Invoices for and Payment of Back Office Services.</u> Partner Solution invoices for Back Office Services will be invoiced monthly at such time as Partner Solutions submits to the School Leader the Academy's monthly check register and Academy's monthly financial statements, and if approved by the Academy shall be paid within thirty (30) days from the date of the approved invoice.

ARTICLE XIII FRONT OFFICE FINANCIAL SERVICES

A. <u>Partner Solutions Front Office Services.</u> Partner Solutions personnel will be assigned to work at the Academy's offices as directed and requested by the School Leader to complement Partner Solution's Back Office Services. The front office financial services to be provided at the

Academy's office in coordination with and at the direction of the School Leader include the following (collectively referred to as the "Front Office Services"):

- 1. Accounts Payable Processing.
- 2. Check disbursement.
- 3. Monitor expenditures against budget.
- 4. Maintain student activity and special revenue accounts.
- 5. Monthly presentation of financial statements and budgets to the Academy Board as necessary and as required by the Academy Board.
- 6. Grant management and compliance.
- 7. School deposits.
- 8. Budget planning with School Leader and the Academy Board.
- 9. Preparation of Academy Board resolutions with regard to the annual budget, amendments to the annual budget, and Academy expenditures requiring Academy Board approval and such other resolutions and reports as required by the Academy Board to review and oversee the Academy's finances, budget and fiscal obligations under applicable law and as required by the Authorizer's Contract.
- 10. Review of Academy proposed contracts, proposed purchase order, requests for proposals and referral of the same to the Academy Board for approval and to the Academy's attorneys in accordance with Academy's policies and bylaws and as required by applicable law and the Authorizer's Contract.
- 11. To procure supplies, materials, services, and equipment in a manner complying the Agreement including the procurement policies of the Academy and the procurement requirements of this Agreement.
- 12. Such other ordinary, customary Front Office Services arising from and related to public school academies as directed by the School Leader and/or the Academy Board.
- B. <u>Payment of Front Office Partner Solutions Employees</u>. The Agreement shall govern the Partner Solutions' employees providing the Front Office Services and the Academy shall pay Partner Solutions for the Partner Solutions' employees as required by the Agreement including, but not limited to Article III of the Agreement.
- C. <u>Purchases</u>. Partner Solutions will not purchase any supplies, materials or equipment with Partner Solutions' funds unless requested by the Academy Board and accompanied by an approved Academy purchase order.
- D. <u>Location</u>. The School Leader shall designate the locations of the Academy for the performance of the Front Office Services.

[Signature Page Follows]

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

THE ACADEMY:

SUMMIT ACADEMY NORTH, a Michigan public school academy

By: Tony Braun (May 23, 2021 12:43 EDT)

Its: Board President

PARTNER SOLUTIONS:

PARTNER SOLUTIONS, a Michigan corporation PARTNER SOLUTIONS FOR SCHOOLS, a Michigan corporation

By: Carlie Lockwood (May 23, 2021 13:32 E • T)

Carlie Lockwood

Its: Duly Authorized Representative

4840-2215-0882 v1 [39265-37]

AMENDMENT NO. 7

to the
July 1, 2021 Contract to Charter
A Public School Academy and Related Documents

Issued To

SUMMIT ACADEMY NORTH (A PUBLIC SCHOOL ACADEMY)

By

THE CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

CONTRACT AMENDMENT NO. 7

SUMMIT ACADEMY NORTH

In accordance with Article IX of the Terms and Conditions of the Contract (the "Contract"), dated July 1, 2021, issued by the CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES (the "University Board") to SUMMIT ACADEMY NORTH (the "Academy"), as amended, the parties agree to further amend the Contract as follows:

1.) Amend Schedule 7, Section d: <u>Curriculum</u>, 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 September 12, 2024.

By: Corey R. Northrop, Executive Director The Governor John Engler Center for Charter Schools Designee of the University Board	Dated: 01/13/2025
Sy:Summit Academy North	Dated: 1-9-2025

Designee of the Academy Board

Summit Academy North

Contract Amendment No. 7

Tab 1

CURRICULUM

Pursuant to Applicable Law and the Terms and Conditions of this Contract, including Article VI, Section 6.4, the Academy shall implement, deliver, and support the curriculum identified in this schedule.

The Academy has adopted Academy written curriculum, housed in Rubicon AtlasTM, Michigan Model for HealthTM, and virtual curriculum programs through Lincoln Interactive, Brigham Young University ("BYU") Independent Study and Edgenuity[®]. The curriculum for all core subjects has been received, reviewed and approved by the Center.

Rubicon Atlas https://summit-academy-public.rubiconatlas.org/Atlas/

Authentication/View/PublicLogin

Michigan Model for Health http://www.emc.cmich.edu/EMC Orchard/

michigan-model-for-health

• Lincoln Interactive http://lincolnlearningsolutionstraining.geniussis.com

/PublicWelcome.aspx

• BYU Independent Study https://byuisdemo.brainhoney.com/Welcome.vp/page.htm

• Edgenuity http://learn.education2020.com/

Elementary

The following subjects/courses are offered at the Academy.

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

Secondary

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

Course Name	Grade**
English (minimum 4)	
English 9/Honors English 9	9

Course Name	Grade**
World Language (minimum 2)	
Spanish 1	Any

Course Name	Grade**
English 10/Honors English 10	10
English 11/Honors English 11	11
English 12	12
AP English	12
English Explorations	Any
ESL Supplemental	Any
Read 180	Any
Speech	Any
Creative Writing	Any
Intermediate Composition	Any
American Literature	Any
Young Adult Literature	Any
African American Literature	Any
Communication Arts	Any
Mathematics (minimum 4)	
Algebra I	9
Honors Algebra I	9
Geometry	9, 10
Honors Geometry	9, 10
Algebra II	10-12
Honors Algebra II	10-12
Algebra II (A&B)	11, 12
Trigonometry/Pre-Calculus	11, 12
AP Calculus	12
Math Explorations	Any
Accounting	10-12
Science (minimum 3)	
General Science	9
Honors General Science	9
Biology	Any
Honors Biology	Any
Physics	10-12
Intro to Computer Science	11-12
Chemistry	10-12
Honors Chemistry	10-12
Earth and Space Science	Any
Forensic	Any

Course Name	Grade**
Spanish 2	Any
Spanish 3	Any
World Languages	9-12
Physical Education & Health	
(minimum .5 each)	
Health Studies	Any
Intro to Physical Fitness	Any
Intro to Weight Training	Any
Advanced Physical Fitness	10-12
Visual, Performing & Applied Arts (minimum 1)	
Art & Design	Any
Advanced Art & Design	10-12
Art History	Any
History of Film	Any
Symphonic Band	Any
Show Choir	Any
Music Expression	Any
Jazz Band	Any
Drama	Any
Concert Percussion	Any
Mixed Medium I	Any
Mixed Medium II	Any
Art History (Western Art)	Any
Art History (Modern Art)	Any
Advanced Drawing and Painting	Any
Other	
Video Production	Any
Web Page Design	Any
Academic Assist	Any
Work Based Learning Experience	Any
AP Computer Science Principles	Any
History of Rock and Roll	Any
Communications	Any

Course Name	Grade**
Social Studies (minimum 3)	
US History	9
Honors US History	9
AP US History	11-12
World History	10-12
AP World History	10-12
Government	10-12
Honors Government	10-12
Economics (with Personal Finance)	9-12
Honors Economics	11-12
Greco Roman History	Any
Military History	Any
Psychology	10-12
AP Psychology	11-12
Understanding the World	Any

Course Name	Grade**
Virtual Courses**	
See attached course lists for BYU,	
Lincoln Interactive, and Edgenuity course offerings by grade level.	
Off Campus Courses	

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

Middle School Virtual Courses: Grades 6-8

Edgenuity Courses

Core Courses	Grade**
English Language Arts 6	6
English Language Arts 7	7
English Language Arts 8	8
Mathematics 6	6
Mathematics 7	7
Mathematics 8	8

Western Hemisphere Studies	6
Eastern Hemisphere Studies	7
US History	8
Science 6	6
Science 7	7
Physical Science	8

Secondary Virtual Courses: Grades 9-12

Lincoln Interactive Courses

Course Name	Grade**
English	
English 9 (Parts 1&2)	9
English 10 (Parts 1&2)	10
American Literature (Parts 1&2)	11
Introduction to College Writing	12

Course Name	Grade**
Science	
Earth Science (Parts 1&2)	9
Biology (Parts 1&2)	10
Chemistry (Parts 1&2)	11
Physics (Parts 1&2)	11

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

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

Course Name	Grade**
Technical Writing	12
AP English Literature	12
Mathematics	
Algebra 1 (Parts 1&2)	9
Geometry (Parts 1&2)	10
Algebra 2 (Parts 1&2)	11
Trigonometry	11, 12
Calculus (Parts 1&2)	12
AP Calculus (Parts 1&2)	12

Course Name	Grade**
Social Studies	
American History (Parts 1&2)	9
Government (Part 1)	10
Economics (Part 1)	10
World History (Parts 1&2)	11
Other	
Personal Fitness	Any
Interactive Game Design (Parts	
1&2)	10-12

BYU Independent Study Courses

Course Name	Grade**
Core Courses	
Health Education (HLTH 041)	Any
Business and Consumers Math	12
Parts 1&2 (BMATH 041/043)	
World Languages	
Spanish 1 Parts 1&2	Any
(SPAN 041/043)	
Spanish 2 Parts 1&2	Any
(SPAN 051/053)	
Spanish 3 Parts 1&2	Any
(SPAN 061/063)	
American Sign Language 1 Parts	Any
1&2 (ASL 041/043)	
American Sign Language 2 Parts	Any
1&2 (ASL 051/053)	
French 1 Parts 1&2	Any
(FREN 041/043)	
French 2 Parts 1&2	Any
(FREN 051/053)	
German 1 Parts 1&2	Any
(GERM 041/043)	
German 2 Parts 1&2	Any
(GERM 051/053)	
Japanese 1 Parts 1&2	Any
(JAPAN 041/043)	

Course Name	Grade**
Elective Options	
Accounting (ACC 041)	11-12
Drawing (ART 045)	Any
Intro to Commercial Art (ART059)	11-12
Digital Photography (ART 061)	11-12
Marketing (BMARKT 041)	11-12
Automotive Basics (AUTO 043)	10-12
Clothing Fashion Fundamentals (CLOTH 047)	11-12
Foods and Nutrition Parts 1&2 (FOODS 041/043)	10-12
Child Development Parts 1&2 (CHILD 041/043)	10-12
Preparing for Responsible Parenting (CHILD 051)	11-12
Financial Literacy (FINL 041)	11-12
Medical Terminology (MEDIC051)	11-12
Preparing for Health Occupations (OCCUP 041)	11-12
Creative Writing (WRIT 045)	10-12
Writing Poetry (WRIT 047)	10-12
Education and Career Planning (SELFG 057)	Any
Intro to Music (MUSIC 041)	Any
Current Events (SOCSC 041)	Any

Course Name	Grade**
Japanese 2 Parts 1&2	Any
(JAPAN 051/053)	
Elective Options	
Essential Life Skills (SELFG049)	Any
Computer Technology	Any
(CTECH041)	
Astronomy (EARTH 051)	10-12
Intro to Guitar (GUITR 041)	10-12

Course Name	Grade**
Sociology (SOCSC 051)	10-12
Psychology (SOCSC 055)	10-12
History of the American West	11-12
(HIST 057)	
World History: Ancient	11-12
Civilizations (HIST 067)	
Environmental Science	
(ENVRN041)	10-12
Project Self-Discovery (SELFG043)	Any

Edgenuity Courses

Core Courses	Grade**
Algebra I	9
Geometry	10
Algebra II	11
Pre-Calculus	12
Math I	9
Math II	10
Math III	11

	Grade**
English Language Arts 9	9
English Language Arts 10	10
English Language Arts 11	11
English Language Arts 12	12