RESTATED TERMS AND CONDITIONS OF CONTRACT

DATED: JULY 1, 2018

ISSUED BY

THE GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES (AUTHORIZING BODY)

TO

THE PUBLIC SCHOOL ACADEMIES OF DETROIT

CONFIRMING THE STATUS OF THE PUBLIC SCHOOL ACADEMIES OF DETROIT

AS AN

URBAN HIGH SCHOOL ACADEMY CORPORATION AUTHORIZED TO OPERATE ONE OR MORE URBAN HIGH SCHOOL ACADEMIES

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Contract to Charter a Urban High School Academy

Pursuant to Part 6c of the Revised School Code ("Code"), being Sections 380.521 to 380.529 of the Michigan Compiled Laws, the Grand Valley State University Board of Trustees ("University Board") authorized The Public School Academies of Detroit Corporation (the "Academy") to operate one or more urban high school academies, as defined below. Each school shall commence on the dates set forth in Schedule 11. The Parties agree that the issuance of this Contract is subject to the following Terms and Conditions:

ARTICLE I

DEFINITIONS

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

- a) Academy means the Michigan non-profit corporation authorized by this Contract.
- b) **Academy Board** means the Board of Directors of the Academy authorized by this Contract. **Academy Board member** or **Academy Director** means an individual who is a member of the Academy Board, whether in the past, present or future.
- c) Applicable Law means all state and federal law applicable to urban high school academies.
- d) **Applicant** means the entity that submitted the urban high school academy application to the University for the establishment of the Academy.
- e) **Application** means the urban high school academy application and supporting documentation submitted to the University for the establishment of the Academy.
- f) **Authorizing Resolution** means the resolutions adopted by the University Board that, among other things, approve the issuing of a Contract to the Academy to operate one or more urban high school academies.
- g) 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.
- h) **Community District** means a community school district created under part 5B of the Code, MCL 380.381 et seq.
- i) **Conservator** means an individual appointed by the University President in accordance with Section 10.6 of these Terms and Conditions.

- j) Contract Administrator means the entity that has been granted, pursuant to section 529 of the Code, certain responsibilities by the Academy Board and University Board, as set forth in this Contract. In the event that the Contract Administrator performs services that meet the Code's definition of the types of services provided by an Educational Management Company, the Contract Administrator shall comply with the Code requirements for an Educational Management Company.
- k) **Contract** means, in addition to the definition set forth in the Code, the Terms and Conditions and the Schedules.
- 1) Educational Service Provider or ESP means educational management organization as defined under section 521(d) and 523c of the Code, MCL 380.523c, that has entered into a contract or agreement with the Academy Board for comprehensive educational, administrative, management, or instructional services or staff to the Academy, which contract has been submitted to the University Charter Schools Office Director for review as provided in Section 11.15 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the Charter Schools Office Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.
- m) Educational Service Provider Policies or ESP Policies means those policies adopted by the Charter Schools Office Director that apply to a Management Agreement. The Charter Schools Office Director may, at any time and at his or her sole discretion, amend the ESP Policies. 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.
- n) Fund Balance Deficit means the Academy has more liabilities than asset at the end of any given fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing from, or monetary contribution by, the Contract Administrator, an Educational Management Company or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from the Contract Administrator, an Educational Management Company or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- o) Management Agreement or ESP Agreement means an agreement as defined under section 523c of the Code, MCL 380.523c that has been entered into between an ESP and the Academy Board for comprehensive educational, administrative, management, or instructional services or staff to the Academy, which has been submitted to the University Charter Schools Office Director for review as provided

- in Section 11.15 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the CSO Educational Service Provider Policies as they may be amended from time to time, and Applicable Law."
- p) Master Calendar of Reporting Requirements (MCRR) means the compliance certification duties required of the Academy by the University Board. The University Board may amend the MCRR each fiscal year or at such other times as deemed appropriate by the University President. These changes shall be automatically incorporated into the Contract and shall be exempt from the Contract amendment procedures under Article IX of these Terms and Conditions.
- q) **Method of Selection Resolution** means the resolution adopted by the University Board providing for the method of selection, length of term, number of Academy Board members, qualification of Board Academy members and other pertinent provisions related to the Academy Board.
- r) **Schedules** mean the schedules incorporated into and part of the Terms and Conditions.
- 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 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 18.554, and transferred from the Michigan Department of Technology Management and Budget to the Michigan Department of Education by Executive Reorganization Order 2017-05 and codified at MCL 388.1282.
- u) Superintendent means the Michigan Superintendent of Public Instruction.
- v) **School** means one or more urban high school academies the Academy is authorized to operate under this Contract.
- w) Terms and Conditions means this document.
- x) **University** means Grand Valley State University established pursuant to Article VIII, Sections 4 and 6 of the Michigan Constitution of 1963 and MCL 390.841 *et seq.*
- y) **University Board** means the Grand Valley State University Board of Trustees.
- z) University Charter Schools Hearing Panel or Hearing Panel means such person(s) as designated by the University President.

- aa) University Charter Schools Office or CSO means the office the University Board, by issuance of this Contract, hereby designates as the point of contact for urban high school academy applicants and urban high school academies authorized by the University Board. The University Charter Schools Office is also responsible for managing, implementing, and overseeing the University Board's responsibilities with respect to the Contract.
- bb) University Charter Schools Office Director or CSO Director means the person designated by the University President to administer the operations of the University Charter Schools Office.
- cc) **University President** means the President of Grand Valley State University or his or her designee.
- 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 use of any gender in this Contract shall be deemed to be or include the other genders, including neuter, and the use of the singular shall be deemed to include the plural (and vice versa) wherever applicable.
 - Section 1.4. Schedules. All Schedules to this Contract are part of this Contract.
- Section 1.5. <u>Statutory Definitions</u>. Statutory terms defined in the Code shall have the same meaning in this Contract.
- Section 1.6. <u>Application</u>. Portions of the Applicant's Application have been incorporated into this Contract. In the event that there is an inconsistency or dispute between materials in the Application and the Contract, the language or provisions in 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 Resolution shall control over any other conflicting language in the Contract; (ii) the Authorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection 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 Resolution and the Authorizing Resolution; and (iv) the Articles of Incorporation shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution, Authorizing Resolution and these Terms and Conditions.

ARTICLE II

ROLE OF GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES AS AUTHORIZING BODY

- Section 2.1. <u>Independent Status of University</u>. The University Board is an authorizing body as defined by the Code. In approving this Contract, the University voluntarily exercises additional powers given to the University under the Code. Nothing in this Contract shall be deemed to be any waiver of the University's powers or independent status and the Academy shall not be deemed to be part of the University Board or University. The University Board has provided to the Department the accreditation notice required under Section 522.
- Section 2.2. <u>Independent Status of the Academy</u>. The Academy is a body corporate and governmental entity authorized by the Code. The Academy is organized and shall operate as a public school academy and a nonprofit corporation. The Academy is not a division or part of the 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, if applicable.
- Section 2.3. <u>University Board Resolutions</u>. For purposes of this Contract, the University Board has adopted the following resolutions:
 - a) Method of Selection Resolution. The University Board has adopted the Method of Selection Resolution which is incorporated into this Contract as part of Schedule 1. At anytime and at its sole discretion, the University Board may amend the Method of Selection. Upon University Board approval, changes to the Method of Selection Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions.
 - b) <u>Authorizing Resolution</u>. The University Board has adopted the Authorizing Resolution which is incorporated into this Contract as part of Schedule 1.
- Section 2.4. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The Academy shall perform the compliance certification duties required by the University Board as outlined in the Contract and MCRR incorporated into this Contract as Schedule 5. Additionally, the Academy shall be responsible for the following:
 - a) The Academy shall provide the Charter Schools Office with copies of reports and assessments concerning the educational outcomes achieved by pupils attending the Academy and shall provide necessary approvals for the Charter Schools Office to access electronic information received or stored

- by the State of Michigan including, but not limited to, the Department of Education or other agency authorized by the State to collect school data.
- b) In the event that the University President determines that the Academy's educational outcomes should be reviewed to help determine if the Academy is meeting its educational goals set forth in the Schedules, the University President, at his or her discretion, may require an objective evaluation of student performances by an educational consultant, acceptable to both the Academy and the University President. The Academy shall pay for the expense of the evaluation. In addition, at any time, the University President may require an evaluation of student performance to be selected by and at the expense of the University. The Academy shall cooperate with the evaluation, including any student testing required.
- c) The Academy shall submit audited financial reports, including auditor's management letters and any exceptions noted by the auditors, to the University Charter Schools Office. The reports shall be submitted to the University Charter Schools Office within ninety (90) days after the end of the Academy's fiscal year.
- d) The Academy shall provide the University Charter Schools Office with a copy of the approved annual budget for the upcoming fiscal year of the Academy no later than July 1st. The Academy Board is responsible for establishing, approving and amending the annual budget in accordance with the Uniform Budgetary and Accounting Act, MCL 141.421 *et seq.*, and for providing all amendments and revisions to the University Charter Schools Office following Academy Board approval.
- e) The Academy shall provide to the University Charter Schools Office minutes of all Academy Board meetings no later than fourteen (14) days after such meeting.
- f) Within ten (10) days of receipt, the Academy shall notify the University Charter Schools Office of correspondence received from the Department of Education or State Board of Education that requires a written or formal response.
- g) Within ten (10) days of receipt, the Academy shall report to the University Charter Schools Office and the University Counsel Office any litigation or formal proceedings alleging violation of Applicable Law or contractual agreement against the Academy, its officers, employees, agents, and/or contractors.
- h) The Academy shall permit review of the Academy's records and inspection of its premises at any time by representatives of the University. Normally,

such inspections shall occur during the Academy's hours of operation and after advance notice to the Academy.

Section 2.5. Reimbursement of University Board Costs. The Academy shall pay the University Board an administrative fee of 3% of the state school aid payments received by the Academy. This fee shall be retained by the University Board from each state school aid payment received by the University Board 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. The University's use of the administrative fee shall be governed by the Code. This fee may also be used to fund college readiness work and scholarships for academies that are in compliance with this Contract.

Section 2.6. <u>University Board as Fiscal Agent for the Academy</u>. The University Board is the fiscal agent for the Academy. The University Board shall promptly within three (3) business days, 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 University Board shall retain any amount owed to the University Board by the Academy pursuant to this Contract. For purposes of this section, 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 4.

Section 2.7. <u>Authorization of Employment</u>. The Academy may employ or contract with personnel. If the Academy contracts for personnel with Educational Management Company, the University's authorization shall not be effective unless and until the agreement complies with Section 11.16 of these Terms and Conditions. With respect to Academy employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. 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. The Academy shall be responsible for carrying worker's compensation insurance and unemployment insurance for its employees.

Section 2.8. 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 2.9. <u>Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University</u>. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan,

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, 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 2.10. Contract Administrator; Limits on Authority. The Code permits the University Board and the Academy to define the role of the Contract Administrator. In accordance with section 529(c) of the Code, MCL 380.529(c), the Contract Administrator shall have such authority as delegated by the Academy Board to carryout its duties and responsibilities, as further defined in the agreement between the Academy and the Contract Administrator. Notwithstanding any provision agreed to by the Contract Administrator and the Academy, the Contract Administrator shall not be authorized to carry out any duty or responsibility that cannot be legally delegated by the Academy to the Contract Administrator. For purposes of this Contract, non-delegable duties shall include the following: (i) selection and nomination of individuals to serve on the Academy Board; (ii) approval or amendment of this Contract; (iii) voluntary termination of this Contract by the Academy Board; (iv) the decision to dissolve and wind-up the business affairs of the Academy and (v) expulsion of Academy students.

Section 2.11. <u>Authorizing Body Contract Authorization Process</u>. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a 10-year term and shall expire at that end of those 10 years, as set forth in Section 12.14 and Contract Schedules 11, without any further action of either the Academy or the University Board. At the end of the initial 10-year contract term, if the University Charter Schools Office determines that the Urban High School Academy meets the educational goals set forth in the contract and operates in substantial compliance with the Code, the University Board shall automatically renew the contract for a subsequent 10-year term.

Section 2.12. <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 Charter Schools Office Director describing the proposed acquisition and the purpose for which the Academy desires to acquire the property. The Charter Schools Office Director will generate a recommendation for consideration by the University Board with regard to the proposed acquisition. The request and the Charter Schools Office Director's recommendation will be submitted by the Charter Schools Office Director for the University Board's consideration in accordance with the University Board's generally applicable timelines and policies for the agendas of regularly-scheduled University Board committee meetings and formal sessions of the University Board. No acquisition may be made until the approval of the University Board is obtained by resolution adopted at a formal session of the University Board.

Section 2.13. Charter Schools Office Director Review of Certain Financing <u>Transactions</u>. If the Academy proposes to (i) finance the acquisition, by lease, purchase, or other means, of facilities or equipment, or renovation of facilities, in excess of \$150,000, pursuant to arrangements calling for payments over a period greater than one (1) year, and which include a pledge, assignment or direction to one or more third parties of a portion of the funds to be received by the Academy from the State of Michigan pursuant to the State School Aid Act of 1979, as amended, being MCL 388.1601 et seq., or (ii) direct that a portion of its State School Aid Payments be forwarded by the Fiscal Agent University Board to a third party account for the payment of Academy debts and liabilities, the Academy shall submit the transaction for prior review by the Charter Schools Office Director as designee of the University Board, in the manner provided herein. The Academy shall, not later than thirty (30) days prior to the proposed closing date of the transaction, submit a written request to the Charter Schools Office Director describing the proposed transaction and the facilities or equipment to be acquired with the proceeds thereof (if any), and in the case of a transaction described in subparagraph (ii) of this Section, (a) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; (b) a copy of a State School Aid Payment Agreement and Direction document that is in a form acceptable to the University Charter Schools Office; and (c) copies of such other documentation regarding the transaction which is the subject of the proposed direct intercept as the University Charter Schools Office may request. Unless the Charter Schools Office Director extends the review period, within thirty (30) days of receiving a written request in compliance with this Section, the Charter Schools Office Director shall notify the Academy if the proposed transaction is disapproved. The Charter Schools Office Director_may disapprove the proposed transaction if the proposed transaction violates this Contract or applicable law. If the proposed transaction is disapproved, such disapproval may, but shall not be required to, state one or more conditions which, if complied with by the Academy and any lender, lessor, seller or other party, would cause such disapproval to be deemed withdrawn. No transaction described in this Section may be entered into that is disapproved by the Charter Schools Office Director. By not disapproving a proposed transaction, the Charter Schools Office Director is in no way giving approval of the proposed transaction, or any of the terms or conditions thereof.

ARTICLE III

REQUIREMENT THAT ACADEMY ACT SOLELY AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION

- Section 3.1. <u>Governmental Agency or Entity and Political Subdivision</u>. The Academy shall act exclusively as a governmental entity and political subdivision.
- Section 3.2. Other Permitted Activities. 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. Subject to Section 2.7 of Article II of the Terms and

Conditions, the Academy may enter into agreements with other public schools, public school academies, governmental units, businesses, community and nonprofit organizations where such agreements contribute to the effectiveness of the Academy or advance education in this state.

Section 3.3. 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 Resolution or Schedule 2: Bylaws. As set forth in the Resolution, a Director serves at the pleasure of the University Board, and may be removed with or without cause by the University Board at any time

ARTICLE IV

PURPOSE

Section 4.1. <u>Academy's Purpose</u>. The Academy Board shall identify the purpose or mission of the Academy. Any subsequent change to the Academy's purpose or mission shall be carried out by amendment in accordance with Article IX of these Terms and Conditions. The Academy's stated purpose or mission shall be incorporated as part of Schedule 4.

ARTICLE V

CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1. <u>Nonprofit Corporation</u>. The Academy shall be organized and operated 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>. Unless amended pursuant to Section 9.3 of Article IX herein, the Articles of Incorporation of the Academy, as set forth in Schedule 2, shall be the Articles of Incorporation of the Academy. The Academy Board represents to the University Board that Schedule 2 includes all amendments to the Academy's Articles of Incorporation as of the date set forth above.

Section 5.3. <u>Bylaws</u>. Unless amended pursuant to Section 9.4 of Article IX herein, the Bylaws of the Academy, as set forth in Schedule 3, shall be the Bylaws of the Academy.

The Academy Board represents to the University Board that Schedule 3 includes all amendments to the Academy's Bylaws as of the date set forth above.

Section 5.4. Quorum. Notwithstanding any document in the Contract that is inconsistent with this Section, including the Academy's Articles of Incorporation and Bylaws, a quorum of the Academy Board that is necessary to transact business and to take action shall be a majority of the Academy Board members as set by the Authorizing Resolution.

ARTICLE VI

OPERATING REQUIREMENTS

- Section 6.1. <u>Governance Structure</u>. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the governance structure as set forth in its Bylaws. The Academy's Board of Directors shall meet at least six times per fiscal year, unless another schedule is mutually agreed upon by the University President and the Academy.
- Section 6.2. <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 the University. The University shall not be required to receive any contributions or donations for the benefit of the Academy. If the University receives contributions or donations for the benefit of the Academy, it shall forward such funds to the Academy within three (3) business days of receipt.
- Section 6.3. <u>Educational Goals and Programs</u>. The Academy shall pursue the educational goals and programs identified for each School and contained in the Schedules. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils. Such goals and programs may be amended pursuant to Section 9.1 of Article IX of the Terms and Conditions.
- Section 6.4. <u>Curriculum</u>. The Academy shall have flexibility in developing, realigning, and implementing the curriculum identified in the Schedules. Any changes to the curricula shall be administered pursuant to Section 9.1 of Article IX of the Terms and Conditions, and such proposed curricula shall be designed to achieve the Academy's educational goals and State's educational assessment objectives.
- Section 6.5. <u>Methods of Accountability and Pupil Assessment</u>. In addition to those set forth in this Section 6.5, the Academy shall evaluate each School and its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using both the mathematics and reading portions of the approved Michigan state assessment designated under the Code. The Academy shall provide the Charter Schools Office with copies of reports, assessments and test results concerning the following:

- (a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- (b) an assessment of student performances at the end of each academy school year or at such other times as the University Board may reasonably request;
 - (c) an annual education report in accordance with the Code; and
- (d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
 - (e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to continue, suspend, terminate or revoke the Contract or the Academy's authorization to operate a particular School(s).

Section 6.6. <u>Staff Responsibilities</u>. Subject to Section 2.7 of Article II of the Terms and Conditions, the University Board authorizes the Academy to employ or contract with personnel for each School as set forth in the Schedules.

Section 6.7. <u>Admission Policy</u>. The Academy shall comply with all admissions policies and criteria required by Applicable Law. A copy of the Academy's admission policies and criteria is set forth in the Schedules. The Academy agrees to make available to the CSO Office a copy of the updated Admission Policy for each School on an annual basis no later than July 1st. A copy of the Admission Policy shall be automatically incorporated into the Schedules, without the need for an amendment under Article IX of the Terms and Conditions.

Section 6.8. School Calendar/School Day Schedule. The Academy shall comply with all minimum standards governing the length of the school term, minimum number of days and hours of instruction required by Applicable Law. The Academy agrees to make available to the CSO Office a copy of the School Calendar/School Day Schedule for each academic school year no later than July 1st. A copy of the School Calendar/School Day Schedule shall be automatically incorporated into the Schedules, without the need for an amendment under Article IX of the Terms and Conditions.

Section 6.9. <u>Age/Grade Range of Pupils Enrolled</u>. The Academy is authorized to operate a Kindergarten through Twelfth Grade (K-12) configuration for each School. Within five (5) years from commencing operations, each School operated by the Academy shall offer grades 9 through 12. The Academy's current Age/Grade Range of Pupils Enrolled is set forth in the Schedules. The Academy may add additional grades and other programs in the future, pursuant to Section 9.2 of Article IX of the Terms and Conditions.

Section 6.10. <u>Annual Financial Audit</u>. The Academy shall conduct an annual financial audit prepared and reviewed by an independent certified public accountant in accordance with generally accepted governmental auditing principles.

Section 6.11. Address and Description of Proposed Site(s); Process for Expanding Academy's Site Operations. Pursuant to section 522(5) of the Code, MCL 380.522(5), the University Board authorizes the Academy to operate the Schools, each with a grade configuration of Kindergarten through Twelfth Grade (K-12), at the site or sites identified in the Schedules. The proposed addresses and descriptions of each School's proposed site or sites, as well as the address of each School's central administrative office, is set forth in the Schedules.

The following PSAD sites were established prior to the passage of PA 277 of 2011 and are permitted to continue operation in their current configuration:

- a) University Preparatory Art & Design
 - a. University Preparatory Art & Design Elementary
 - b. University Preparatory Art & Design Middle/High School
- b) University Preparatory Academy
 - a. University Preparatory Academy Elementary- Ellen Thompson Campus
 - b. University Preparatory Academy Elementary- Mark Murray Campus
 - c. University Preparatory Academy Middle School
 - d. University Preparatory Academy High School
- c) University Prep Science and Math
 - a. University Prep Science and Math Middle School
 - b. University Prep Science and Math High School

The University Board's process for evaluating and approving the same configuration of age or grade levels at more than one (1) site is as follows:

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the University Charter Schools Office an application for site expansion, in a form or manner determined by the University Charter Schools Office. The application for site expansion shall include all information requested by the University Charter Schools Office, including detailed information about the site, revised budget, renovation and site improvement costs, the Academy's proposed operations at the site, and the information provided in the Contract Schedules. Upon receipt of a complete application for site expansion, the University Charter Schools Office shall review the application for site expansion and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the University Charter Schools Office of the application for site expansion shall include a determination by the Charter Schools Office that the Academy is operating in compliance

with the Contract and is making measurable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request following submission by the University Charter Schools Office of a positive recommendation.

If the University Board approves the Academy Board's site expansion request, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University Board reserves the right to modify, reject, or approve any application for site expansion in its sole and absolute discretion.

- Section 6.12. <u>Accounting Standards</u>. The Academy shall at all times comply with generally accepted public sector accounting principles.
- Section 6.13. <u>Placement of University Student Interns</u>. The Academy may be a placement site for University students who are in education or other pre-professionals in training to serve in public schools. Such placement shall be without charge to the University and subject to other terms and conditions as the Academy and the University agree.
- Section 6.14. <u>Disqualified Organizational or Contractual Affiliations</u>. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.
- Section 6.15. <u>Postings of Accreditation Status</u>. The Academy shall post notice to the Academy's homepage of its website disclosing the accreditation status of each school in accordance with section 1280e of the Code, MCL 380.1280e.
- Section 6.16. New Public School Academies Located within the Boundaries of a Community District. If the Academy is a new public school academy and either of the circumstances listed below in (a) or (b) apply to the Academy's proposed site, the Academy represents to the University Board, intending that the University Board rely on such representation as a precondition to issuing this Contract, that the Academy hasa substantially different governance, leadership, and curriculum than the public school previously operating at that site(s):
 - 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 1280f(3), MCL 380.1280g(3), as applicable;; or (ii) has been on the list under Section 1280c(1), MCL 380.1280c(1)

- or Section 1280g(3), MCL 380.1280g(3), 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 under the applicable part of section of the Code.

Section 6.17. <u>Collective Bargaining Agreements</u>. Collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

ARTICLE VII

TUITION PROHIBITED

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

ARTICLE VIII

COMPLIANCE WITH PART 6C OF THE CODE AND OTHER LAWS

- Section 8.1. <u>Compliance with Part 6c of the Code</u>. The Academy shall comply with Part 6c and other parts of the Code that apply to urban high school academies. With the exception of Part 6a of the Code, the Academy shall comply with other provisions of the Code applicable to public school academies.
- Section 8.2. <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 from time to time. The Academy may expend funds from the State School Aid Act 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 8.3. Open Meetings Act. Pursuant to Section 523(3)(a) of the Code, the Academy Board shall conduct all of its meetings in accordance with the Michigan Open Meetings Act, Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.261 to 15.275 of the Michigan Compiled Laws.
- Section 8.4. <u>Freedom of Information Act</u>. Pursuant to Section 523(3)(b) of the Code, the records of the Academy shall be records subject to the provisions of the Michigan

Freedom of Information Act ("FOIA"), Act No. 442 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws. The Academy Board shall designate a freedom of information coordinator to assure compliance with FOIA and other applicable law providing for public disclosure or for protection of privacy.

- Section 8.5. <u>Public Employees Relation Act</u>. Pursuant to Section 523(3)(c) of the Code, the Academy shall comply with Act No. 336 of the Public Acts of 1947, being Sections 423.201 to 423.217 of the Michigan Compiled Laws. Organizational efforts and collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.
- Section 8.6. <u>Uniform Budget and Accounting Act</u>. Pursuant to Section 523(3)(g), the Academy shall comply with the Uniform Budget and Accounting Act, Act No. 2 of the Public Acts of 1968, being MCL 141.421 to 141.440a.
- Section 8.7. <u>Revised Municipal Finance Act of 2001</u>. Pursuant to Section 523(3)(h), the Academy shall comply with the Revised Municipal Finance Act of 2001, Act No. 34 of the Public Acts of 2001, being MCL 141.2101 to 141.2821 of the Michigan Compiled Laws.
- Section 8.8. <u>Non-discrimination</u>. The Academy shall be separately responsible for compliance with applicable laws pertaining to equal opportunity and anti-discrimination laws such as the Elliott-Larsen Civil Rights Act, Act No. 453 of the Public Acts of 1976, as amended, being MCL 37.2101 to 37.2804, the Michigan Handicappers' Civil Rights Act, Act No. 22 of the Public Acts of 1976, as amended, being MCL 37.1101 to 37.1607, and Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, 42 USC & 12101 *et seq.* or any successor law.
- Section 8.9. <u>Other State Laws</u>. The Academy shall comply with other state laws hich are applicable to urban high school academies. Nothing in this Contract shall be deemed to apply any other state law to the Academy.
- Section 8.10. <u>Federal Laws</u>. The Academy shall comply with federal laws which are applicable to urban high school academies. Nothing in this Contract shall be deemed to apply any other 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 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 Amending the Contract</u>. Either party may propose changes in this Contract or may propose a meeting to discuss potential revision of this Contract. Except as provided in Sections 2.3, 5.2 and 6.11, the University Board delegates to its University President the review and approval of changes or amendments to this Contract. The Academy Board may delegate the same authority to the Academy Board President. The Contract shall be amended upon agreement and approval of the respective authorized designees.

Section 9.3. Process for Amending the Articles. The Academy Board, or any authorized designee of the Academy Board, may propose changes to the Academy's Articles of Incorporation. The Academy shall be authorized to make such changes to its Articles upon approval by the University President or Designee after review and recommendation by the University's Legal Counsel. Upon University approval, the Academy Board's authorized designee is authorized to file the amendment to the Academy's Articles of Incorporation with the appropriate state agency. Upon receipt of the filed amendment, the Academy shall forward the filed amendment to the University Charter Schools Office. The filed amendment shall be automatically incorporated into Schedule 2 of this Contract upon receipt of the amendment by the University Charter Schools Office. If the University identifies a provision in the Articles of Incorporation that violates or conflicts with this Contract, due to a change in law or other reason, after approval has been given, it shall notify the Academy Board in writing and the Academy Board shall amend the Articles of Incorporation to make them consistent with the Contract. If the change is requested by the University, the University shall reimburse the Academy for the filing fees payable to the Michigan Department of Licensing and Regulatory Affairs, Corporate Division.

Section 9.4. Process for Amending the Bylaws. The Academy Board shall submit proposed Bylaw changes to the Charter Schools Office, for review and comment, at least thirty (30) days prior to Academy Board adoption. The Academy's Bylaws, and any subsequent or proposed changes to the Academy's Bylaws, shall not violate or conflict with the Contract. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with Applicable Law or this Contract, the Academy Board's Bylaw shall be automatically void and the Academy Board shall amend the identified provision to be consistent with Applicable Law and the Contract. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt by the University Charter Schools Office of a duly authorized Academy Board bylaw change made in accordance with this Section 9.4.

Section 9.5. <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 Charter Schools Office 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 and the University Board.

Section 9.6. <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 laws 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.

Emergency Action on Behalf of University Board. Notwithstanding Section 9.7. 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 on behalf 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 Chairperson 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, SUSPENSION, AND TERMINATION

Section 10.1. <u>Statutory Grounds for Revocation</u>. In addition to the grounds for an automatic revocation of the Contract as set forth in Section 10.10, this Contract may also be revoked by the University Board upon a determination by the University Board, pursuant to the procedures set forth in Section 10.3, that one or more the following has occurred:

- a) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or meet the educational goals set forth in the 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 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, the University Board may, in its sole discretion, revoke this Contract pursuant to the procedures set forth in Section 10.3 upon a determination that one or more of the following has occurred:

- a) The Academy is insolvent, has been adjudged bankrupt, or has operated for one or more school fiscal year(s) with a Fund Balance Deficit;
- b) The Academy has insufficient enrollment to successfully operate a School, or the Academy has lost more than twenty-five percent (25%) of its student enrollment from the previous school year;
- c) The Academy defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;
- d) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Licensing and Regulatory Affairs, Corporate Division, without first obtaining University President or Designee approval;
- e) The University discovers grossly negligent, fraudulent or criminal conduct by the Applicant, the Academy's directors, officers, employees or agents in relation to their performance under this Contract;
- f) The Applicant, the Academy's directors, officers or employees have provided false or misleading information or documentation to the University 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;
- g) The Academy fails to offer grades 9 through 12 within 5 years after commencing operations;
- h) The Academy violates the single site restrictions set forth in the Code or the Academy operates at a separate site or sites that constitutes the issuance of a contract under Section 524 of the Code, MCL 380.524, without the prior written authorization of the University Board; or
- i) The University Board, its trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any educational management agreement entered into by the Academy for purposes

of indemnifying such parties in accordance with Section 11.16 of the Terms and Conditions.

Section 10.3. <u>University Board Procedures for Revoking Contract</u>. The University Board's process for revoking the Contract is as follows:

- a) Notice of Intent to Revoke. The CSO Director, upon reasonable belief that such 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 CSO Director, and shall either admit or deny the allegations of noncompliance. If the Academy's response includes admissions of noncompliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and time line for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract or Applicable Law. A response not in compliance with this section shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the CSO Director prior to a review of the Academy Board's response.
- c) Plan of Correction. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, whichever is sooner, the CSO Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the CSO Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the CSO Director shall develop a plan for correcting the non-compliance ("Plan of Correction"). In developing a Plan of Correction, the CSO 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 withdrawn if the CSO 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. In the event

the Notice of Intent to Revoke is withdrawn, the CSO Director shall notify the Academy Board, in writing, of such withdrawal.

d) Plan of Correction May Include Conditions to Satisfy University Board's Contract Reconstitution Authority. As part of the Plan of Correction, the CSO Director may reconstitute the Academy in an effort to improve student educational performance and 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; (iii) withdrawing approval of a contract under Section 527 of the Code; (iv) the appointment of a new Academy Board of Directors or a Conservator to take over operations of the Academy; or (v) closure of an Academy site(s).

Reconstitution of the Academy does not prohibit the Department from issuing an order under section 528 of the Code, MCL 380.528, directing the automatic closure of the Academy's site(s).

- e) Request for Revocation Hearing. The CSO Director may initiate a revocation hearing before the University Charter Schools Hearing Panel if the CSO Director determines that any of the following has occurred:
 - i) the Academy Board has failed to timely respond to the Notice of Intent to Revoke as set forth in Section 10.3(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 CSO Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the CSO 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 10.3(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 CSO 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 Hearing shall identify the reasons for revoking the Contract.

- f) Hearing before University Charter Schools Hearing Panel. Within thirty (30) days of the date 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 University Charter Schools Office and the Academy Board at least ten (10) days before the hearing. The purpose of the Hearing Panel is to gather facts surrounding the CSO 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 CSO Director. The hearing shall be transcribed by a court reporter and the cost of the court reporter shall be divided equally between the University and the Academy. The CSO 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 CSO Director and one or more members of 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. In its discretion, 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 University Charter Schools Office 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 copies of the Hearing Panel's recommendation and the transcript of 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 University Charter Schools Office, 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 held by the University Board and returned to the Michigan Department of Treasury.
- j) <u>Disposition of School Code Number</u>. Notwithstanding any other provision of the Contract, after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, the school code number shall remain under the direction and control of the State Board of Education and/or its designated representative.

Section 10.4. <u>Contract Suspension</u>. The University Board's process for suspending the Contract is as follows:

- a) University President Action. If the University President determines, in his or her sole discretion, that conditions or circumstances exist that the Academy Board (i) has placed the health or safety of Academy staff and/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 Section 6.11, 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) (iv) has failed to secure or has lost the necessary fire, health, and safety approvals as required by Schedule 6; or (v) has willfully or intentionally violated this Contract or Applicable Law, the University President may immediately suspend the Contract. If the conditions or circumstances involve an alleged violation of Sections 10.1 or 10.2, the University President is authorized to suspend the Contract immediately pending completion of the procedures set forth in Section 10.3. Unless otherwise specified in the suspension notice, the Academy shall cease operations on the date on which the suspension notice is issued. 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 applicable. If this subsection is implemented, the notice and hearing procedures set forth in Section 10.4 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 University President 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.
- c) Immediate Revocation Proceeding. If the Academy Board, after receiving a Suspension Notice from the University President 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 10.3(e) of the Terms and Conditions. The Hearing Panel has the authority to accelerate the time line for revoking the

Contract, provided that notice of the revocation hearing shall be provided to the University Charter Schools Office 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 Section 10.3(f) through (i).

Section 10.5. Grounds and Procedures for Academy Termination of Contract. At anytime and for any reason, the Academy Board may terminate this Contract. The Academy Board shall notify the CSO Director in writing of the request for the termination of the Contract not less than six (6) calendar months in advance of the effective date of termination. The University Board, in its sole discretion, may waive the six (6) month requirement. A copy of the Academy Board's resolution approving the Contract termination, including a summary of the reasons for terminating the Contract, shall be included with the written termination request.

Section 10.6. Conservator; Appointment by University President. Notwithstanding any other provision of the Contract, in the event that the health, safety, and welfare of the 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 of a Board of Directors of a Public School Academy and 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. During the appointment, the Academy Board members 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 board 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, and discipline employees of the Academy;
- e) settle or compromise with any debtor or creditor of the Academy, including any 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 the Code or this Contract.

Section 10.7. <u>Termination by University Board</u>. The University Board, in its sole discretion, reserves the right to terminate this Contract (i) before the end of the Contract Term for any reason or for no reason provided that such termination shall not take place less than six (6) calendar months from the date of the University Board's resolution approving such termination; 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 Charter Schools Office shall provide notice of the termination to the Academy. If during the period between the University Board's action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the University Board may elect to initiate suspension or revocation of the Contract sooner as set forth in this Article X. If this Contract is terminated pursuant to this Section 10.7, the revocation procedures in Section 10.3 shall not apply.

Section 10.8. <u>Site Authorization Termination</u>. If the Academy for any reason is unable to enroll students and conduct classes within (12) twelve months from the identified opening date of a site authorized by this Contract, then the University Board's authorization to use the proposed site(s) is automatically terminated without further action of the parties. The University Board may waive this (12) twelve month requirement by written permission prior to the conclusion of the (12) twelve month period.

Section 10.9. Adverse University Board Action Against Academy Site Constituting Separate Contract. If the University Board has authorized the Academy to operate at different sites under this Contract, and those different sites constitute the issuance of more than one contract for purposes of section 524 of the Code, then the University Board, at its sole discretion, may take action, under the applicable section of this Article X, to revoke, suspend or terminate a permitted site constituting a contract for purposes of Section 524 of the Code, without acting on or adversely affecting the Academy's authority to operate under this Contract or the Academy's authority to operate at another permitted site not subject to such action. If applicable, the University Board shall identify the site constituting a contract for purposes of Section 524 of the Code in any notice issued under this Article X.

Section 10.10. <u>Automatic Amendment of Contract; Automatic Termination of Contract if All Academy Sites Closed; Economic Hardship Termination</u>. Except as otherwise noted in this Section, if the University Board is notified by the Department that an Academy site is subject to closure under section 528 of the Code, MCL 380.528 ("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 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 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 University Charter Schools Office Director shall forward a copy of the notice to the Academy Board and request a meeting with 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 the 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 Revocation 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 CSO the proposed Contract amendments 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 CSO 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 CSO 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 10.3 do not apply to an automatic termination initiated by the State's Automatic Closure Notice or an Economic Hardship Termination under this Section 10.10.

Section 10.11. Venue; Jurisdiction. The parties agree that all actions or proceedings arising in connection with this Contract will be tried and litigated only in the Circuit Court of Ottawa County, Michigan, the Michigan Court of Claims or the Federal District Court for the Western District of Michigan. The parties hereby irrevocably accept for themselves and in respect of their property, generally and unconditionally, the jurisdiction of such courts. The parties irrevocably consent to the service of process out of any such courts in any such action or proceedings by the mailing of copies thereof by registered or certified mail, postage prepaid, to each such party, at its address set forth for notices in this Contract, such service to become effective ten (10) days after such mailing. The parties irrevocably waive any right they may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceedings is brought in accordance with this Section 10.11. This Section 10.11 shall not in any way be interpreted as an exception to the Academy's covenant not to sue contained in Section 11.8 of these Terms and Conditions.

ARTICLE XI

PROVISIONS RELATING TO URBAN HIGH SCHOOL ACADEMIES

Section 11.1. Grand Valley State University Faculty Employment in the Academy. Subject to the ability of the Academy to reach separate agreement on the terms, the Academy is permitted to use University faculty as classroom teachers in any grade at any school.

Section 11.2. <u>The Academy Faculty Appointment to Grand Valley State University Faculty</u>. Nothing in this Contract shall prohibit a member of the Academy faculty from being appointed to or serving as a member of the University faculty.

Section 11.3. <u>Student Conduct and Discipline</u>. The Academy Board shall adopt, abide by and enforce its own set of written policies concerning student conduct and student discipline.

Section 11.4. <u>Insurance</u>. The Academy shall secure and maintain in its own name as the "First Named Insured" at all times the following insurance coverage:

- a) Property insurance covering all of the Academy's Real and Personal property, whether owned or leased;
- b) Commercial General Liability with a minimum of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate (Occurrence Form). Coverage must include Sexual Abuse and Molestation and Corporal Punishment coverage. Policies may be written on either an occurrence or claims made basis. If the coverage is claims made, the retroactive date must be the same or before the date of the original contract, and in the event that the

- Academy goes out of business, the Academy must purchase the longest-available tail coverage;
- c) Auto Liability (Owned and Non-Owned) with a minimum of one million dollars (\$1,000,000) Combined Single Limit covering Hired and Non-Owned Autos, as well as Owned Autos if applicable;
- d) Workers' Compensation or Workers' Compensation without employees "if any" insurance (statutory limits) and Employers' Liability insurance with a minimum limit of one million dollars (\$1,000,000) for each coverage part;
- e) Errors & Omissions insurance including Directors & Officers and School Leaders Errors & Omissions Liability insurance with a minimum of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate (Claims Made or Occurrence Form);
- f) Crime including employee dishonesty and third party coverage insuring cash, securities, and property with a minimum of five hundred thousand dollars (\$500,000);
- g) Employment Practices Liability insurance with a minimum of one million dollars (\$1,000,000) per claim/aggregate (Claims Made or Occurrence Form).
- h) Umbrella with a minimum \$4,000,000 limit each occurrence and aggregate. Alternatively, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000 per occurrence limit.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The insurance carrier(s) must have an AM Best rating of "A" or better. The Academy may join with other public school academies to obtain insurance if the Academy finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as First Named Insured with its own limits, i.e. no sharing of limits.

The Academy shall list the University Board and the University on the insurance policies coverage listed in (b), (c), (e),(g), and (h) above, as Additional Insured on primary and noncontributory basis. 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 or of changes in insurance carrier or policy limit changes. In addition, the Academy shall provide the University with copies of all insurance certificates and endorsements required by this Contract. Upon request, and within 10 days of the request, the Academy shall also provide to the University President an entire copy of the insurance policies. Failure of the University to request or collect the policies does not affect the obligations of the Academy under the terms of this contract. 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 minimum may be required depending upon academic offerings and program requirements.

The Academy understands that 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 authorization and oversight of the Academy. In the event that the University's insurance carrier requests additional changes in coverage identified in this Section 11.4, 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.

Section 11.5. <u>The Academy Budget; Transmittal of Budgetary Assumptions;</u> <u>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.
- b) Within ten (10) days after adoption by the Academy Board (but not later than July 1st) each year, the Academy Board shall submit to the Charter Schools Office a copy of its annual budget for the upcoming fiscal year. The budget must detail budgeted expenditures at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual. In addition, the Academy Board is responsible for approving all revisions and amendments to the annual budget. Within 10 days after Academy Board approval, revisions or amendments to the Academy's budget shall be submitted to the Charter Schools Office.
- c) 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.
- d) 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 Charter Schools Office.
- (ii) Within 30 days after making notification under subdivision (d)(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 Charter Schools Office.
- (iii) After the Superintendent approves the Academy's deficit elimination plan, the Academy shall post the deficit elimination plan on the Academy's website.
- (e) If the Academy is required by the State Treasurer to submit an enhanced deficit elimination plan under section 1220 of the Code, MCL 380.1220, the Academy shall do all of the following:
 - (i) The enhanced deficit elimination plan shall be approved by the Academy Board before submission.
 - (ii) After the State Treasurer approves an enhanced deficit elimination plan for the Academy, the Academy shall post the enhanced deficit elimination plan on the Academy's website.
 - (iii) 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 11.6. <u>Transportation</u>. The Academy Board may enter into contract with other school districts or other persons, including municipal and county governments, for the transportation of the Academy students to and from school and for field trips. In addition, the Academy Board may use funds received from state school aid payments to pay for student transportation. In the event that the Academy Board contracts for transportation services, the Academy Board shall ensure that the company providing the transportation services is properly licensed in accordance with Applicable Law, and that the company conducts criminal background and history checks on its drivers and other personnel who have direct contact with pupils in accordance with the Code.

Section 11.7. <u>Extracurricular Activities and Interscholastic Sports</u>. The Academy is authorized to join any organization, association, or league, which has as its objective the promotion and regulation of sport and athletic, oratorical, musical, dramatic, creative arts, or other contests by or between pupils.

Section 11.8. <u>Legal Liabilities and Covenants Not to Sue</u>. The Academy and Academy Board members acknowledge and agree that they have 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 and Academy Board members hereby agrees and 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 or otherwise. The University does not assume any obligation with respect to any Academy Director, employee, agent, parent, guardian, 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 issuing, termination or revocation of this Contract.

Section 11.9. <u>Lease or Deed for Proposed Single Site(s)</u>. The Academy shall provide to the designee of the University Board copies of its lease or deed for the premises in which the Academy shall operate. For each approved School, a copy of the Academy's lease or deed and site information shall be incorporated into the Schedules.

Any lease agreement entered into by the Academy shall include a termination provision permitting the Academy to terminate the lease, without cost or penalty to the Academy, in the event that the Academy is required to close an Academy site covered by the lease (i) pursuant to a notice issued by the Department under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by the University pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The provision shall also provide that the lessor/landlord shall have no recourse against the Academy or the University Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owned prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses owed under the lease prior to site closure or reconstitution.

Section 11.10. Occupancy and Safety Certificates. 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 and safety certificates for each School's physical facilities. The Academy Board shall not conduct classes until the Academy has complied with this Section 11.10. Copies of these certificates shall be incorporated into the Schedules.

Section 11.11. <u>Criminal Background and History Checks</u>; <u>Disclosure of</u> Unprofessional Conduct.. The Academy shall comply with 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 the Code concerning the disclosure of unprofessional conduct by persons applying for Academy employment. This Section 11.11 shall apply to such persons irrespective of whether they are employed by the Academy or employed by an educational service provider contracting with the Academy.

Section 11.12. <u>Special Education</u>. Pursuant to Section 1701a of the Code, the Academy shall comply with Article III, Part 29 of the Code, MCL 380.1701 et seq., concerning the provision of special education programs and services at the Academy. Upon receipt, the Academy shall notify the Charter Schools Office of any due process or state complaint filed against the Academy.

Section 11.13. <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) business days after receipt of the funds by the Academy.

Section 11.14. <u>Nonessential Elective Courses</u>. If the Academy Board elects to provide nonessential elective courses to part-time pupils at a nonpublic school building, the Academy shall comply with Section 1766b 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 this Contract as an amendment pursuant to Article IX of these Terms and Conditions.

Section 11.15. Contract Administrator and Educational Service Provider

Agreements. The Academy may enter into an agreement with the Contract Administrator to perform certain functions as outlined in the agreement. The Academy may enter into a management agreement with an Educational Service Provider (ESP) to contract out its administrative and/or educational personnel. The proposed Contract Administrator agreement and proposed ESP agreement(s) shall be submitted to the University Charter Schools Office for review and shall be valid if not disapproved. Any subsequent amendments must be submitted to the University Charter Schools Office for review and may be disapproved if the proposed Contract Administrator or ESP agreement amendment(s) violate either the Contract or Applicable Law. The Academy board must retain independent legal counsel to review and advise on the negotiation of the ESP agreement. Legal counsel for the Academy shall not represent the ESP or an ESP owner, director, officer, or employee. The ESP agreement must be an arms-length, negotiated agreement between an informed Academy Board and the ESP.

Section 11.16. <u>Required Provisions for Contract Administrator and Educational Service Provider Agreements</u>. The Contract Administrator agreement and any educational

management company agreement entered into by the Academy must contain the following provisions:

"Indemnification of Grand Valley State University. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the urban high school academy application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or [Contract Administrator] [Educational Management Company], or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement."

"Revocation or Termination of Contract. If the Academy's Contract issued by the Grand Valley State University Board of Trustees is suspended, revoked or terminated, or a new charter contract is not issued to the Academy after expiration fo the Contract, this Agreement shall automatically be suspended or terminate on the same date as the Academy's Contract is suspended, revoked or termination without further action of the parties."

"Compliance with Academy's Contract. The [Contract Administrator] [Educational Management Company] 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 Grand Valley State University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement."

"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 Department under Section 528 of the Code, MCL 380.528; or (ii) to undergo a reconstitution pursuant to Section 528 of the Code, MCL 380.528, and of the Contract Terms and Conditions, and such closure of an Academy site or reconstitution causes an amendment to or termination of this ESP Agreement, the parties agree that this ESP

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

"Compliance with Section 523c. On an annual basis, the ESP agrees to provide the Academy 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 Academy 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 523c of the Code, MCL 380.523c shall have the same meaning in this Agreement."

"Compliance with Section 11.22 of Contract Terms and Conditions. The ESP shall make information concerning the operation and management of the Academy, including without limitation the information described in Schedule 6 of the Contract, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under Section 11.22(a) of the Contract Terms and Conditions."

Section 11.17. <u>Additional Required Provisions for Educational Service Provider Agreements</u>. ESP agreements must include provisions that define the following, according to the standards set forth in Contract Schedule 6:

- 1. Roles and responsibilities of the parties
- 2. Services and resources provided by the ESP
- 3. Fee or expense payment structure
- 4. Financial control, oversight, and disclosure
- 5. Renewal and termination of the agreement

Section 11.18. <u>Incompatible Public Offices and Conflicts of Interest Statutes</u>. Pursuant to Section 522(3)(e), the Academy shall comply with the Incompatible Public Offices Statute, Act No. 566 of the Public Acts of 1978, being MCL 15.181 to 15.185 of the Michigan Compiled Laws, and the Contracts of Public Servants With Public Entities statute, Act No. 371 of the Public Acts of 1968, being MCL 15.321 to 15.330 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 a prohibited conflict 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 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; and
- e) An individual simultaneously serving as an Academy Board member and a University official, employee, or consultant, to the University."

Section 11.19. <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. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

- a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner:
 - (i) Is employed by the Academy;
 - (ii) Works at or is assigned to the Academy;
 - (iii) Has an ownership, officer, policymaking, managerial, administrative non-clerical, or other significant role with the Academy's ESP or employee leasing company."
- Section 11.20. <u>Academy Board Legal Counsel</u>. If the Academy Board obtains Legal Counsel, Legal Counsel must be independent of and not representing the ESP, or ESP owner, director, officer, or employee.
- Section 11.21. <u>Dual Employment Positions Prohibited</u>. Any person working at the Academy is prohibited by law from being employed at the Academy in more than one full-time position and simultaneously being compensated for each position.

Section 11.22. <u>Information Available to the Public and University</u>.

- (a) <u>Information to be provided by the Academy</u>. The Academy shall make information concerning its operation and management, including without limitation the information describing the staff responsibilities at each School, available to the public and the University in the same manner and to the same extent as is required for school districts under Applicable Law.
- (b) <u>Information to be provided by Educational Service Provider</u>. The agreement between the Academy and the ESP shall contain a provision requiring the ESP to make information concerning the operation and management of the Academy, including without

limitation the information describing the staff responsibilities at each School, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under subparagraph (a).

Section 11.23. Oath of Public Office. Academy Board members are public officials. Before entering upon the duties of a public school board member, each Academy Board member shall take, sign and file the constitutional oath of office with the University Charter Schools Office.

Section 11.24. <u>Administrator and Teacher Evaluation Systems</u>. The Academy Board shall adopt and implement for all individuals employed by or contracted for the Academy as teachers or school administrators a rigorous, transparent, and fair performance evaluation system that complies with Applicable Law. If the Academy enters into an agreement with an Educational Service Provider, the Academy Board shall ensure that the Educational Service Provider complies with this section.

Section 11.25. <u>Student Privacy</u>. In order to protect the privacy of students enrolled at the Academy, the Academy board shall not:

- a) Sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of a pupil's education records. This does not prohibit the Academy Board from:
 - i. for students enrolled in the Academy, providing such information to an educational management organization that has a contract with the Academy and whose contract has not been disapproved by the University;
 - ii. providing the information to a person or entity 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 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 34 CFR 99.3.

Section 11.26. Disclosure of Information to Parents and Legal Guardians.

a) Within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose without charge to the

- student's parent or legal guardian any personally identifiable information concerning the student that is collected or created by the Academy as part of the student's education records.
- b) Except as otherwise provided in this subsection (b) and within thirty (30) days after receiving a written request from a student's parent or legal guardian, the Academy shall disclose to a student's parent or legal guardian without charge any personally identifiable information provided to any person, agency, or organization. The Academy's disclosure shall include the specific information that was disclosed, the name and contact information of each person, agency, or organization to which the information has been disclosed; and the legitimate reason that the person, agency, or organization had in obtaining the information. The parental disclosure requirement does not apply to information that is provided:
 - i. to the Department or CEPI;
 - ii. to the student's parent or legal guardian;
 - iii. by the Academy to the University or the educational management organization that has an educational service provider agreement that has not been disapproved by the University;
 - iv. by the Academy to the Academy's intermediate school district or another intermediate school district providing services to the Academy or the Academy's students pursuant to a written agreement;
 - v. to the Academy by the Academy's intermediate school district or another intermediate school district providing services to pupils enrolled in the Academy pursuant to a written agreement;
 - vi. to the Academy by the University;
 - 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 at least 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. 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(8)(g) and 34 CFR 99.3.

Section 11.27. <u>List of Uses for Student Directory Information; Opt-Out Form;</u> Notice to Student's Parent or Legal Guardian.

- a) the Academy shall do all of the following:
 - i. Develop a list of uses (the "Uses") for which the Academy commonly would disclose a student's directory information.
 - ii. Develop an opt-out form that lists all of the Uses and allows the student, if 18 years of age, or a student's parent or guardian to elect not to have the student's directory information disclosed for 1 or more of the Uses.
 - iii. Present the opt-out form to each student's parent or guardian within the first thirty (30) days of the school year and at other times upon request.
 - iv. If an opt-out form is signed and submitted to the Academy by a student, if 18 years of age, or 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 the opt-out form.
- b) The terms "directory information" shall have the same meaning as defined in 34 CFR 99.3.

Section 11.28. <u>Partnership Agreement</u>. If the Department and State Reform Office imposes a partnership agreement on the Academy, the Academy shall work collaboratively with the Department, the State Reform 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.

Section 11.29. <u>Statewide Safety Information Policy</u>. The Academy shall adopt and adhere to the statewide school safety information policy required under Section 1308 of the Code, MCL 380.1308. The statewide school safety information policy may also address Academy procedures for reporting incidents involving possession of a dangerous weapon as required under Section 1313 of the Code, MCL 380.1313.

Section 11.30. Criminal Incident Reporting Obligation. Within twenty-four (24) hours after an incident occurs, the Academy shall provide a report to the Michigan State Police, in a form and manner prescribed by State Police, after either of the following: (i) an incident involving a crime that must be reported under Section 1310a(2) of the Code, MCL 380.1310a(2); or (ii) an incident, if known to the Academy, involving the attempted commission of a crime that must be reported under Section 1310a(2) of the Code, MCL

380.1310a(2). Failure to comply may result in the Academy being ineligible to receive any school safety grants from the Michigan State Police for the fiscal year in which the noncompliance is discovered by State Police.

Section 11.31. <u>Academy Emergency Operations Plan</u>.

- a) Beginning in the 2019-2020 school year, and at least biennially thereafter, the Academy shall, in conjunction with at least 1 law enforcement agency having jurisdiction over the Academy, conduct either (i) a review of the Academy's emergency operations plan, including a review of the vulnerability assessment; or (ii) a review of the Academy's statewide school safety information policy, as applicable.
- b) Not later than January 1, 2020, the Academy shall either (i) develop an emergency operations plan for each school building, including recreational structure or athletic field, operated by the Academy with input from the public; or (ii) adopt a statewide school safety information policy under Section 1308 of the Code, MCL 380.1308. The emergency operations plan or statewide school safety information policy shall comply with Section 1308B(3) of the Code, MCL 380.1308B(3). Within thirty (30) days, the Academy shall provide to the Department, in a form and manner determined by the Department, notice of the adoption of an emergency plan or the completion of an emergency operations plan review, as applicable.
- Section 11.32. <u>School Safety Liaison</u>. The Academy Board shall designate a liaison to work with the School Safety Commission created under Section 5 of the Comprehensive School Safety Plan Act created under Public Act 548 of 2018, MCL 28.805, and the Office of School Safety created under MCL 28.681. The Liaison shall be an individual employed or assigned to regularly and continuously work under contract in the school operated by the Academy. The Liaison shall work with the School Safety Commission and the Office of School Safety to identify mode practices for determining school safety measures.
- Section 11.33. 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 11.34. <u>Annual Expulsion Report and Website Report on Criminal Incidents</u>. On an annual basis, the Academy Board shall do the following:
- (i) prepare and submit to the Superintendent, in a form and manner prescribed by the Superintendent, a report stating the number of pupils expelled from the Academy

during the immediately preceding school year, with a brief description of the incident causing each expulsion;

- (ii) post on its website, in a form and manner prescribed by the Superintendent, a report on the incidents of crime occurring at schools operated by the Academy. Each school building shall collect and keep current on a weekly basis the information required for the website report, and must provide that information, within seven (7) days upon request; and
- (iii) make a copy of the report on the incidents of crime, disaggregated by school building, available to the parent or legal guardian of each pupil enrolled in the Academy.

Section 11.35. <u>K to 3 Reading</u>. If the Academy offers Kindergarten through Third grade, the Academy shall comply with Section 1280f of the Code, MCL 380.1280f. The Academy shall ensure that all required actions, notices, and filings required under Section 1280f, MCL 380.1280f, are timely completed.

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 by hand; or (ii) upon receipt by the transmitting party or confirmation or answer back if delivery is by telex or telegram; 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 person or address as the respective party may designate by notice delivered pursuant hereto:

If to Grand Valley State University Board of Trustees:

Charter Schools Office Director 201 Front Avenue SW, Suite 310 Grand Rapids, MI 49504

If to Academy: The Public School Academies of Detroit

500 Woodward Avenue

Suite 4000

Detroit, MI 48226

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>. 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 application materials, contracts, representations, statements, negotiations, understandings, and undertakings, are superseded by this Contract.
 - Section 12.5. <u>Assignment</u>. This Contract is not assignable by either party.

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 a consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. Indemnification.

- (a) Academy Indemnification. The Academy agrees to indemnify and hold the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives harmless from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever 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 receipt, consideration or approval of the Application, the University Board's approval of the Method of Selection Resolution or the Authorizing Resolution, legal challenges to the validity of Part 6c of the Code or actions taken by the University Board as an authorizing body under Part 6c of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. 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.
- (b) <u>Applicant Indemnification</u>. As part of the Application, the Applicant has entered into an Indemnification Agreement with the University Board and has agreed,

under certain conditions, to indemnify and hold harmless the University Board, the University and its Board of Trustees members, officers, employees, agents and representatives. Under the Indemnification Agreement, the Applicant's indemnity obligation commenced on the date the Application was approved by the University Board, and shall continue for a period of two years following the date the University Board issued the Contract to the Academy. The Applicant's Indemnification Agreement contained in the Application is hereby incorporated into these Terms and Conditions and shall be considered a part of this Contract.

Section 12.8. <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 12.9. <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 12.10. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the University Board and no other person or entity, including without limitation, the Applicant, the Educational Management Company or the Contract Administrator. Except as otherwise 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 12.11. <u>Non-agency</u>. It is understood that the Academy is not the agent of the University.

Section 12.12. <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 12.13. <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 12.14. <u>Initial Term of Contract and Renewal</u>.

a) Staggered Terms of Contract. This Contract contains the University Board's authorization for the Academy to operate the Schools. The Academy is authorized to operate the Schools beginning on the dates set forth in Schedule 11. The Contract authorization for each School shall be in effect for ten (10) years and shall expire June 30th of the tenth year after issuance of the Contract, unless sooner revoked or terminated according to the terms hereof.

b) <u>Contract Renewal</u>. The University Board retains the right to determine whether or not the Academy has met "substantial compliance" with all Contract requirements, including but not limited to contractual operational compliance and the attainment of educational goals.

Section 12.15. <u>Survival of Provisions</u>. The terms, provisions, and representations contained in Section 11.4, Section 11.8, Section 12.7 and Section 12.10, and any other provision of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.16. <u>Termination of Responsibilities</u>. Upon termination or revocation of this Contract, the University Board and its designees shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract.

Section 12.17. <u>University Board or CSO 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 CSO policies regarding public school academies which shall apply immediately, University Board or CSO 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 CSO 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 CSO on the proposed policies before such policies shall become effective.

[INTENTIONALLY LEFT BLANK]

As the designated representative of the Grand Valley State University Board of Trustees, I hereby issue this Contract to the Academy on the date set forth above.

GRAND VALLEY STATE UNIVERSITY

BOARD OF PRUSTEES

bresident or his/her designee

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 this Contract.

THE PUBLIC SCHOOL ACADEMIES OF DETROIT

By: Acidemy Board President

SCHEDULE 1

METHOD OF SELECTION RESOLUTION AUTHORIZING RESOLUTION



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON APRIL 26, 2019:

Name Change - Henry Ford Academy: School for Creative Studies

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized Henry Ford Academy: School for Creative Studies (the "Academy") and its school sites to operate under the Public School Academies of Detroit for a 10 year contract term, beginning in February 13, 2009; and

WHEREAS, the Academy requests a name change to University Preparatory Art & Design;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Article IX of the Terms and Conditions incorporated into the Academy's Contract, the Board of Trustees approves the Academy's name change to University Preparatory Art & Design.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 30th day of April 2019.

Teri L. Losey, Secretary

Board of Trustees

Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON APRIL 26, 2019:

Reauthorization of 6c Charter Contract – Henry Ford Academy: School for Creative Studies, Detroit (10 years)

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized the issuance of a charter contract to the Public School Academies of Detroit; and

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized Henry Ford Academy: School for Creative Studies (the "Academy") and its school sites to operate under the Public School Academies of Detroit for a 10 year contract term, beginning February 13, 2009; and

WHEREAS, the University's Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy; and

WHEREAS, the present Board of Directors of the Academy has requested the reissuance of a contract to charter as an urban high school academy; and

WHEREAS, the University President's designee has recommended the reissuance of a contract to charter as an urban high school academy to the Academy for a ten (10) year term beginning July 1, 2019, and ending June 30, 2029;

NOW, THEREFORE, BE IT RESOLVED, that the University Board of Trustees approves and reauthorizes the execution of a contract to charter an urban high school academy to the Academy and authorizes the University President or designee to execute the contract to charter an urban high school academy and related documents to the Academy for a ten (10) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 30th day of April 2019.

Teri L. Losey, Secretary

Board of Trustees

Grand Valley State University

I Campus Drive • Allendale, MI 4940I-9403 • (616) 33I-5000



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 2, 2018:

Reauthorization of 6c Charter Contract – University Preparatory Academy, Detroit (10 years)

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized the issuance of a charter contract to the Public School Academies of Detroit; and

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized the University Preparatory Academy (the "Academy") and its school sites to operate under the Public School Academies of Detroit for a 10 year contract term; and

WHEREAS, the University's Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy; and

WHEREAS, the present Board of Directors of the Academy has requested the reissuance of a contract to charter as an urban high school academy; and

WHEREAS, the University President's designee has recommended the reissuance of a contract to charter as an urban high school academy to the Academy for a ten (10) year term beginning July 1, 2018, and ending June 30, 2028;

NOW, THEREFORE, BE IT RESOLVED, that the University Board of Trustees approves and reauthorizes the execution of a contract to charter an urban high school academy to the Academy and authorizes the University President or designee to execute the contract to charter an urban high school academy and related documents to the Academy for a ten (10) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 15th day of February 2018.

Teri L. Losey, Secretary

Board of Trustees

Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 2, 2018:

Reauthorization of 6c Charter Contract – University Preparatory Academy Science and Math, Detroit (10 years)

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized the issuance of a charter contract to the Public School Academies of Detroit; and

WHEREAS, the Board of Trustees of Grand Valley State University, at its meeting on April 25, 2008, authorized the University Preparatory Academy Science and Math (the "Academy") and its school sites to operate under the Public School Academies of Detroit for a 10 year contract term; and

WHEREAS, the University's Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy; and

WHEREAS, the present Board of Directors of the Academy has requested the reissuance of a contract to charter as an urban high school academy; and

WHEREAS, the University President's designee has recommended the reissuance of a contract to charter as an urban high school academy to the Academy for a ten (10) year term beginning July 1, 2018, and ending June 30, 2028;

NOW, THEREFORE, BE IT RESOLVED, that the University Board of Trustees approves and reauthorizes the execution of a contract to charter an urban high school academy to the Academy and authorizes the University President or designee to execute the contract to charter an urban high school academy and related documents to the Academy for a ten (10) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 15th day of February 2018.

Teri L. Losey, Secretary

Board of Trustees

Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 14, 2014:

Authorization of Amended Method of Selection Resolution for the Public School Academies of Detroit

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, the Board of Trustees has issued a contract to the Public School Academies of Detroit, effective August 26, 2008; and

WHEREAS, the Public School Academies of Detroit desires an amendment to the Method of Selection to allow for increased board member participation;

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

- 1. <u>Method of Selection and Appointment of Academy Board</u>
 Members:
 - a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools

- Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.

- 3. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
- 4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- 5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 6. <u>Vacancy:</u> An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 7. <u>Filling a Vacancy:</u> The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a

vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

- 8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), nine (9), or eleven (11) as determined from time to time by the Academy Board.
- 9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)
Eleven (11)	Six (6)

10. <u>Manner of Acting:</u> The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)
Eleven (11)	Six (6)	Six (6)

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 24th day of February 2014.

Peri L. Losey, Secretary

Board of Trustees

Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 14, 2014:

Authorization of Amended Method of Selection Resolution for the Public School Academies of Detroit

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, the Board of Trustees has issued a contract to the Public School Academies of Detroit, effective August 26, 2008; and

WHEREAS, the Public School Academies of Detroit desires an amendment to the Method of Selection to allow for increased board member participation;

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

- 1. <u>Method of Selection and Appointment of Academy Board Members:</u>
 - Я. Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools

- Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- C. **Exigent Appointments:** When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.

- 3. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
- 4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- Sesignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 6. <u>Vacancy:</u> An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 7. <u>Filling a Vacancy:</u> The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a

vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

- 8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), nine (9), or eleven (11) as determined from time to time by the Academy Board.
- 9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)
Eleven (11)	Six (6)

10. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions Five (5)	# for Quorum Three (3)	# required to act Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9) Eleven (11)	Five (5) Six (6)	Five (5) Six (6)

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 24th day of February 2014.

Peri L. Losey, Secretary

Board of Trustees

Grand Valley State University

SCHEDULE 1

METHOD OF SELECTION RESOLUTION AND <u>AUTHORIZING RESOLUTION</u>

The method of selection resolution and authorizing resolution are attached:

- Method of Selection Resolution, dated April 28, 2006 (PSAD)
- Authorizing Resolution, dated April 28, 2006 (PSAD: UPSM)
- Authorizing Resolution, dated April 25, 2008 (PSAD: UPA)
- Authorizing Resolution, dated April 25, 2008 (PSAD: HFA)



MINUTES

FOR REGULAR MEETING

OF THE BOARD OF TRUSTEES

OF GRAND VALLEY STATE UNIVERSITY

The second meeting in 2008 of the Board of Trustees of Grand Valley State University was held at the Kirkhof Center on the Allendale Campus of Grand Valley State University on Friday, April 25, 2008.

The following members of the Board were present:

Donna K. Brooks

Noreen K. Myers

Shelley E. Padnos

Lucille S. Taylor, Chair

Michael D. Thomas

Kate Pew Wolters

Thomas J. Haas, President, Ex Officio

The following members of the Board were absent:

Daniel J. Aronoff

Dorothy A. Johnson

The following Executive and Board officers were present:

Jeanne J. Arnold, Vice President for Inclusion and Equity

Jim Bachmeier, Vice President for Finance and Administration,

and Treasurer, Board of Trustees

Gayle R. Davis, Provost and Vice President for Academic Affairs

Teri L. Losey, Special Assistant to the President and Secretary, Board of Trustees

Matthew E. McLogan, Vice President for University Relations

Maribeth G. Wardrop, Vice President for Development

The meeting was called to order at 11:00 a.m.

I. <u>SECRETARY'S REPORT</u>

(Teri L. Losey)

08-2-1 (1) Approval of Minutes of Prior Meeting

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the minutes of the meeting, held February 29, 2008, are approved as distributed.

08-2-2 (2) Motion to Adopt Agenda

On motion by Mrs. Brooks and second by Mr. Thomas, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees agenda for the April 25, 2008, meeting is approved as distributed.

08-2-3 (3) <u>Commencement Announcements</u>

April Commencement will be held on Saturday, April 26, 2008, at the Van Andel Arena in downtown Grand Rapids. The first ceremony will begin promptly at 10 a.m. and the second promptly at 3 p.m. Additional information regarding robing location, parking arrangements, etc. for the April 26 Commencement ceremonies has been mailed to members of the Board of Trustees.

Additionally, the Traverse City Commencement ceremony will be held on Thursday, May 1, 2008, at the Grand Traverse Resort in Acme, Michigan beginning at 6 p.m.

08-2-4 (4) Bylaw Amendment for Nominating Committee

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

RESOLVED, the Board of Trustees of Grand Valley State University approves the amendment to Article V, Section 5.1 of the Bylaws as presented at this meeting.

Chair Taylor identified the following candidates for the nominating committee:

Dorothy A. Johnson, Chair Noreen K. Myers Michael D. Thomas

The Board of Trustee election of officers will occur at the July 18, 2008, meeting.

II. GENERAL REPORTS

08-2-5 (5) Personnel Actions

On motion by Mrs. Brooks and second by Mr. Thomas, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the personnel actions as reported at this meeting.

08-2-6 (6) Gift and Grant Summary

On motion by Mrs. Brooks and second by Mr. Thomas, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees gratefully accepts the gifts and grants of \$2,435,209.39 presented at this meeting for January 1, 2008 through February 29, 2008.

08-2-7 (7) Revision to Administrative Manual - Chapter 4 - Section 2

On motion by Mr. Thomas and second by Ms. Padnos, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the changes to Chapter 4, Section 2.5 – Regular Faculty Rank; Section 2.8 – Academic Tenure; Section 2.9 – Evaluation Criteria for Renewal of Probationary Appointments, Promotion, Tenure, and Periodic Performance Reviews; and Section 2.20 – Salary Administration of the Administrative Manual, as presented at this meeting.

08-2-8 (8) Revisions to Administrative Manual Chapter 3 – Section C.1

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the change to Chapter 3, Section C.1 – Undergraduate Degree Programs, of the Administrative Manual to rename the undergraduate Public Administration program to Public and Nonprofit Administration.

08-2-9 (9) Faculty Achievements

08-2-10 (10) 2008-2009 Endowment Fund Spending Rates

II. GENERAL REPORTS (cont'd.)

On motion by Ms. Padnos and second by Mrs. Wolters, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the 2008-2009 Endowment Fund Spending Rates as presented at this meeting.

08-2-11 (11) 2008-2009 and Revised 2007-2008 Auxiliary Operating Budgets

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the 2008-2009 and Revised 2007-2008 Auxiliary Operating Budgets as presented at this meeting.

08-2-12 (12) Preliminary Spending Authority for Fiscal Year 2008-2009

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the Preliminary Spending Authority at levels consistent with the 2007-2008 budget for Fiscal Year 2008-2009 until the 2008-2009 budget is adopted.

08-2-13 (13) Charter Schools Report

I. Resolution Approving the Merger, Transfer of Enrolled Pupils and Property Between University Preparatory Academy and Public School Academies of Detroit; the Termination of the University Preparatory Academy Contract; the Addition of Sites to Public School Academies of Detroit Contract and the Issuance of A Second Contract to Public School Academies of Detroit Comprised of Additional Sites

On motion by Ms. Myers and second by Ms. Padnos, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature and Governor recently passed Public Act 1 of 2008 ("PA 1") which, among other things, amends part 6A of the Revised School Code ("Code") by authorizing a public school academy to transfer its enrolled pupils and property to another public school; and

WHEREAS, under the Code, public school academies and urban high school academies are organized as nonprofit corporations in the state of Michigan, subject to the Michigan Non-Profit Corporations Act, MCL 450.2101 et seq. ("Act"); and

II. GENERAL REPORTS (cont'd.)

WHEREAS, the Act contains provisions which allow two or more non-profit corporations to merge together; and

WHEREAS, according to PA 1, a public school academy is required to seek approval from its authorizing body for the proposed transfer of its enrolled pupils and property before the transfer can be implemented; and

WHEREAS, the University Preparatory Academy ("UPA") board of directors, a public school academy authorized by the Board of Trustees of Grand Valley State University ("University Board"), at its March 10, 2008 meeting, adopted a resolution approving a plan of merger and merger proposal in accordance with the Act that would, among other things, merge UPA into the Public School Academies of Detroit ("Academy") and transfer UPA's enrolled pupils and property to the Academy, an urban high school academy authorized by the University Board; and

WHEREAS, the Academy, at its April 8, 2008 meeting, adopted a resolution approving a plan of merger which, upon the effective date of the merger, will result in UPA and the Academy merging with the Academy being the surviving corporation upon completion of the merger, as well as UPA's enrolled pupils and property being transferred to the Academy; and

WHEREAS, the University Board, as the authorizing body for both UPA and the Academy, has reviewed the proposed plan of merger and hereby agrees to permit (i) UPA to merge into the Academy with the Academy being the surviving corporation upon completion of the merger; and (ii) UPA's enrolled pupils and property to be transferred to the Academy.

NOW, THEREFORE, BE IT RESOLVED:

APPROVAL OF MERGER AND TRANSFER OF PUPILS AND PROPERTY

- 1. To the extent required by the Code, the University Board hereby approves:
 - (a) the merger between UPA and the Academy; and
 - (b) the transfer of UPA's property to the Academy.
- 2. As required by the Code, the University Board hereby approves the transfer of UPA's enrolled pupils to the Academy.
- UPA and the Academy shall provide the University Charter Schools
 Office with a copy of the executed plan of merger and all executed
 agreements and documents in connection with the merger.

II. GENERAL REPORTS (cont'd.)

TERMINATION OF UPA CONTRACT

4. The University Board hereby approves termination of UPA's contract. The effective date of termination shall be the same date that Academy students commence classes for the 2008-2009 school year.

APPROVAL OF ADDITIONAL ACADEMY SITES

- 5. In accordance with Section 524(1), MCL 380.524(1) of the Code, the University Board hereby approves an amendment of the Academy's contract to include the former UPA school sites and an additional site at the following locations:
 - (a) 957 Holden Street, Detroit, MI 48202
 - (b) 5310 St. Antoine Street, Detroit, MI 48202
 - (c) 600 Antoinette Street, Detroit, MI 48202
 - (d) 435 Amsterdam Street, Detroit, MI 48202

ISSUANCE OF A SECOND CONTRACT TO THE ACADEMY

- In accordance with Section 6.11 of the General Terms and Conditions incorporated into the Academy's contract, dated December 14, 2007, the University Board hereby issues a second contract to the Academy.
- II. Resolution Authorizing Site Changes for Public School Academies of Detroit

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, according to this law, the Board of Trustees of Grand Valley State University ("Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate urban high school academies; and

WHEREAS, according to this law, the Board of Trustees is empowered to issue one or more contracts to an urban high school academy corporation;

WHEREAS, the Board of Trustees has issued a contract to the Public School Academies of Detroit ("Academy") to operate a school at certain sites known as University Preparatory Science and Math ("UPSM"); and

WHEREAS, the Academy, by separate resolution, has requested that the University Board approve site changes for UPSM's temporary facility for the 2008-2009 academic year;

NOW, THEREFORE, BE IT RESOLVED:

In accordance with Section 6.11 of the General Terms and Conditions incorporated into the Academy's contract, dated December 14, 2007, the University Board hereby approves an amendment of the Academy's contract to include the following proposed site for UPSM:

One Campus Martius Detroit, Michigan 48226

III. Resolution Authorizing The Issuing A Third Contract to Public School Academies of Detroit Constituting Additional Sites

On motion by Ms. Myers and second by Mrs. Brooks, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, according to this law, the Board of Trustees of Grand Valley State University ("Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate urban high school academies; and

WHEREAS, according to this law, the Board of Trustees is empowered to issue one or more contracts to an urban high school academy corporation;

WHEREAS, the Board of Trustees has issued a contract to the Public School Academies of Detroit ("Academy") to operate a school known as University Preparatory Science & Math; and

WHEREAS, the Board of Trustees, by separate resolution, has approved a merger between the Academy and University Preparatory Academy ("UPA") and has issued a second contract to the Academy to operate a school known as UPA; and

WHEREAS, the Academy Board of Directors, in consultation with the Thompson Education Foundation, the Academy's applicant and contract administrator, has submitted an application to the Board of Trustees for the issuance of a third contract to operate a school known as Henry Ford Academy: School for Creative Studies.

NOW, THEREFORE, BE IT RESOLVED:

- That the application, submitted under Section 522 of the Revised School Code ("Code"), MCL 380.522, meets the Board of Trustees requirements and the requirements of applicable law and is therefore approved;
- In accordance with Section 524(1), MCL 380.524(1) of the Code, the University Board hereby approves an amendment of the Academy's contract to include the proposed site for the Henry Ford Academy: School for Creative Studies:

Argonaut Building 435-485 West Milwaukee Detroit, Michigan 48202

3. In accordance with Section 6.11 of the General Terms and Conditions incorporated into the Academy's contract, dated December 14, 2007, the University Board hereby issues a third contract to the Academy provided that, before execution of the contract amendment memorializing this contract, the University President or his designee affirms that all terms of the contract amendment have been agreed upon by the Academy.

IV. Achieve Charter Academy

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

- 1. That the application for Achieve Charter Academy ("Academy"), submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
- 2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- a. Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating

resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- C. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- 3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
- 4. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.

5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- 6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 7. <u>Vacancy</u>: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 8. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.
- 9. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

11. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions Five (5) Seven (7) Nine (9)	# for Quorum Three (3)	# required to act Three (3)
	Four (4) Five (5)	Four (4) Five (5)

12. <u>Initial Members of the Board of Directors</u>: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy's Board of Directors for the designated term of office set forth below:

Charles N. Ash, Jr.	3 year term expiring June 30, 2011
Adelaide E. Jackson	3 year term expiring June 30, 2011
Heather A. Kellstrom	2 year term expiring June 30, 2010
Laura S. Packer	1 year term expiring June 30, 2010

- 13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents ("Contract") to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.
- 14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive

funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education's issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees' issuance of the Contract, the Applicant, the Academy and the Academy's Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education's issuance of a district code number to the Academy, or for any Michigan Department of Education's decision resulting in the non-issuance of a district code number to the Academy.

V. Reauthorization of Charter Contract

Warrendale Charter Academy, Detroit (7 year)

On motion by Mrs. Brooks and second by Ms. Myers, the following resolution was adopted unanimously:

WHEREAS, the Board of Trustees of Grand Valley State University at its meeting on June 18, 2001, authorized the issuance of a contract to charter a public school academy to Warrendale Charter Academy (the "Academy") with an effective date of June 18, 2001.

NOW, THEREFORE, BE IT RESOLVED:

- 1. The Board of Directors of the Academy were selected in accordance with the resolution adopted by the Grand Valley State University Board of Trustees establishing the method of selection, length of term, and number of members of the Academy Board. This resolution is incorporated in and made part of the contract as Schedule 1.
- 2. The contract of this Academy is due to expire on June 30, 2008.
- 3. The University's Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy.
- 4. The Board of Trustees of Grand Valley State University may consider there issuance of a contract to charter following an evaluation and assessment by the University's Charter Schools Office that concludes that the operation and performance of the academy warrants the reissuance of a contract.
- 5. The present Board of Directors of the Academy has requested the reissuance of a contract to charter as a public school academy.

- 6. The University President or his designee has recommended the reissuance of a contract to charter as a public school academy to the Academy for a seven (7) year term beginning July 1, 2008 and ending June 30, 2015.
- 7. The Grand Valley State University Board of Trustees approves and reauthorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to execute the contract to charter a public school academy and related documents to the Academy for a seven (7) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

VI. Amendment to Charter School Contract

Muskegon Technical Academy

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees of Grand Valley State University approves an amendment to the Contract to Charter a Public School Academy and Schedule 2, Articles of Incorporation, between Muskegon Technical Academy and Grand Valley State University Board of Trustees to reflect a change in the school name to WayPoint Academy.

VII. Restated Reach Charter Academy

On motion by Ms. Myers and second by Ms. Padnos, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into

consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

- 1. That the application for Reach Charter Academy ("Academy"), submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
- 2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- Initial Academy Board Member Nominations and a. Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. <u>Subsequent Academy Board Member Nominations and Appointments</u>: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the

Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- c. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- 3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
- 4. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation

of Public Office administered by a member of the Academy Board, other public official or notary public.

5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- 6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 7. <u>Vacancy</u>: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 8. <u>Filling a Vacancy</u>: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

- Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
- 10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

11. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# for Quorum	# required
Three (3) Four (4) Five (5)	to act Three 3) Four (4) Five (5)
	Three (3)

12. <u>Initial Members of the Board of Directors</u>: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy's Board of Directors for the designated term of office set forth below:

Harry A. Briggs 2 year term expiring June 30, 2010
Lisa M. Klobucar 3 year term expiring June 30, 2011
Deborah B. Lowery 1 year term expiring June 30, 2009
Eira W. Moore 3 year term expiring June 30, 2011

- 13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents ("Contract") to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.
- 14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of

Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education's issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees' issuance of the Contract, the Applicant, the Academy and the Academy's Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education's issuance of a district code number to the Academy, or for any Michigan Department of Education's decision resulting in the nonissuance of a district code number to the Academy.

VIII. Appointment of Charter School Board of Directors

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

WHEREAS, the following person(s) have met the prescribed requirements and have been nominated pursuant to the procedures outlined in the "Method of Selection" approved by the Grand Valley State University Board of Trustees on June 25, 2004; and

WHEREAS, the Director of the University Charter Schools Office recommends that the following person(s) fill the vacancy and or term(s) on the Academy's Board of Directors;

THEREFORE, BE IT RESOLVED, the Board of Trustees of Grand Valley State University appoints the following person(s) and term(s):

Black River Public School

* Thomas F. Guarr

3 year term expiring June

30, 2011

* Barbara A. Zeller

3 year term expiring June

30, 2011

Discovery Elementary School

*Marie E. Kelley

3 year term expiring June

30, 2011

*Judith A. Kratzer

3 year term expiring June

30, 2011

Endeavor Charter Academy

*Linda M. Wendt

3 year term expiring June

30, 2011

Walker Charter Academy

*Ross A. Luurtsema

3 year term expiring June

30, 2011

West Michigan Academy of Arts and Academics

*Judy E. Bregman

3 year term expiring June

30, 2011

*Represents reappointment

08-2-14

(14) Student Senate Report

08-2-15

(15) President's Report

08-2-16

(16) Motion to Adjourn

RESOLVED, on motion by Mr. Thomas and second by Mrs. Brooks, the meeting was adjourned at 12:03.

Lucille S. Taylor, Chair

Board of Trustees

Teri L. Losey, Secretary

Board of Trustees



MINUTES

FOR REGULAR MEETING

OF THE BOARD OF TRUSTEES

OF GRAND VALLEY STATE UNIVERSITY

The second meeting in 2008 of the Board of Trustees of Grand Valley State University was held at the Kirkhof Center on the Allendale Campus of Grand Valley State University on Friday, April 25, 2008.

The following members of the Board were present:

Donna K. Brooks
Noreen K. Myers
Shelley E. Padnos
Lucille S. Taylor, Chair

Michael D. Thomas

Kate Pew Wolters

Thomas J. Haas, President, Ex Officio

The following members of the Board were absent:

Daniel J. Aronoff

Dorothy A. Johnson

The following Executive and Board officers were present:

Jeanne J. Arnold, Vice President for Inclusion and Equity Jim Bachmeier, Vice President for Finance and Administration, and Treasurer, Board of Trustees

Gayle R. Davis, Provost and Vice President for Academic Affairs

Teri L. Losey, Special Assistant to the President and Secretary, Board of Trustees

Matthew E. McLogan, Vice President for University Relations

Maribeth G. Wardrop, Vice President for Development

The meeting was called to order at 11:00 a.m.

I. <u>SECRETARY'S REPORT</u>

(Teri L. Losey)

08-2-1 (1) Approval of Minutes of Prior Meeting

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the minutes of the meeting, held February 29, 2008, are approved as distributed.

08-2-2 (2) Motion to Adopt Agenda

On motion by Mrs. Brooks and second by Mr. Thomas, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees agenda for the April 25, 2008, meeting is approved as distributed.

08-2-3 (3) <u>Commencement Announcements</u>

April Commencement will be held on Saturday, April 26, 2008, at the Van Andel Arena in downtown Grand Rapids. The first ceremony will begin promptly at 10 a.m. and the second promptly at 3 p.m. Additional information regarding robing location, parking arrangements, etc. for the April 26 Commencement ceremonies has been mailed to members of the Board of Trustees.

Additionally, the Traverse City Commencement ceremony will be held on Thursday, May 1, 2008, at the Grand Traverse Resort in Acme, Michigan beginning at 6 p.m.

08-2-4 (4) Bylaw Amendment for Nominating Committee

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

RESOLVED, the Board of Trustees of Grand Valley State University approves the amendment to Article V, Section 5.1 of the Bylaws as presented at this meeting.

Chair Taylor identified the following candidates for the nominating committee:

Dorothy A. Johnson, Chair Noreen K. Myers Michael D. Thomas

The Board of Trustee election of officers will occur at the July 18, 2008, meeting.

II. GENERAL REPORTS

08-2-5 (5) Personnel Actions

On motion by Mrs. Brooks and second by Mr. Thomas, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the personnel actions as reported at this meeting.

08-2-6 (6) Gift and Grant Summary

On motion by Mrs. Brooks and second by Mr. Thomas, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees gratefully accepts the gifts and grants of \$2,435,209.39 presented at this meeting for January 1, 2008 through February 29, 2008.

08-2-7 (7) Revision to Administrative Manual - Chapter 4 - Section 2

On motion by Mr. Thomas and second by Ms. Padnos, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the changes to Chapter 4, Section 2.5 – Regular Faculty Rank; Section 2.8 – Academic Tenure; Section 2.9 – Evaluation Criteria for Renewal of Probationary Appointments, Promotion, Tenure, and Periodic Performance Reviews; and Section 2.20 – Salary Administration of the Administrative Manual, as presented at this meeting.

08-2-8 (8) Revisions to Administrative Manual Chapter 3 - Section C.1

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the change to Chapter 3, Section C.1 – Undergraduate Degree Programs, of the Administrative Manual to rename the undergraduate Public Administration program to Public and Nonprofit Administration.

08-2-9 (9) Faculty Achievements

08-2-10 (10) 2008-2009 Endowment Fund Spending Rates

On motion by Ms. Padnos and second by Mrs. Wolters, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the 2008-2009 Endowment Fund Spending Rates as presented at this meeting.

08-2-11 (11) 2008-2009 and Revised 2007-2008 Auxiliary Operating Budgets

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the 2008-2009 and Revised 2007-2008 Auxiliary Operating Budgets as presented at this meeting.

08-2-12 (12) Preliminary Spending Authority for Fiscal Year 2008-2009

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees approves the Preliminary Spending Authority at levels consistent with the 2007-2008 budget for Fiscal Year 2008-2009 until the 2008-2009 budget is adopted.

08-2-13 (13) Charter Schools Report

I. Resolution Approving the Merger, Transfer of Enrolled Pupils and Property Between University Preparatory Academy and Public School Academies of Detroit; the Termination of the University Preparatory Academy Contract; the Addition of Sites to Public School Academies of Detroit Contract and the Issuance of A Second Contract to Public School Academies of Detroit Comprised of Additional Sites

On motion by Ms. Myers and second by Ms. Padnos, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature and Governor recently passed Public Act 1 of 2008 ("PA 1") which, among other things, amends part 6A of the Revised School Code ("Code") by authorizing a public school academy to transfer its enrolled pupils and property to another public school; and

WHEREAS, under the Code, public school academies and urban high school academies are organized as nonprofit corporations in the state of Michigan, subject to the Michigan Non-Profit Corporations Act, MCL 450.2101 et seq. ("Act"); and

WHEREAS, the Act contains provisions which allow two or more non-profit corporations to merge together; and

WHEREAS, according to PA 1, a public school academy is required to seek approval from its authorizing body for the proposed transfer of its enrolled pupils and property before the transfer can be implemented; and

WHEREAS, the University Preparatory Academy ("UPA") board of directors, a public school academy authorized by the Board of Trustees of Grand Valley State University ("University Board"), at its March 10, 2008 meeting, adopted a resolution approving a plan of merger and merger proposal in accordance with the Act that would, among other things, merge UPA into the Public School Academies of Detroit ("Academy") and transfer UPA's enrolled pupils and property to the Academy, an urban high school academy authorized by the University Board; and

WHEREAS, the Academy, at its April 8, 2008 meeting, adopted a resolution approving a plan of merger which, upon the effective date of the merger, will result in UPA and the Academy merging with the Academy being the surviving corporation upon completion of the merger, as well as UPA's enrolled pupils and property being transferred to the Academy; and

WHEREAS, the University Board, as the authorizing body for both UPA and the Academy, has reviewed the proposed plan of merger and hereby agrees to permit (i) UPA to merge into the Academy with the Academy being the surviving corporation upon completion of the merger; and (ii) UPA's enrolled pupils and property to be transferred to the Academy.

NOW, THEREFORE, BE IT RESOLVED:

APPROVAL OF MERGER AND TRANSFER OF PUPILS AND PROPERTY

- 1. To the extent required by the Code, the University Board hereby approves:
 - (a) the merger between UPA and the Academy; and
 - (b) the transfer of UPA's property to the Academy.
- 2. As required by the Code, the University Board hereby approves the transfer of UPA's enrolled pupils to the Academy.
- 3. UPA and the Academy shall provide the University Charter Schools Office with a copy of the executed plan of merger and all executed agreements and documents in connection with the merger.

TERMINATION OF UPA CONTRACT

4. The University Board hereby approves termination of UPA's contract. The effective date of termination shall be the same date that Academy students commence classes for the 2008-2009 school year.

APPROVAL OF ADDITIONAL ACADEMY SITES

- 5. In accordance with Section 524(1), MCL 380.524(1) of the Code, the University Board hereby approves an amendment of the Academy's contract to include the former UPA school sites and an additional site at the following locations:
 - (a) 957 Holden Street, Detroit, MI 48202
 - (b) 5310 St. Antoine Street, Detroit, MI 48202
 - (c) 600 Antoinette Street, Detroit, MI 48202
 - (d) 435 Amsterdam Street, Detroit, MI 48202

ISSUANCE OF A SECOND CONTRACT TO THE ACADEMY

- In accordance with Section 6.11 of the General Terms and Conditions incorporated into the Academy's contract, dated December 14, 2007, the University Board hereby issues a second contract to the Academy.
- II. Resolution Authorizing Site Changes for Public School Academies of

 Detroit

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, according to this law, the Board of Trustees of Grand Valley State University ("Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate urban high school academies; and

WHEREAS, according to this law, the Board of Trustees is empowered to issue one or more contracts to an urban high school academy corporation;

WHEREAS, the Board of Trustees has issued a contract to the Public School Academies of Detroit ("Academy") to operate a school at certain sites known as University Preparatory Science and Math ("UPSM"); and

WHEREAS, the Academy, by separate resolution, has requested that the University Board approve site changes for UPSM's temporary facility for the 2008-2009 academic year;

NOW, THEREFORE, BE IT RESOLVED:

In accordance with Section 6.11 of the General Terms and Conditions incorporated into the Academy's contract, dated December 14, 2007, the University Board hereby approves an amendment of the Academy's contract to include the following proposed site for UPSM:

One Campus Martius Detroit, Michigan 48226

III. Resolution Authorizing The Issuing A Third Contract to Public School Academies of Detroit Constituting Additional Sites

On motion by Ms. Myers and second by Mrs. Brooks, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, according to this law, the Board of Trustees of Grand Valley State University ("Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate urban high school academies; and

WHEREAS, according to this law, the Board of Trustees is empowered to issue one or more contracts to an urban high school academy corporation;

WHEREAS, the Board of Trustees has issued a contract to the Public School Academies of Detroit ("Academy") to operate a school known as University Preparatory Science & Math; and

WHEREAS, the Board of Trustees, by separate resolution, has approved a merger between the Academy and University Preparatory Academy ("UPA") and has issued a second contract to the Academy to operate a school known as UPA; and

WHEREAS, the Academy Board of Directors, in consultation with the Thompson Education Foundation, the Academy's applicant and contract administrator, has submitted an application to the Board of Trustees for the issuance of a third contract to operate a school known as Henry Ford Academy: School for Creative Studies.

NOW, THEREFORE, BE IT RESOLVED:

- 1. That the application, submitted under Section 522 of the Revised School Code ("Code"), MCL 380.522, meets the Board of Trustees requirements and the requirements of applicable law and is therefore approved;
- 2. In accordance with Section 524(1), MCL 380.524(1) of the Code, the University Board hereby approves an amendment of the Academy's contract to include the proposed site for the Henry Ford Academy: School for Creative Studies:

Argonaut Building 435-485 West Milwaukee Detroit, Michigan 48202

3. In accordance with Section 6.11 of the General Terms and Conditions incorporated into the Academy's contract, dated December 14, 2007, the University Board hereby issues a third contract to the Academy provided that, before execution of the contract amendment memorializing this contract, the University President or his designee affirms that all terms of the contract amendment have been agreed upon by the Academy.

IV. Achieve Charter Academy

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

- 1. That the application for Achieve Charter Academy ("Academy"), submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
- 2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- Academy Board Member Nominations a. Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating

resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- C. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- 3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
- 4. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.

5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- 6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 7. <u>Vacancy</u>: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 8. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.
- 9. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions Five (5) Seven (7) Nine (9)	# required for Quorum Three (3) Four (4) Five (5)
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11. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions Five (5) Seven (7) Nine (9)	# for Quorum Three (3) Four (4) Five (5)	# required to act Three (3) Four (4) Five (5)
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12. <u>Initial Members of the Board of Directors</u>: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy's Board of Directors for the designated term of office set forth below:

- 13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents ("Contract") to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.
- 14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive

funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education's issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees' issuance of the Contract, the Applicant, the Academy and the Academy's Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education's issuance of a district code number to the Academy, or for any Michigan Department of Education's decision resulting in the non-issuance of a district code number to the Academy.

V. Reauthorization of Charter Contract

Warrendale Charter Academy, Detroit (7 year)

On motion by Mrs. Brooks and second by Ms. Myers, the following resolution was adopted unanimously:

WHEREAS, the Board of Trustees of Grand Valley State University at its meeting on June 18, 2001, authorized the issuance of a contract to charter a public school academy to Warrendale Charter Academy (the "Academy") with an effective date of June 18, 2001.

NOW, THEREFORE, BE IT RESOLVED:

- 1. The Board of Directors of the Academy were selected in accordance with the resolution adopted by the Grand Valley State University Board of Trustees establishing the method of selection, length of term, and number of members of the Academy Board. This resolution is incorporated in and made part of the contract as Schedule 1.
- 2. The contract of this Academy is due to expire on June 30, 2008.
- 3. The University's Charter Schools Office has completed its evaluation and assessment of the operation and performance of the Academy.
- 4. The Board of Trustees of Grand Valley State University may consider there issuance of a contract to charter following an evaluation and assessment by the University's Charter Schools Office that concludes that the operation and performance of the academy warrants the reissuance of a contract.
- 5. The present Board of Directors of the Academy has requested the reissuance of a contract to charter as a public school academy.

- 6. The University President or his designee has recommended the reissuance of a contract to charter as a public school academy to the Academy for a seven (7) year term beginning July 1, 2008 and ending June 30, 2015.
- 7. The Grand Valley State University Board of Trustees approves and reauthorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to execute the contract to charter a public school academy and related documents to the Academy for a seven (7) year term, provided that, before the execution of the contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract and applicable law. This resolution shall be incorporated in and made part of the contract as Schedule 1.

VI. Amendment to Charter School Contract

Muskegon Technical Academy

On motion by Mrs. Wolters and second by Ms. Myers, the following resolution was adopted unanimously:

RESOLVED, that the Board of Trustees of Grand Valley State University approves an amendment to the Contract to Charter a Public School Academy and Schedule 2, Articles of Incorporation, between Muskegon Technical Academy and Grand Valley State University Board of Trustees to reflect a change in the school name to WayPoint Academy.

VII. Restated Reach Charter Academy

On motion by Ms. Myers and second by Ms. Padnos, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into

consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

- 1. That the application for Reach Charter Academy ("Academy"), submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
- 2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- Initial Academy Board Member Nominations and a. As part of the public school academy Appointments: application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. <u>Subsequent Academy Board Member Nominations and Appointments</u>: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the

Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- **Exigent Appointments:** When the Director determines an C. "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- 3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
- 4. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation

of Public Office administered by a member of the Academy Board, other public official or notary public.

5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- 6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 7. <u>Vacancy</u>: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 8. <u>Filling a Vacancy</u>: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

- 9. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
- 10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

11. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required
	•	to act
Five (5)	Three (3)	Three 3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

12. <u>Initial Members of the Board of Directors</u>: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy's Board of Directors for the designated term of office set forth below:

Harry A. Briggs
Lisa M. Klobucar
Deborah B. Lowery
Eira W. Moore

2 year term expiring June 30, 2010
1 year term expiring June 30, 2011
2 year term expiring June 30, 2011
3 year term expiring June 30, 2011

- 13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents ("Contract") to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.
- 14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of

Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education's issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees' issuance of the Contract, the Applicant, the Academy and the Academy's Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education's issuance of a district code number to the Academy, or for any Michigan Department of Education's decision resulting in the nonissuance of a district code number to the Academy.

VIII. Appointment of Charter School Board of Directors

On motion by Mrs. Wolters and second by Mrs. Brooks, the following resolution was adopted unanimously:

WHEREAS, the following person(s) have met the prescribed requirements and have been nominated pursuant to the procedures outlined in the "Method of Selection" approved by the Grand Valley State University Board of Trustees on June 25, 2004; and

WHEREAS, the Director of the University Charter Schools Office recommends that the following person(s) fill the vacancy and or term(s) on the Academy's Board of Directors;

THEREFORE, BE IT RESOLVED, the Board of Trustees of Grand Valley State University appoints the following person(s) and term(s):

Black River Public School

* Thomas F. Guarr

3 year term expiring June

30, 2011

* Barbara A. Zeller

3 year term expiring June

30, 2011

Discovery Elementary School

*Marie E. Kelley

3 year term expiring June

30, 2011

*Judith A. Kratzer

3 year term expiring June

30, 2011

Endeavor Charter Academy

*Linda M. Wendt

3 year term expiring June

30, 2011

Walker Charter Academy

*Ross A. Luurtsema

3 year term expiring June

30, 2011

West Michigan Academy of Arts and Academics

*Judy E. Bregman

3 year term expiring June

30, 2011

*Represents reappointment

08-2-14

(14) Student Senate Report

08-2-15

(15) President's Report

08-2-16

(16) Motion to Adjourn

RESOLVED, on motion by Mr. Thomas and second by Mrs. Brooks, the meeting was adjourned at 12:03.

Lucille S. Taylor, Chair

Board of Trustees

Teri L. Losey, Secretary

Board of Trustees



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON APRIL 28, 2006:

06-3-14 (14) Charter Schools Report

On motion by Ms. Brooks and second by Mrs. Wolters, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, according to this legislation, the Board of Trustees of Grand Valley State University ("University Board"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate urban high school academies; and

WHEREAS, the Michigan Legislature has mandated that urban high school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed urban high school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed urban high school academy; and

WHERRAS, the University Board, having received applications for organizing urban high school academies, and having examined the ability of the proposed performance standards, proposed academic program, financial viability of the applicant, and the ability of the proposed urban high school academy board of directors to meet the contract goals and objectives;

NOW, THEREFORE, BE IT RESOLVED:

AUTHORIZING RESOLUTION FOR PUBLIC SCHOOL ACADEMIES OF DETROIT ("ACADEMY")

1. That the application for Public School Academies of Detroit ("Academy"), submitted under Section 522 of the Revised School Code, MCL 380.522, meets the University Boards requirements and the requirements of applicable law and is therefore approved;

2. Pursuant to the Method of Selection Resolution adopted by the University Board, the following seven (7) persons are appointed as the initial board of directors for the Academy:

Ms. Jean Baker	2 year term
Dr. Deborah Bail	2 year term
Mr. David Bing	3 year term
Mr. James Nicholson	3 year term
Mr. Edward Parks	3 year term
Mr. Dan Varner	
Ms. Joann Williams	1 year term
	1 year term

3. The University Board approves and authorizes the issuance of a contract to charter an urban high school academy to the Academy and authorizes the Chairperson of the University Board to execute a contract to charter an urban high school academy and related documents issued by the University Board to the Academy, provided that, before execution of the contract, the University President or his designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 8th day of May, 2006.

Teri L. Losey, Secretary

Board of Trustees

Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON APRIL 28, 2006:

06-3-14 (14) Charter Schools Report

Method of Selection Resolution

On motion by Ms. Myers and second by Mrs. Johnson, the following resolution was adopted unanimously:

URBAN HIGH SCHOOL ACADEMY BOARD OF DIRECTORS: METHOD OF SELECTION AND APPOINTMENT

WHEREAS, the Board of Trustees of Grand Valley State University ("University Board") is interested in issuing contracts to urban high school academies, under PA 179 of 2003; and

WHEREAS, MCL 380.528(1)(c) of the Revised School Code ("Code") provides that an authorizing body shall "adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each urban high school academy that it authorizes," and

WHEREAS, the University Board has determined that each contract issued by the University Board shall contain the following method of selection and appointment process until otherwise amended by the University Board;

NOW, THEREFORE, BE IT RESOLVED:

The following method of selection and appointment process for Urban High School Academy Board members applies to all urban high school academies anthorized by the University Board:

- 1. Method of Selection and Appointment of Urban High School Board Members:
 - a. <u>Initial Urban High School Academy Board Member Nominations and Appointments:</u> As part of the urban high school academy application, the applicant shall propose to the University Charter Schools Office Director ("CSO Director"), the names of proposed individuals to serve on the initial board of directors of the proposed urban high school

academy ("Academy Board"). When the CSO Director recommends an initial contract for approval to the University Board, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the urban high school academy applicant ("Applicant"). To be considered for appointment, the nominees must have completed the required board member candidate application materials. including at least (i) the Urban High School Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background and History Check Report prescribed by the University Charter Schools Office.

- Subsequent Urban High School Academy Board b. Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board member positions. As part of the appointment process, the Academy Board may submit to the CSO Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The CSO Director may or may not recommend the proposed nominee submitted by the Academy Board. If the CSO Director does not recommend a nominee submitted by the Academy Board, the CSO Director shall select a nominee and forward that recommendation to the University Board for appointment. The University Board shall have the sole and exclusive right to appoint members to the Academy Board.
- Exigent Appointments: When the CSO Director C. determines an "exigent condition" exists which requires him/her to make an appointment to an Academy Board, the CSO Director, with University President approval, may immediately appoint a person to serve as an Academy Board member for the time specified, but not longer than the next meeting held by the University Board when a regular appointment may be made by the University The CSO Director shall make the appointment in writing and notify the Academy Board of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the University Board

determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

- Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the University Charter Schools Office including, but not limited to, a Urban High School Academy Board Member Questionnaire and a release for criminal records and history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of the University or be a member of the University Board.
- 3. Oath /Acceptance of Office/Voting Rights: Following appointment by the University Board, Academy Board appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
- 4. Length of Term: Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the University Board for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

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

Sesignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the CSO Director. The resignation is effective upon receipt by the CSO Director unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is is provided, then the CSO Director shall confirm a

resignation in writing. The resignation shall be effective upon the date the CSO Director sends confirmation to the resigning Academy Board member.

- Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 7. Filling a Vacancy: The Academy Board may nominate and the CSO Director shall recommend or temporarily appoint persons to fill avacancy as outlined in the "Subsequent Appointments" and "Exigent Appointment" procedures in this resolution.
- 8. Number of Academy Board Member Positions: The number of Academy Board member positions shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
- 9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

Five Seven	(7)	# required for Quorum Three (3) Four (4)
Nine		Five (5)

10. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions Five (5) Seven (7) Nine (9)	# for Quorum Three (3) Four (4) Five (5)	# required to act Three (3) Four (4) Five (5)
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IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 8th day of May. 2006.

Terivi. Losey, Secretary Board of Trustees

Grand Valley State University

SCHEDULE 2

ARTICLES OF INCORPORATION

SCHEDULE 2

ARTICLES OF INCORPORATION

The articles of incorporation are attached.

- Articles of Incorporation, filed May 31, 2007
- Certificate of Merger, filed June 30, 2008
- Restated Articles of Incorporation, filed July 2019

BCS/CD-502 (Rev.10/08)

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES			
Date Received		(FOR BUREAU I	USE ONLY)
	This document is effective described date is stated	ate within 90 days after	
Name Peter H. Webster			
Address 2600 West Big Beaver Road,	Suite 300		
City	State	Zip Code	
Troy, Michigan 48084			EFFECTIVE DATE:

Document will be returned to the name and address you enter above. If left blank document will be mailed to the registered office.

70137U		

RESTATED ARTICLES OF INCORPORATION For use by Domestic Nonprofit Corporations

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 et seq. and Part 6A of the 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 Articles:

ARTICLE I

The name of the corporation is: The Public School Academies of Detroit (the "Academy").

ARTICLE II

The authorizing body for the corporation is: Grand Valley State University ("GVSU") Board of Trustees, ("Board of Trustees"), 1 Campus Drive, Allendale, Michigan 49401.

The purposes for which the corporation is organized are:

1. Specifically, the corporation is organized for the purposes of operating as a public school academy in the State of Michigan pursuant to Part 6A of the Code, being Sections Restated Articles of Incorporation - 1

380.501 to 380.507 of the Michigan Compiled Laws.

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 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

- 1. The corporation is organized upon a <u>Nonstock</u> basis.
- 2. a. If organized on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

Real Property: 3-acre vacant parcel of land in Detroit with value of \$218,073.10

b. The description and value of its personal property assets are: (if none, insert "none")

Personal Property: <u>furniture and other equipment with value of \$862,843</u>

- c. The corporation is to be financed under the following general plan:
 - a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
 - b. Federal funds.
 - c. Donations
 - d. Fees and charges permitted to be charged by public school academies.
 - e. Other funds lawfully received.
- d. The corporation is organized on a <u>Directorship</u> basis.

ARTICLE IV

- 1. The name of the resident agent at the registered office: Peter H. Webster
- 2. The address of the registered office is:

500 Woodward Avenue, Suite 400, Detroit, MI 48226
(Street Address) (City) (ZIP Code)

3. The mailing address of the registered office, if different than above:

2600 W. Big Beaver Road, Suite 300, Troy, MI 48084
(Street Address) (City) (ZIP Code)

ARTICLE V

The corporation is a governmental entity.

ARTICLE VI

Before execution of a contract to charter a public school academy between the Academy Board and the Board of Trustees, the method of selection, length of term, and the number of members of the Academy Board shall be approved by a resolution of the Board of Trustees as required by the Code.

The members of the Academy Board shall be selected by the following method:

1. Method of Selection and Appointment of Academy Board Members:

- a. <u>Initial Academy Board Member Nominations and Appointments:</u> As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments:

 Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The

Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- c. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
- 2. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
- 3. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
- 4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

- Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 6. <u>Vacancy:</u> An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 7. <u>Filling a Vacancy:</u> The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.
- 8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), nine (9), or eleven (11), as determined from time to time by the Academy Board.
- 9. **Quorum:** In order to legally transact business, the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)
Eleven (11)	Six (6)

A board member who is absent from a meeting of the 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 board.

10. <u>Manner of Acting:</u> The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

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# of Academy Board positions # for Quorum # required to act
Five (5) Three (3) Three (3)
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Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)
Eleven (11)	Six (6)	Six (6)

Conservator; Appointment by University President: Notwithstanding any other 11. provision of the Contract, in the event that the health, safety, and welfare of the 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 powers of a Board of Directors of a Public School Academy and 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. During the appointment, the Academy Board members 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 board 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 the loans, however, the power shall be subject to any provisions and restrictions in any existing credit documents; d) hire, fire, and discipline employees of the Academy; e) settle or compromise with any debtor or creditor of the Academy, including any 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 the Code or this Contract.

ARTICLE VII

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, board, 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 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 Board of Trustees 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 VIII

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 Sections 691.1407 of the Michigan Compiled Laws.

ARTICLE IX

These Articles of Incorporation shall not be amended except by the process provided in the contract executed by the Academy Board and the Board of Trustees.

ARTICLE X

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

ARTICLE XI

A volunteer director is not personally liable to the corporation or its members for money damages for any action taken or any failure to take any action as a volunteer officer, except liability for any of the following:

- (i) The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled.
- (ii) Intentional infliction of harm on the corporation, its shareholders, or members.
- (iii) A violation of Section 551 of the Michigan Nonprofit Corporation Act;
- (iv) An intentional criminal act.
- (v) A liability imposed under section 497(a).

If the corporation obtains tax exempt status under section 501(c)(3) of the internal revenue code, the corporation assumes all liability to any person other than the corporation for all acts or omissions of a volunteer director occurring on or after the filing of the Articles incurred in the good faith performance of the volunteer director's duties.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Government Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

ARTICLE XII

The corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer if all of the following are met:

(i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;

- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and
- (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle for which tort liability may be imposed under section 3135 of the insurance code of 1956, 1956 PA 218, MCL 500.3135.

This article 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.

ARTICLE XIII

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

ARTICLE XIV

The Articles of Incorporation shall become effective upon filing. However, the corporation shall not carry out the purposes set forth in Article II unless/or until the Board of Trustees issues to the Academy Board a contract to operate as a public school academy, and the contract is executed by both the Academy Board and the Board of Trustees.

ADOPTION OF ARTICLES

These Restated Articles of Incorporation were duly adopted on the ______day of June, 2019, in accordance with the provisions of Section 643 of the Act by the unanimous consent of the Board of Directors. These Restated Articles of Incorporation restate, integrate and do further amend the provisions of the Articles of Incorporation.

Signed this Aday of June, 2019.

Ioseph Ari

Board Presiden

60S/00-550 (Rev. 12/05)

MICHIGAN		LABOR & ECONOMIC DMMERCIAL SERVICE	· 1
Date Received		(FOR BUREAU USE ON	.Y)
JUL 0 1 2008	This document is effective subsequent effective date received date is stated in		JUL 0 1 2008
Name Peter H. Webster		RURE	Administrator AUDF COMMERCIAL SERVICE
Address 38525 Woodward	d Ave., Suite 2000		TO DE COMMENCIAL SEMVICE
City	State	Zip Code	-1
Bloomfield Hills	MI	48304-2970	EFFECTIVE DATE:

If left blank document will be mailed to the registered office.

CERTIFICATE OF MERGER / CONSOLIDATION

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 (nonprofit corporations), the undersigned corporations execute the following Certificate:

University Preparator	y Academy		756539
The Public School Ac	ademies of Detroit		7013 7U
o. The name of the survivin	g (new) corporation and its identif	fication number is:	
The Public School A			70137U
c. For each constituent stoo	ck corporation, state:		
Name of corporation	Designation and number of outstanding shares of each class	Indicate classes of shares enlitted to vote	Indicate each class, if any,entitled to vote as a class
If the number of shares is s which the change may occ	subject to change prior to the effe	ective date of the merger or	consolidation, the manner (

500.00 ay 13 11160

Ye

2	a)	For each corporation organized on a membership basis, state (a) the name of the corporation, (b) a description of its members, and (c) the number, classification and voting rights of its members.
		N/A
		-9
	b)	For each corporation organized on a directorship basis, state (a) the name of the corporation, (b) a description of
	~,	the organization of its board, and (c) the number, classification and voting rights of its directors.
		See the attachment
	cj	State the terms and conditions of the proposed merger or consolidation. Include the manner and basis of
		converting the shares of, or membership or other interests in, each constituent corporation into shares, bonds, or other securities of, or membership or other interest in, the surviving or consolidated corporation, or into cash or
		other consideration.
		See the attached Agreement and Plan of Merger.
	d)	If a consolidation, the Articles of Incorporation of the consolidated corporation are attached to this Certificate and
		are incorporated herein. If a merger, the amendments to the Articles, or a restatement of the Articles, of the surviving corporation to be effected by the merger are as follows:
		Serving corporation to be onested by the menger are at teneme.
	e)	Other provisions with respect to the merger (consolidation) are as follows:
	~ ,	,
		See the attached Agreement and Plan of Merger.
3.	Τł	he corporation has complied with the applicable provisions of the law of the jurisdiction where it is organized.
4.		Complete only if an effective date is desired other than the date of filling. The date must be no more than 90 ays after receipt of this document in this office.)
		he merger (consolidation) shall be effective on the day of,
	1	nemerger (consolidation) sitalibe enective on the day or

5 The Plan of Merger or consolidation was approved by:	
the Board of Directors and shareholders or members of t Sections 701 and 703(1) and (2) of the Act:	he following Michigan corporation(s) in accordance with
the Board of Directors of the following Michigan corporat Section 703(3) of the Act:	ion(s) organized on a directorship basis in accordance with
University Prepatory Academy and T	he Public School Academies of Detroit
By (Signistric of President, Vice-President, Chairperson or Vice-Chairperson)	By Macy President, Vice-President, Chaliperson or Vice-Chaliperson)
President	President
(Type or Print Name and Title)	(Type or Print Name and Title)
The Public School Academies of Detroit	University Preparatory Academy
(Name of Corporation)	(Name of Corporation)

....

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Attachment 2b)

- 1. (a) The Detroit Public School Academies, (b) Board consists of 5-9 trustees as determined by the Board, (c) each trustee has 1 vote.
- 2. (a) University Preparatory Academy, (b) Board consists of 5-9 trustees as determined by the Board, (c) each trustee has 1 vote.

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (this "Agreement") is entered into this 25th day of April, 2008 by and between The Public School Academies of Detroit, a Michigan non-profit corporation (the "Academy") and University Preparatory Academy, a Michigan non-profit corporation ("LPA").

RECITALS

- A. The Academy and UPA are each Michigan nonprofit corporations organized on a directorship basis for purposes that include operating as a public school academy under the Revised School Code.
- B. UPA operates three (3) public schools located at various locations in Detroit, Michigan (collectively referred to as the "UPA Schools").
- C. The Board of Directors of UPA has decided to discontinue the operation of that organization as a separate entity and wishes to transfer its pupils, property, and assets to the Academy through a statutory merger and pursuant to Michigan law.
- D. The respective boards of directors of the Academy and UPA deem it advisable and to the advantage, welfare and best interest of UPA and the Academy that UPA be merged with and into the Academy on the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, the parties hereto, intending to be legally bound, agree as follows:

I — THE MERGER

- The Merger. Subject to the terms and conditions of this Agreement, at the 1.1 Effective Time (as defined in Section 1.2), UPA shall be merged with and into the Academy and the separate existence of UPA shall thereupon cease (the "Merger"). The Academy shall be the surviving corporation in the Merger (sometimes referred to in this Agreement as the "Surviving Corporation") and shall continue to be governed by the laws of the State of Michigan. After the Merger, the Surviving Corporation shall possess all of the rights, privileges, immunities and powers and shall be subject to all of the restrictions and duties of each of UPA and the Academy. All property, real, personal and mixed, and all debts of either UPA and the Academy shall be the property of the Academy and title to any real estate shall not revert or be impaired by the Merger in any way. After the Merger, the Academy's name shall also remain unchanged until such time, if at all, that the Academy amends its articles of incorporation. The Merger shall have the effects specified in the Michigan Nonprofit Corporation Act (the "MNCA") and Public Act 1 of 2008. Except to the extent specifically provided in Section 3.1 of this Agreement, it is not the intention of UPA that the assets transferred to the Academy pursuant to the Merger be subject to any restrictions on their use beyond those applicable to such property immediately prior to the Effective Time.
- 1.2 Effective Time. The Academy and UPA will cause an appropriate Certificate of Merger (the "Certificate of Merger") to be executed and filed with the Michigan Department of Labor & Economic Growth on the date of the Closing (as defined in Section 1.3) or on such other

date and time as the Academy and UPA may agree. The Merger shall become effective at 11:59 p.m., on June 30, 2008, or on such other date and time as is agreed upon by the parties and specified in the Certificate of Merger. Such date and time is referred to in this Agreement as the "Effective Time." The separate existence of UPA shall cease at the Effective Time.

- 1.3 Closing. The closing of the Merger (the "Closing") shall take place at the offices of the Academy located at 435 Amsterdam Street, Detroit, Michigan 48202, at such other place, date or time as the Academy and UPA may agree.
- 1.4 Articles of Incorporation and Bylaws of the Surviving Corporation. From and after the Effective Time and until amended, the Articles of Incorporation and Bylaws of the Surviving Corporation shall be the same as they were immediately prior to the Effective Time

1.5 Directors and Officers of the Surviving Corporation.

- A. Directors. The Surviving Corporation's board of directors consists of five (5) to nine (9) members. The president presides at all meetings of the board. Each director has one vote all matters submitted to the board. The directors of the Surviving Corporation shall be the same as they were immediately prior to the Effective Time and shall serve until their successors have been duly elected or appointed and qualified, or until their earlier death, resignation or removal in accordance with the Articles of Incorporation and Bylaws of the Surviving Corporation; provided, however, immediately following the Effective Time, the Surviving Corporation shall nominate three (3) directors of UPA who were directors of UPA immediately prior to the Effective Time for subsequent Academy board member positions in accordance with Section 1.b of that certain Certified Copy of Resolution Adopted by the Board of Trustees of Grand Valley State University dated as of April 28, 2006 attached hereto as Exhibit A.
- B. Officers. The officers of the Surviving Corporation shall be the same as they were immediately prior to the Effective Time and shall serve until their successors have been duly elected or appointed and qualified, or until their earlier death, resignation or removal in accordance with the Articles of Incorporation and Bylaws of the Surviving Corporation.

1.6 Additional Terms and Conditions.

- A. Use of UPA Funds. The Surviving Corporation agrees that all grants and federal and state funding expressly earmarked for UPA but obtained by the Academy as a result of the Merger shall used be exclusively for the former UPA Schools.
- B. Use of UPA Assets. The Surviving Corporation agrees that all financial and physical assets transferred from UPA ("<u>UPA Assets</u>") to the Academy as a result of the Merger shall be used by the Surviving Corporation, in all material respects, exclusively for the former UPA Schools: provided, however, that such use shall not jeopardize the Surviving Corporation's non-profit status or violate any provision of the Surviving Corporation's Articles of Incorporation or Bylaws or any agreements with the Grand Valley State University Board of Trustees ("Authorizing Body").

1.7 UPA Students.

- A. Transfer. All students enrolled at the UPA Schools immediately prior to the Effective Time will be enrolled in the appropriate grade level with the Surviving Corporation and will have the option to remain at the UPA Schools location (the "Transferred Students").
- B. Student Re-Enrollment. The Transferred Students will be categorized as students who were enrolled in the immediately preceding school year for purposes of re-enrollment pursuant to the Academy's Student Re-Enrollment policy attached hereto as **Exhibit B**.

II — REPRESENTATIONS AND WARRANTIES OF THE PARTIES

- 2.1 Representations and Warranties of the Academy. The Academy represents and warrants to UPA as follows:
- A. Organization. The Academy is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Michigan.
- authority to execute and deliver this Agreement and to perform its obligations under this Agreement. This Agreement constitutes a valid and legally binding obligation of the Academy enforceable in accordance with its terms, except as such enforceability may be subject to the effects of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally and subject to principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealings), regardless of whether considered in a proceeding in equity or at law.
- delivery of this Agreement, nor the consummation by the Academy of the Merger or other transactions contemplated by this Agreement, will (i) violate any statute, regulation, rule, injunction, judgment, order or decree of any governmental body or court to which the Academy is subject; (ii) violate any provision of the Articles of Incorporation or Bylaws of the Academy; or (iii) conflict with, result in a breach of or constitute a default under any agreement, contract, lease, license, instrument or other arrangement or restriction to which the Academy is a party or by which it is bound or to which any of its assets is subject. With the exception of prior approval of its Board of Directors and its Authorizing Body, the Academy is not required to give any notice to, make any filing with or obtain any authorization, consent, or approval of any government or governmental agency other than the Michigan Department of Attorney General in order for it to consummate the transactions contemplated by this Agreement.
 - 2.2 Representations and Warranties of UPA. UPA represents and warrants to the Academy as follows:
- A. Organization. UPA is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of Michigan.
- B. Authorization of Transaction. UPA has full corporate power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. This Agreement constitutes a valid and legally binding obligation of UPA enforceable

in accordance with its terms, except as such enforceability may be subject to the effects of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally and subject to principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealings), regardless of whether considered in a proceeding in equity or at law.

- Consistency with Laws, Orders, etc. Neither the execution and the delivery of this Agreement, nor the consummation by UPA of the Merger or other transactions contemplated by this Agreement, will (i) violate any statute, regulation, rule, injunction, judgment, order or decree of any governmental body or court to which UPA is subject; (ii) violate any provision of the Restated Articles of Incorporation or Bylaws of UPA; or (iii) conflict with, result in a breach of or constitute a default under, any agreement, contract, lease, license, instrument or other arrangement or restriction to which UPA is a party or by which it is bound or to which any of its assets is subject. With the exception of prior approval of its Board of Directors and its Authorizing Body, UPA is not required to give any notice to, make any filing with or obtain any authorization, consent, or approval of any government or governmental agency other than the Michigan Department of Attorney General in order for it to consummate the transactions contemplated by this Agreement.
- D Compliance with Laws. UPA is in substantial compliance with all applicable laws, rules, regulations, orders, judgments and decrees of all governmental authorities, federal, state, local or otherwise. UPA has not received any notice of violation nor otherwise been made aware of any claim by a federal, state, county or municipal authority pertaining to any material violation of a governmental regulation concerning its business.

III — COVENANTS OF THE PARTIES

- 3.1 Conduct of Business. The Academy and UPA each covenant and agree that, during the period from the date of this Agreement to the Effective Time, it will conduct its operations according to its ordinary and usual course of business consistent with past practice and, to the extent consistent therewith, with no less diligence and effort than would be applied in the absence of this Agreement.
- 3.2 Best Efforts. Each of the parties will take all actions and will do all things reasonably necessary in order to consummate the Merger and to make effective the other transactions contemplated by this Agreement, including, but not limited to, providing the other party, and the other's respective authorized representatives, access to the employees, agents, properties, books and records of the party in order that the other party may have the opportunity to make such investigations as it shall reasonably request of the affairs of the other.

3.3 Indemnification of the UPA Directors, Officers and Committee Members.

A. Indemnification. The Academy agrees that all rights to indemnification, including provisions relating to advances of expenses incurred in defense of any action or suit, existing in favor of the present or former directors, officers and committee members of UPA as provided in the Restated Articles of Incorporation and Bylaws of UPA, in the MNCA or pursuant to other agreements as in effect as of the date of this Agreement, with respect to matters occurring through the Effective Time, shall survive the merger and shall continue in full force and effect until three (3) years after the Effective

Time; provided, however, that all rights to indemnification in respect of any claim asserted or made within such period shall continue until the disposition of such claim. The total indemnification under this Section 3.3A, including expenses, shall not exceed the sum of (i) the amounts payable on behalf of indemnitees by insurers; (ii) any indemnification provided to indemnitees from sources other than UPA; and (iii) the net fair market value of UPA property passing to the Academy under the Merger as of the Effective Time.

than three (3) years after the Effective Time the current policies of directors' and officers' liability insurance and fiduciary liability insurance maintained by or on behalf of UPA with respect to matters occurring prior to the Effective Time; provided, however, that the Academy may substitute for any such policies of substantially the same coverage containing terms and conditions which are no less favorable than any such insurance in effect immediately prior to the Effective Time.

IV — CONDITIONS

- 4.1 Conditions to the Obligations of the Academy. The obligations of the Academy to consummate the Merger are subject to the fulfillment at, or prior to, the Effective Time of the following conditions, any or all of which may be waived in whole or in part by the Academy to the extent permitted by applicable law:
- A. Representations, Warranties and Covenants of UPA. All of the representations and warranties of UPA set forth in this Agreement shall be true and correct in all material respects on and as of the Effective Time and UPA shall have performed in all material respects all of its covenants under this Agreement through the Effective Time.
- B. Approvals and Consents. The Merger and the other transactions under this Agreement shall have received all approvals of the Michigan Department of Attorney General, Charitable Trust Division necessary to file a Certificate of Merger.
- permanent injunction or other order of a court or other governmental or regulatory body directing that the Merger or other transactions contemplated under this Agreement not be consummated.
- D. Landlord Consent. UPA shall have delivered the written consent of its landlord "Landlord") approving the Merger in connection with the Lease between UPA, as tenant, and the Landlord, dated as of April 28, 2004.
- F. Authorizing Body Consent. The Authorizing Body shall have delivered written consent approving the Merger and Plan of Merger.
- 4.2 Conditions to the Obligations of UPA. The obligations of UPA to consummate the Merger are subject to the fulfillment at or prior to the Effective Time of the following conditions, any or all of which may be waived in whole or in part by UPA to the extent permitted by applicable law:
- A. Representations, Warranties and Covenants of the Academy. All of the representations and warranties of the Academy set forth in this Agreement shall be true and

correct in all material respects on and as of the Effective Time and the Academy shall have performed in all material respects all of its covenants under this Agreement through the Effective Time.

- B. Approvals and Consents. The Merger and the other transactions under this Agreement shall have received all approvals of the Michigan Department of Attorney General, Charitable Trust Division necessary to file a Certificate of Merger.
- C. No Injunctions. There shall not be in effect any preliminary or permanent injunction or other order of a court or other governmental or regulatory body directing that the Merger or other transactions contemplated under this Agreement not be consummated.
- D. Authorizing Body Consent. The Authorizing Body shall have delivered written consent approving the Merger and Plan of Merger.

V — MISCELLANEOUS

5.1 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been given when delivered personally, mailed by registered or certified mail (return receipt requested), delivered by Federal Express or other nationally recognized overnight courier service or sent via facsimile to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

To the Academy:	The Public School Academies of Detroit 435 Amsterdam Street Detroit, Michigan 48202 Telephone: () Facsimile: () Attention:
With a copy to	Dickinson Wright PLLC 38525 Woodward Ave., Ste. 2000 Bloomfield Hills, Michigan 48304-2970 Telephone: (248) 433-7513 Facsimile: (248) 433-7274 Attention: Peter H. Webster, Esq.
To UPA:	University Preparatory Academy 600 Antoinette Street Detroit, Michigan 48202 Telephone: () Facsimile: () Attention:
With a copy to	Jaffe Raitt Heuer & Weiss, PC 27777 Franklin Road, Ste. 2500 Southfield, Michigan 48034-8214 Telephone: (248) 351-3000 Facsimile: (248) 351-3082

Attention: Erika Butler-Akinyemi, Esq.

- 5.2 Assignment. Neither party may assign its duties, rights and obligations under this Agreement without the prior written consent of the other party.
- 5.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Academy and UPA and their respective successors and assigns.
- 5.4 Entire Agreement. This Agreement, as it may be amended or supplemented from time to time, constitutes the complete agreement between the Academy and UPA and supersedes all prior agreements, oral and written. This Agreement may be modified only by a written instrument executed by the Academy and UPA.
- 5.5 Choice of Law. This Agreement will be governed by, construed and enforced in accordance with the laws of the state of Michigan.
- 5.6 Waivers. No part of this Agreement may be waived except by the written agreement of the Academy or UPA. Forbearance in any form from demanding performance hereunder is not a waiver of performance. Until complete performance under this Agreement, the party owed performance may invoke any remedy under this Agreement or under law, despite its past forbearance.
- 5.7 Limited Enforcement. This Agreement is enforceable only by the Academy and UPA and their respective successors and assigns. No other person has the right to enforce any of the provisions contained in this Agreement; provided, however, that the provisions of Section 3.3 shall inure to the benefit of, and shall be enforceable by, UPA directors, officers and committee members described in Section 3.3.
- 5.8 Captions. The section and paragraph headings in this Agreement are inserted for convenience only and do not describe, interpret or limit the scope, extent or intent of this Agreement of any provision of this Agreement.
- 5.9 Counterparts. This Agreement may be executed in a number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signatures continue on the following page.]

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement, pursuant to authority given by their respective Boards of Directors, to be executed on its behalf by an authorized officer of each party hereto.

UNIVERSITY PREPARATORY ACADEMY	THE PUBLIC SCHOOL ACADEMIES OF DETROIT
By: Jeacy There	Ву: Ди// См
Name:	Name:
hs: President	lts: President

EXHIBIT A

RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY DATED AS OF APRIL 28, 2006

See attached.



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON APRIL 28, 2006:

06-3-14 (14) Charter Schools Report

On motion by Ms. Brooks and second by Mrs. Wolters, the following resolution was adopted unanimously:

WHEREAS, the Michigan Legislature has provided for the establishment of urban high school academies as part of the Michigan public school system by enacting Act No. 179 of the Public Acts of 2003; and

WHEREAS, according to this legislation, the Board of Trustees of Grand Valley State University ("University Board"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate urban high school academies; and

WHEREAS, the Michigan Legislature has mandated that urban high school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed urban high school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed urban high school academy; and

WHEREAS, the University Board, having received applications for organizing urban high school academies, and having examined the ability of the proposed performance standards, proposed academic program, financial viability of the applicant, and the ability of the proposed urban high school academy board of directors to meet the contract goals and objectives;

NOW, THEREFORE, BE IT RESOLVED:

AUTHORIZING RESOLUTION FOR PUBLIC SCHOOL ACADEMIES OF DETROIT ("ACADEMY")

1. That the application for Public School Academies of Detroit ("Academy"), submitted under Section 522 of the Revised School Code, MCL 380.522, meets the University Boards requirements and the requirements of applicable law and is therefore approved;

2. Pursuant to the Method of Selection Resolution adopted by the University Board, the following seven (7) persons are appointed as the initial board of directors for the Academy:

Ms. Jean Baker	2 year term
Dr. Deborah Ball	2 year term
Mr. David Bing	3 year term
Mr. James Nicholson	3 year term
Mr. Edward Parks	3 year term
Mr. Dan Varner	1 year term
Ms. Joann Williams	l year term

3. The University Board approves and authorizes the issuance of a contract to charter an urban high school academy to the Academy and authorizes the Chairperson of the University Board to execute a contract to charter an urban high school academy and related documents issued by the University Board to the Academy, provided that, before execution of the contract, the University President or his designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the contract.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the scal of said body corporate to be hereto affixed this 8th day of May, 2006.

Teri L. Losey, Secretary Board of Trustees

Grand Valley State University



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF GRAND VALLEY STATE UNIVERSITY ON APRIL 28, 2006:

06-3-14 (14) Charter Schools Report

Method of Selection Resolution

On motion by Ms. Myers and second by Mrs. Johnson, the following resolution was adopted unanimously:

URBAN HIGH SCHOOL ACADEMY BOARD OF DIRECTORS: METHOD OF SELECTION AND APPOINTMENT

WHEREAS, the Board of Trustees of Grand Valley State University ("University Board") is interested in issuing contracts to urban high school academies, under PA 179 of 2003; and

WHEREAS, MCL 380.528(1)(c) of the Revised School Code ("Code") provides that an authorizing body shall "adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each urban high school academy that it authorizes," and

WHEREAS, the University Board has determined that each contract issued by the University Board shall contain the following method of selection and appointment process until otherwise amended by the University Board;

NOW, THEREFORE, BE IT RESOLVED:

The following method of selection and appointment process for Urban High School Academy Board members applies to all urban high school academies authorized by the University Board:

- 1. Method of Selection and Appointment of Urban High School Board Members:
 - a. <u>Initial Urban High School Academy Board Member Nominations and Appointments:</u> As part of the urban high school academy application, the applicant shall propose to the University Charter Schools Office Director ("CSO Director"), the names of proposed individuals to serve on the initial board of directors of the proposed urban high school

academy ("Academy Board"). When the CSO Director recommends an initial contract for approval to the University Board, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the urban high school academy applicant ("Applicant"). To be considered for appointment, the nominees must have completed the required board member candidate application materials. including at least (i) the Urban High School Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background and History Check Report prescribed by the University Charter Schools Office.

- b. Subsequent Urban High School Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board member positions. As part of the appointment process, the Academy Board may submit to the CSO Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The CSO Director may or may not recommend the proposed nominee submitted by the Academy Board. If the CSO Director does not recommend a nominee submitted by the Academy Board, the CSO Director shall select a nominee and forward that recommendation to the University Board for appointment. The University Board shall have the sole and exclusive right to appoint members to the Academy Board.
- Exigent Appointments: When the CSO Director C. determines an "exigent condition" exists which requires him/her to make an appointment to an Academy Board, the CSO Director, with University President approval, may immediately appoint a person to serve as an Academy Board member for the time specified, but not longer than the next meeting held by the University Board when a regular appointment may be made by the University The CSO Director shall make the appointment in writing and notify the Academy Board of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the University Board

determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

- Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the University Charter Schools Office including, but not limited to, a Urban High School Academy Board Member Questionnaire and a release for criminal records and history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of the University or be a member of the University Board.
- 3. Oath /Acceptance of Office/Voting Rights: Following appointment by the University Board, Academy Board appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
- 4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the University Board for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

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

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the CSO Director. The resignation is effective upon receipt by the CSO Director unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is is provided, then the CSO Director shall confirm a

resignation in writing. The resignation shall be effective upon the date the CSO Director sends confirmation to the resigning Academy Board member.

- 6. <u>Vacancy</u>: An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 7. Filling a Vacancy: The Academy Board may nominate and the CSO Director shall recommend or temporarily appoint persons to fill avacancy as outlined in the "Subsequent Appointments" and "Exigent Appointment" procedures in this resolution.
- 8. <u>Number of Academy Board Member Positions</u>: The number of Academy Board member positions shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
- 9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

10. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 8th day of May, 2006.

Board of Trustees

Grand Valley State University

EXHIBIT B

STUDENT RE-ENROLLMENT

Student Re-Enrollment

- Any student who was enrolled in the immediately preceding school year in the Academy will be enrolled in the appropriate grade level. The re-enrollment process for the application period will include:
- Parents or guardians of all enrolled students will be notified of the deadline for notifying the urban high school academy that they wish to re-enroll their child.
- If there is 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 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 following will be determined:
 - The number of students who have re-enrolled per grade level.
 - 2. The number of siblings seeking admission for the upcoming academic year per grade (it a Board policy exists).
 - 3. If space is unavailable, a waiting list for siblings of re-enrolled students will be developed.
 - 4. The number of spaces remaining, per grade, after enrollment of current students and siblings.

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Date Received	ADJUSTED I	PURSUANT TO UTHORIZATION	(FOR BUREAU USE ONLY)
3 0 200 7	Pot	OTHORIZATION	FILED
			MAY 3 1 2007
Edward Parks			Administrator RUREAU OF COMMERCIAL SERVICES
727 Harmon			CANCEL OF COMMUNICACING SENAICES
Birmingham, M	ichigan 48009		
			EFFECTIVE DATE:

ARTICLES OF INCORPORATION For Use by Domestic Nonprofit Corporations

OF

THE PUBLIC SCHOOL ACADEMIES OF DETROIT

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 ct seq., and Part 6C of the Revised School Code (the "Code") as amended, being Sections 380.521 et seq. of the Michigan Compiled Laws, the undersigned corporation executes the following Articles:

ARTICLE I

The name of the corporation is: The Public School Academies of Detroit (the "Academy").

The authorizing body for the corporation is: The Grand Valley State 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 urban high school academy in the State of Michigan pursuant to Part 6C of the Code, being Sections 380.521 et seq. of the Michigan Compiled Laws.

& 70.00 CK(P3 95572

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 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, directorship basis.

The value of assets which the corporation possesses is:

Real Property: \$0.

Personal Property: \$1,000.00. Cash

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 urban high school academies.
- e. Other funds lawfully received.

ARTICLE IV

The address of the registered office is 727 Harmon, Birmingham, Michigan 48009.

The mailing address of the registered office is the same.

The name of the resident agent at the registered office is Edward Parks.

ARTICLE V

The name and address of the incorporator is as follows: Edward Parks

727 Harmon

Birmingham, Michigan 48009

ARTICLE VI

The corporation is a governmental entity and a political subdivision of the State of Michigan.

ARTICLE VII

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 VIII

Before a contract to charter a urban high school academy is issued by the Grand Valley State 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 (the "Board of Directors") shall be approved by a resolution of the University Board as required by the Code.

ARTICLE IX

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 X

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 XI

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, board, 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 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.

ARTICLE XII

If the corporation's contract to operate a urban high school academy is terminated, not renewed or is revoked by the University Board, title to all real and personal property, interest in real or personal property, and other assets owned by the corporation shall revert to the State of Michigan. The corporation's property shall be distributed as follows:

Within 30 days following the termination, non-renewal or revocation, the board of directors of the corporation shall hold a public meeting to adopt a plan of distribution of assets and to approve the dissolution of the urban high school academy corporation, all in accordance with chapter 8 of the Act.

The corporation's board of directors shall file a certificate of dissolution with the Michigan Department of Labor and Economic Growth or such successor department within 10 business days following board approval.

Simultaneously with the filing of the certificate of dissolution, the corporation's board of directors shall provide a copy of the plan of distribution of assets to the State Treasurer for approval. Within 30 days, the State Treasurer, or his or her designee, shall review and approve the plan of distribution of assets. If the proposed plan of distribution of assets is not approved within 30 days, the State Treasurer, or his or her designee, shall provide the corporation's board of directors with an acceptable plan of distribution of assets.

The State Treasurer, or his or her designee, shall monitor the corporation's winding up of the dissolved corporation in accordance with the approved plan of distribution of assets.

As part of the plan of distribution of assets, the corporation's board of directors shall designate the Director of the Michigan Department of Management and Budget, or his or her designee, to dispose of all real property of the urban high school academy corporation in accordance with the directives developed for disposition of surplus land and facilities under section 251 of the Management and Budget Act, 1984 PA 431, MCL 18.1251.

If the corporation's board of directors fails to take necessary action under the Code to effectuate a dissolution and winding up of the corporation, the State Treasurer, or his or her designee, may suspend the corporation's board of directors and appoint a trustee to carry out the plan of distribution of assets that was adopted by the corporation's board of directors or that was provided by the State Treasurer. Upon appointment, the trustee shall have all the rights, powers, and privileges under law that the corporation's board of directors had prior to suspension of their appointments to public office.

Following the sale of the real or personal property or interests in the real or personal property, and after payment of any corporation debt secured by the property or interest in property, whether real or personal, the corporation's board of directors, or a trustee appointed by the State Treasurer, shall forward any remaining money to the State Treasurer. Following receipt, the State Treasurer, or his or her designee, shall deposit any remaining monies in the state school aid fund established under article IX, section 11 of the Constitution of the State of Michigan of 1963, as amended.

ARTICLE XIII

These 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 issued to the corporation by the University Board. This process is as follows:

The corporation's board of directors, or any authorized designee of the corporation's board of directors, may propose changes to the corporation's articles of incorporation. The corporation shall be authorized to make such changes to the corporation's articles of incorporation upon a majority vote of the University Board members attending a University Board mecting. Upon University Board approval, the authorized designee of the corporation's

board of directors is authorized to file the amendment to the corporation's articles of incorporation with the Michigan Department of Labor and Economic Growth's Bureau of Commercial Services. Upon receipt of the filed amendment, the corporation shall forward the filed amendment to the University Charter Schools Office. The filed amendment shall be automatically incorporated into Schedule 2 of the Contract upon receipt of the amendment by the University Charter Schools Office. If the University identifies a provisions in the Articles of Incorporation that violates or conflicts with another provision of the Contract, due to a change in law or for other reasons, after approval have been given, the University shall notify the corporation's board of directors in writing and the corporation's board of directors shall amend the articles of incorporation to make them consistent with the Contract. If the change is requested by the University, the University shall reimburse the corporation for the filing fees payable to the State of Michigan, Michigan Department of Labor and Economic Growth.

ARTICLE XIV

A volunteer director or volunteer officer of this corporation is not personally liable to the corporation for monetary damages for a breach of such director's or officer's fiduciary duty, except that nothing herein shall be construed to eliminate or limit the liability of a volunteer director or volunteer officer for any of the following:

- a A breach of the director's or officer's duty of loyalty to the corporation.
- b Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
- c A violation of Section 551(1) of the Act.
- d A transaction from which the director or officer derived an improper personal benefit.
- e An act or omission that is grossly negligent.

The corporation assumes all liability to any person other than the corporation for all acts or omissions of a volunteer director or officer incurred in the good faith performance of the volunteer director's or officer's duties.

This Article shall be construed broadly to provide immunity to the fullest extent permitted by law as of the date of these Articles, or by any subsequent amendment to such law or any future law permitting greater immunity. Any repeal or modification of this Article by the corporation shall not adversely affect any right or protection of any volunteer director or volunteer officer of the corporation existing at the time of such acts or omissions occurring before such repeal or modification.

ARTICLE XV

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

ADOPTION OF ARTICLES

These Articles of Incorporation were duly adopted on this <u>is</u> day of March, 2007.
These Articles of Incorporation shall become effective upon filing. However, the corporation
shall not carry out the purposes set forth in Article II unless the University Board issues to the
corporation a contract to operate as a urban high school agademy.
By:///////
Edward Parks, Incorporator

SCHEDULE 3 BYLAWS

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AMENDED BYLAWS

OF

PUBLIC SCHOOL ACADEMIES OF DETROIT

ARTICLE I

NAME

This organization shall be called the Public School Academies of Detroit (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 shall be 500 Woodward Avenue, Suite 400, Detroit, MI 48226. The registered agent is Peter H. Webster. It must be located in the state of Michigan, and be the business office of the registered agent, as required by the Michigan Nonprofit Corporation Act.

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 Nonprofit Corporation Act or pursuant to Part 6A of the Revised School code ("Code"). The Academy Board may delegate said powers to the officers and committees of the Academy Board as it deems appropriate or necessary, as long as such delegation is consistent with the Articles, these Bylaws, the Contract and Applicable Law.

- Section 2. <u>Method of Selection and Appointment.</u> Nomination and appointment to the Academy Board shall be handled in the following manner:
 - 1. Method of Selection and Appointment of Academy Board Members:
 - a. <u>Initial Academy Board Member Nominations and Appointments:</u> As part of the public school academy applicant, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Grand Valley State University Board of Trustees ("Board of Trustees"), he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for the appointment, the nominees must have completed the required board member Questionnaire prescribed by the University Charter Schools office; and (ii) the criminal Background Check Report prescribed by the University Charter Schools Office.
 - b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend a nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
 - c. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of director, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
 - Qualifications of Academy Board Members: To be qualified to serve of the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited

to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.

- 3. Oath / Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
- 4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from the office by a two-thirds (2/3) vote of the Academy's Board for cause.

- 5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
- 6. <u>Vacancy:</u> An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
- 7. <u>Filling a Vacancy:</u> The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

- 8. <u>Number of Academy Board Member Positions:</u> The number of member positions of the Academy Board of Directors shall be five (5), seven (7), or nine (9), as determined from time to time by the Academy Board.
- 9. Quorum: In order to legally transact business, the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

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

A board member who is absent from a meeting of the 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 board.

10. <u>Manner of Acting:</u> The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

Section 3. Conservator; Appointment by University President. Notwithstanding any other provision of the Contract, in the event that the health, safety, and welfare of the 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 powers of a Board of Directors of a Public School Academy and 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. During the appointment, the Academy Board members 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 board 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 the loans, however, the power shall be subject to any provisions and restrictions in any existing credit documents; d) hire, fire, and discipline employees of the Academy; e) settle or compromise with any debtor or creditor of the Academy, including any 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 the Code or this Contract.

Section 4. <u>Compensation.</u> By resolution of the Academy Board, Directors may be paid their expenses, if any, of attendance at each meeting of the Academy Board, subject to the statutes regarding 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 and the Standards of Conduct for Public Officers and Employees, Act No. 196 of the Public Acts of 1973, being Sections 15.341 to 15.348 of the Michigan Compiled Laws, and the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws.

ARTICLE V

MEETINGS

- Section 1. <u>Annual and Regular Meetings.</u> The Academy Board shall hold an annual meeting each year. The meeting shall be held at such time and place as the Academy Board of Directors shall from time to time determine. The Academy Board may also provide, by resolution, the time and place, within the state of Michigan, for the holding of additional regular meetings. The Academy shall provide notice of 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 the President or any Academy Board Director. The person of persons authorized to call special meetings of the Academy Board may fix the place within the state of Michigan for holding any special meeting of the Academy Board called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the corporation in the state of Michigan. The corporation shall provide notice of all special meetings as required by the Open Meetings Act.
- Section 3. Notice: Waiver. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally or mailed or sent by facsimile to each Director at the Director's business address. Any Director may waive notice of any meeting by written statement, or telecopy 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. Open Meetings Act. All meetings of the Academy Board, shall at all times be in compliance with the Open Meetings Act.
- Section 5. <u>Presumption of Assent.</u> A director of the Academy Board who is present at a meeting of the Academy Board at which action on any corporate matters 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 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 the vacancies in the officers of the Academy Board or committees created pursuant to this Section; (ii) amending the Articles of Incorporation or Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of its activities and shall make such reports the Academy Board of its activities as the Academy Board may request.

ARTICLE VII

OFFICERS OF THE BOARD

- Section 1. <u>Number.</u> The officers of the Academy shall be a President, Vice-President, Secretary, Treasurer, and such Assistant officers 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 Academy Board shall elect the officers annually as terms expire at the annual meeting of the Academy Board. If the election of officers is not held at that meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officers resigns or is removed in the manner provided in Article IV, Section 2.
- Section 3. <u>Removal.</u> If the Grand Valley State University Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees 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 be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.
- Section 4. <u>Vacancies.</u> A vacancy in any office shall be filled in accordance with Article IV, Section 2.

- Section 5. <u>President.</u> The President of the Academy shall be a member of the Academy Board. The President of the corporation shall preside at all meetings of the Academy Board. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Academy Board attending the meeting shall preside. The president shall be an ex-officio member of all standing committees and may be designated Chairperson of those committees by the Academy Board. The President shall, in general, perform all duties incident to the office of President of the Board as may be prescribed by the Board from time to time.
- Section 6. <u>Vice-President.</u> The Vice-President of the Academy shall be a member of the Academy Board. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or the Academy Board.
- Section 7. Secretary. The Secretary of the Academy shall be a member of the Academy Board. The Secretary shall perform, or cause to be performed, the following duties: (a) keep the minutes of the Academy Board meetings in one or more books provided that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or by the Academy Board.
- Section 8. <u>Treasurer.</u> The Treasurer of the Academy shall be a member of the Academy Board. The Treasurer shall perform, or cause to be performed, the following duties: (a) keep 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 depositors as shall be selected by the Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent of 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 Directors shall have the power to appoint any person 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 restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may be resolution otherwise determine.
- Section 10. <u>Salaries.</u> Officers shall not receive a salary unless the salary has been specifically approved by the Academy Board, subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being sections 15.181 to 15.185 of the Michigan Compiled Laws. Officers

of the corporation who are Directors of the corporation may not be compensated for their services. They may, however, receive traveling and other expenses.

Section 11. <u>Filling More Than One Office</u>. Subject to the statute concerning 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 there to. No contract into, by or on behalf of the Academy Board, shall in any way bind the University or impose any liability on the University, its trustees, officers, employees or agents.
- Section 2. <u>Loans.</u> No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Academy Board. Such authority may be general or confined to specific instances. No loan or advance to, or overdraft of funds by an officer or member of the Academy Board otherwise than in the ordinary and usual course of the business of the corporation, and on the ordinary and usual course of the business or security, shall be made or permitted. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Grand Valley State University or impose any liability on Grand Valley State 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 corporation, shall be signed by such officer or officers, agent or agents, of the corporation 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 corporation not otherwise employed shall be deposited within three (3) business days after the receipt of the funds by 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 Securities Owned by this Corporation.</u> Subject always to the specific directions of the Academy Board, any shares or other securities issued by another 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 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.

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 Complied Laws, shall comply with the public disclosure requirement set forth in Section 3 of the statute.

ARTICLE IX

INDEMNIFICATION

Each person who is or was a member of the Academy Board, or a trustee, 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, shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. 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 Board, grant rights to indemnification to any employee or agent of the corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

ARTICLE X

FISCAL YEAR, BUDGET AND UNIFORM BUDGETING AND ACCOUNTING

Section 1. <u>Fiscal Year, Budget and Uniform Budgeting and Accounting</u>. The fiscal year of the corporation shall begin on the first day of July in each year. The Board of Directors, subject to the

oversight responsibilities of the University Board, shall have exclusive control of the budget. The board shall prepare and publish an annual budget in accordance with the Uniform Budgeting and Accounting Act, being Act 2 of the public laws of Michigan of 1968, as amended.

ARTICLE XI

SEAL

The Academy Board may provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation, the State of Michigan and the words "Corporate Seal" and "Public School Academy."

ARTICLE XII

AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by obtaining 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 for the special meetings. Upon arrival, the Academy Board shall forward the amendment to the University Charter Schools Office. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt of the amendment by the University Charter Schools Office. The Academy Board is encouraged to submit proposed Bylaw changes to the Charter Schools Office, for review and comment, prior to adoption. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with applicable law or the Contract, it shall notify the Academy Board in writing and the Academy Board shall remedy the identified provision to be in concert with applicable law and the Contract.

CERTIFICATION

Board Secretary delapse - Board President

SCHEDULE 4 FISCAL AGENT AGREEMENT

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to the Public School Academies of Detroit, an urban high school academy ("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 1.01. <u>Definitions</u>. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy 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 of 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 Grand Valley State 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 urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. <u>Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions</u>. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board 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 3.02.

Section 2.02. <u>Transfer to Academy</u>. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. <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 or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board 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, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

ARTICLE III

STATE DUTIES

Section 3.01 <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 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

- Section 4.01. <u>Compliance with State School Aid Act</u>. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.
- Section 4.02. 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 4.03. <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 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. <u>Deposit of Academy Funds</u>. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. <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 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, 2009, and annually thereafter, a written report dated as of August 31 summarizing 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 6.01. <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 6.02. <u>Limitation of Liability</u>. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

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

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

Acknowledgment of Receipt

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

RY.

Joseph L. Fielek, Director Bureau of Bond Finance

Michigan Department of Treasury

Date: <u>Jan. 3</u> 2008

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SCHEDULE 5

MASTER CALENDAR OF REPORTING REQUIREMENTS

Public School Academy / School of Excellence/ PSAD Master Calendar of Reporting Requirements July 1, 2019 – June

30, 2020

	30, 2020	
DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
July 11	Board Adopted 2019-2020 School Calendar/School Day Schedule.	CSO CSO
July 11	Board adopted Annual Calendar of Regularly Scheduled Meetings for 2019-2020.	CSO
July 11	Board Adopted Annual Operating Budget for the General Fund and School Service Fund for 2019-2020.	CSO
July 11	Copy of Notice of Public Hearing for Annual Operating Budget for 2019-2020.	CSO
July 11	Budgeted Enrollment Number for 2019-2020.	CSO
July 25	DS-4168 Report of Days and Clock Hours of Pupil Instruction for 2018-2019 academic year, if applicable (See MDE website, www.michigan.gov/mde , for MDE due date and form).	CSO
August 3	Board Resolution appointing Chief Administrative Officer for 2019-2019. Must be a board member.	CSO
August 3	Board Resolution appointing Freedom of Information Act Coordinator for 2019-2020.	CSO
August 3	Board Designated Legal Counsel for 2019-2020.	CSO
August 3	School Safety Liaison for 2019-2020.	CSO
August 15	Special Education Data Report; Special Education Procedures; Section 504 Data Report. Use GVSU Templates located within the task in Epicenter.	CSO
August 29	4 th Quarter Financial Statements – quarter ending 06/30.	CSO
September 6	GVSU Check Directions (Where do we send checks for the 2019-2020 year?).	CSO
September 6	Updated Waitlist Number for 2019-2020.	CSO
September 6	Board approved Student Handbook 2019-2020.	CSO
September 6	Board approved Employee Handbook 2019-2020.	CSO
September 6	Copy of School Improvement Plan covering 2019-2020 academic year.	CSO
September 6	School Information Update- See Epicenter Task for template.	CSO
September 6	School Contacts Update Certification.	CSO
October 3	Completed PSA Insurance Questionnaires. See Epicenter Task for template.	CSO
October 3	Staff Roster (GVSU Format).	CSO
October 3	Annual Nonprofit Corporation Information Update for 2019.	CSO
October 3	Board adoption of the Statewide Safety Information Policy (see MCL 380.1208 for more information.	CSO
October 11	Unaudited Count Day Submission.	CSO
October 11	Criminal History Record Registration- New Schools.	CSO

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
October 11	DS-4898 PSA Preliminary Pupil Membership Count for September 2019 Enrollment and Attendance for 1 st & 2 nd Year PSAs and Academies who added grade levels. (See MDE website, www.michigan.gov/mde for MDE due date).	CSO
October 30	Audited Financial Statements for fiscal year ending June 30, 2019. (See MDE Website, www.michigan.gov/mde , for MDE due date.	CSO
October 30	Management Letter (comments and recommendations from independent financial auditor) for fiscal year ending June 30, 2019, if issued. If a management letter is not issued, a letter from the Academy stating a management letter was not issued is required to be submitted.	CSO
October 30	Annual A-133 Single Audit for year ending June 30, 2019, is required if over \$500K in federal funds have been expended. If a single audit is not necessary, a letter from the Academy stating as such is required to be submitted.	CSO
October 30	1st Quarter Financial Statements – quarter ending 09/30.	CSO
December 2	Special Education Population Data request sheet.	CSO
December 13	Transparency Page Update Certification.	CSO
January 13	Staff Roster (GVSU Format).	CSO
January 13	School Contacts Update Certification.	CSO
January 30	2 nd Quarter Financial Statements – quarter ending 12/31.	CSO
January 30	Board Member Annual Conflict of Interest.	CSO
February 21	Unaudited Winter Count Day Submission.	CSO
March (TBD)	Anti-Bullying Policy, in accordance with Matt's Safe School Law (new schools).	CSO
April 1	Special Education: Maintenance of Effort (MOE) Eligibility Test submitted through Catamaran. Please download PDF or Excel and submit.	CSO
April 27	3 rd Quarter Financial Statements – quarter ending 03/31.	CSO
May 15	Notice of Open Enrollment & Lottery Process or Open Enrollment & Lottery Process Board Policy for 2020-2021. Must include board approved offered seat schedule.	CSO
June 4	Certificate of Boiler Inspection covering years 2020-2021.	CSO
June 27	Waitlist for 2020-2021	CSO
June 27	Number of graduates in Class of 2020. Enter directly into Epicenter.	CSO
June 27	Amount of scholarship dollars received for class of 2020. Enter directly into Epicenter.	CSO

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
June 27	Board Approved Amended Budget for 2019-2020 fiscal year (or	CSO
	statement that budget has been reviewed and no amendment was needed).	
June 27	2019-2020 Log of emergency drills, including date, time and results.	CSO
	See Epicenter Task for template.	
June 27	Board adopted Letter of Engagement for year ending June 30, 2020, independent financial audit.	CSO
June 27	Food service license expiring 04/30/2021.	CSO
June 27	Special Education Population Data request sheet.	CSO

Ongoing Reporting Requirements July 1, 2019 – June 30, 2020

The following documents do not have a set calendar date; however, they require submission within a certain number of days from board action or other occurrence.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
Date notice is	Academy Board Meeting Record of Postings – cancellations, changes,	CSO
posted	special meetings, emergency etc. Must include time and date of actual posting.	
14 days after Board meeting	Draft Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
14 days after Board approval	Approved Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
30 business days	Board Adopted Annual Operating Budget for 2019-2020 including	No submission
after board	Salary/Compensation Transparency Reporting to be available on school	needed.
approval	website per the State School Aid Act as amended	
14 days after	Oath of Office and written acceptance for each Board Member.	CSO
Board approval		
10 business days	Board adopted Amended Budget and General Appropriations	CSO
after Board	Resolution.	
approval		
10 days of receipt	Correspondence received from the Michigan Department /State Board	CSO
	of Education requiring a formal response.	
10 days of receipt	Correspondence received from the Health Department requiring a	CSO
	formal response.	
10 days of receipt	Written notice of litigation or formal proceedings involving the Academy.	CSO
30 days prior to board execution	Board proposed draft Educational Management Company Agreements or Amendments thereto.	CSO
Coma Checanon	or i michanicino mereto.	

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
5 business days of receipt	Request and Responses to Freedom of Information Requests.	CSO

Original/Subsequent Board Policy Reporting Requirements July 1, 2019 – June 30, 2020

The following documents do not have a set calendar date; however, they require an original submission and subsequent submission if Board action is taken making amendments/changes.

REPORT DESCRIPTION	SUBMIT TO:
Articles of Incorporation. Must have GVSU Board approval before modifying.	CSO
Board of Director Bylaws.	CSO
Educational Service Provider Agreements/Amendments	CSO
Academy's Educational Goals.	CSO
Office of Fire Safety (OFS-40) – original occupancy permit and permits for renovations/additions, etc.	CSO
Lease, Deed of Premises or Rental Agreement and subsequent amendments (includes modular units).	CSO
Curriculum including any additions/deletions.	CSO
Asbestos Hazardous Emergency Response Act (AHERA) Management Plan. Visit www.michigan.gov/asbestos for Michigan's model management plan. A copy of the "acceptance" letter sent by MIOSHA is also required.	CSO
Communicable Disease Curriculum (including minutes of board approval).	CSO
Job Descriptions for all employee groups	CSO
REQUIRED BOARD POLICIES	,
Board adopted Purchasing Policy (date of approval or revision). Reference: MCL 380.1267, MCL 380.1274	CSO
Use of Medications Policy (date of approval or revision). Reference: MCL 380.1178, 380.1178a, 380.1179	CSO
Harassment of Staff or Applicant Policy (date of approval or revision). Harassment of Students Policy (date of approval or revision) Reference: MCL 380.1300a	CSO
Search and Seizure Policy (date of approval or revision). Reference: MCL 380.1306	CSO
Emergency Removal, Suspension and Expulsion of Students Policy (date of approval or revision). Reference: MCL 380.1309; MCL 380.1312(8)&(9); MCL 37.1402	CSO
Parent/Guardian Review of Instructional Materials & Observation of Instructional Activity Policy (date of approval or revision). Reference: MCL 380.1137	CSO

Board Member Reimbursement of Expenses Policy (date of approval or revision).	CSO
Reference: MCL 380.1254; MCL 388.1764b	
Equal Access for Non-School Sponsored Student Clubs and Activities Policy (date of	CSO
approval or revision). Reference: MCL 380.1299	
Electronic or Wireless Communication Devices Policy (date of approval or revision).	CSO
Preparedness for Toxic Hazard and Asbestos Hazard Policy (date of approval or	CSO
revision).	
Reference: MCL 324.8316, 380.1256	
Nondiscrimination and Access to Equal Educational Opportunity Policy (date of	CSO
approval or revision).	
Including, but not limited to, Michigan Constitution, Article I, §26, Elliott-Larsen Civil	
Rights Act, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments	
of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of	
1975.	
Academy Deposit Policy (date of approval or revision).	CSO
PA 105 of 1855, being MCL 21.146, Section 11.10 of the Charter Contract	
Parental Involvement Policy (date of approval or revision).	CSO
Reference: MCL 380.1294	
Wellness Policy (date of approval or revision).	CSO
Reference: 42 USC §§ 1751, 1758, 1766; 42 USC § 1773	
Corporal Punishment Policy (date of approval or revision).	CSO
Reference: MCL 380.1312(8)&(9);	
Anti-Bullying Policy (Matt's Safe School Law) (date of approval or revision).	CSO
Reference: MCL 380.1310b	
Cardiac Emergency Response Plan (date of approval or revision).	CSO
Reference: MCL 29.19	
Emergency Operations Plan (date of approval or revision).	CSO
Reference: MCL 380.1308	
Data Breach Response Plan (date of approval or revision).	CSO
The Academy Board shall design and implement a comprehensive data breach response plan	
that is made available to Academy personnel and Educational Service Providers.	

The following reports Academies must submit to the local ISD, MDE, CEPI and other organizations throughout the year.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
TBD	Student Count Day for State Aid F.T.E.	No submission
		required.
August	4094 Transportation Report from 18-19.	CEPI (online)
September	SE-4096 Special Education Actual Cost Report (Contact ISD for due	ISD
	date).	
Sept.	*Special Education Findings – Sept. Strand Report for: B-1, B-2, B-9,	Catamaran
	B-10, and B-13. Data review and complete corrective actions if	
	required. Corrective Action	
October	Eye Protection Certificate (#4527 Certification of Eye Protective	CEPI
	Devices Electronic Grant System [MEGS] if applicable).	
October	Certification of Constitutionally Protected Prayer.	MDE
October	SE-4094 Transportation Expenditure Report (Contact ISD for due date).	ISD
October 1 –	Teacher Certification/Criminal Background Check/Unprofessional	No submission
October 31	Conduct. This is an onsite review scheduled and conducted by Quality	needed.
(as scheduled)	Performance Resource Group. No submission required.	
Oct/Nov	Deadline for MEIS/Single Record Student Database ("SRSD")	CEPI
	electronic file (Contact the local ISD for due date.)	
November	Deadline for Immunization Records Report – IP100. (Contact Health	Local Health
	Dept. for due date).	Dept.
November 14	Deadline for electronic submission to the Financial Information	CEPI
	Database (FID, formerly known as the Form B). State aid will be	
	withheld if the submission is not successful.	
Nov/Dec	Special Education Count on MI-CIS . Special education data must be	ISD
	current and updated in the Michigan Compliance and Information	
	System (MI-CIS). This information is used to determine funding for	
	next year (Contact local ISD for due date).	
December 1 -	Teacher Certification/Criminal Background Check/Unprofessional	No submission
December 31	Conduct. This is an onsite review scheduled and conducted by Quality	required.
(as scheduled)	Performance Resource Group. No submission required.	
Nov/Dec	Registry of Educational Personnel (REP) Submission.	CEPI
December 30	Municipal Finance Qualifying Statement, if applicable (online	MI Dept. of
	submission).	Treasury
January	*Special Education Findings – January Strand Report for: B-11, B-	Catamaran
	12. Data review and complete corrective actions if required.	
Feb 1	Deadline for Immunization Record Report – IP100 (Contact Health	Local Health
	Dept. for due date). A financial penalty of 5% of a school's state aid	Dept.
	allocation can be assessed if the immunization rate is not at 90% or	
	above.	
Feb	Supplemental Student Count for State Aid F.T.E.	No submission
		required.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
March	FS-4731-C – Count of Membership Pupils eligible for free/reduced	MDE
	breakfast, lunch or milk (official date TBD).	
March	MEIS/Single Record Student Database ("SRSD") electronic file	ISD, CEPI
	(Contact local ISD for due date.)	
March	Special Education: Maintenance of Effort (MOE) Eligibility Test.	Catamaran
		(online)
May 1 –	Teacher Certification/ Criminal Background Check/Unprofessional	No submission
May 31	Conduct. This is an onsite review scheduled and conducted by Quality	required.
(as scheduled)	Performance Resource Group. No submission required.	
May	*Special Education Findings – May Strand Report for: B-3, B-4, B-	Catamaran
	5, B-6, and B-13. Data review and completion of corrective actions	
	as required.	
June	MEIS/ Single Record Student Database ("SRSD") electronic file	ISD, CEPI
	(Contact local ISD for due date).	
June	Registry of Educational Personnel (REP).	CEPI
June	School Infrastructure Database (SID).	CEPI
June	4107 – Bus inventory	CEPI (online)

*Monthly special education compliance updates, all special education complaints, and the annual Maintenance of Effort (MOE) Eligibility Test and corrective measures are communicated and submitted through Catamaran. Regular monthly (or more frequently) review of special education information is recommended to assure compliance with state reporting requirements. Catamaran can be accessed at: https://training.catamaran.partners/. User account and login information is located at: https://catamaran.partners/Login.aspx?APPTHEME=MICIMS&ReturnURL=/

SCHEDULE 6

INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL MANAGEMENT COMPANY

SCHEDULE 6

INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL MANAGEMENT COMPANY

- A. The following described categories of information are specifically included within those to be made available to the public and the University Charter Schools Office by the Academy in accordance with Section 11.17(a). <u>Information to be Provided by the Academy</u>, of the Terms and Conditions:
- 1. Copy of the Contract
- 2. Copies of the executed Constitutional Oath of public office form for each serving Director
- 3. List of currently serving Directors with name, address, and term of office
- 4. Copy of the Academy Board 's meeting calendar
- 5. Copy of public notice for all Academy Board meetings
- 6. Copy of Academy Board meeting agendas
- 7. Copy of Academy Board meeting minutes
- 8. Copy of Academy Board approved budget and amendments to the budget
- 9. List of bills paid for amounts of \$10,000.00 or more as submitted to the Academy Board
- 10. Copy of the quarterly financial reports submitted to the University Charter Schools Office
- 11. Copy of curriculum and other educational materials given to the University Charter Schools Office
- 12. Copy of School improvement plan (if required)
- 13. Copies of facility leases, mortgages, modular leases and/or deeds
- 14. Copies of equipment leases
- 15. Proof of ownership for Academy owned vehicles and portable buildings
- 16. Copy of Academy Board approved management contract with Educational Service Provider
- 17. Copy of Academy Board approved services contract(s)
- 18. Office of Fire Safety certificate of occupancy for all Academy facilities
- 19. MDE letter of continuous use (if required)
- 20. Local County Health Department food service permit (if required)

- 21. Asbestos inspection report and asbestos management plan (if required)
- 22. Boiler inspection certificate and lead based paint survey (if required)
- 23. Phase 1 environmental report (if required)
- 24. List of current Academy teachers and school administrators with their individual salaries as submitted to the Registry of Educational Personnel
- 25. Copies of administrator and teacher certificates or permits for all current administrative and teaching staff
- 26. Evidence of fingerprinting, criminal back-ground and record checks and unprofessional conduct check required by the Code for all Academy teachers and administrators
- 27. Academy Board approved policies
- 28. Copy of the annual financial audit and any management letters issued to the Academy Board as part of the audit
- 29. Proof of insurance as required by the Contract
- 30. Any other information specifically required under Public Act 277 of 2011
- B. The following information is specifically included within the types of information available to the Academy by the Educational Management Organization (if any) in accordance with Section 11.17(b). <u>Information to be provided by Educational Management Company</u>, of the Terms and Conditions:
- 1. Any information needed by the Academy in order to comply with its obligations to disclose the information listed under (a) above.
- C. In accordance with Section 11.13. <u>Additional Required Provisions for Educational Service Provider Agreements</u>, of the Terms and Conditions, the following categories must be clearly defined within each ESP agreement that the Academy is a party to:
 - 1. Roles and responsibilities of the parties
 - 2. Services and resources provided by the ESP
 - 3. Fee or expense payment structure
 - 4. Financial control, oversight, and disclosure
 - 5. Renewal and termination of the agreement"

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (the "Agreement") is made effective as of July 1, 2019 by and between **DETROIT 90/90**, **INC.**, a Michigan nonprofit corporation ("Detroit 90/90") and **THE PUBLIC SCHOOL ACADEMIES OF DETROIT**, a Michigan public school academy (the "PSAD") formed under Part 6c of the Revised School Code, Public Act 451 of 1976 (the "Code"), as amended.

PSAD is an urban high school academy organized under the Code. PSAD has been issued a contract (the "Authorizing Contract") by **GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES** (the "Authorizer") to organize and operate one or more urban high school academies. PSAD currently operates three (3) school districts within the city of Detroit, Michigan (the "PSAD Schools"), including **UNIVERSITY PREPARATORY ACADEMY – SCIENCE AND MATH** ("UPSM" or the "School"). UPSM is comprised of: (1) UPSM Elementary School – Sidney D. Miller Campus; (2) UPSM Middle School; and, (3) UPSM High School (collectively referred as the "UPSM Schools").

PSAD and Detroit 90/90 desire to enter into an agreement, as defined in MCL 380.523c(2)(c), whereby PSAD and Detroit 90/90 will work together to deliver systems of educational excellence and services to PSAD and its UPSM Schools based on Detroit 90/90's vision of school design, management principles, and curriculum programs for the PSAD's urban high school academies as set forth in detail in the Authorizing Contract.

THEREFORE, the parties agree as follows:

ARTICLE I Relationship of the Parties and Other Matters

- Section 1. <u>Authority</u>. PSAD represents that: (a) it is authorized by law to contract with an educational management organization for the provision of management and operational services to PSAD; and (b) PSAD has been issued the Authorizing Contract from the Authorizer to organize and operate one or more urban high school academies. To the extent permitted by law and without waiving any privilege or immunity, PSAD authorizes and grants to Detroit 90/90 the necessary authority and power to perform under this Agreement.
- Section 2. <u>Detroit 90/90 Services</u>. The parties agree that Detroit 90/90 shall provide all labor, materials, and supervision necessary for the provision of comprehensive educational, administrative, management, and instructional services contemplated by this Agreement to PSAD (the "Services") as set forth below and in attached <u>Exhibit A</u>. Detroit 90/90 shall provide such Services to PSAD so PSAD can meet its obligations under the Authorizing Contract, Michigan Department of Education agency requirements, and all other applicable law.
- Section 3. <u>Change in Law</u>. 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 Law") 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.

- Section 4. <u>Educational Program</u>. Detroit 90/90 shall implement the educational goals, curriculum, method of pupil assessment, admissions, policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, and methods to be used to monitor compliance with performance of targeted educational outcomes as previously adopted by the PSAD Board of Directors ("Board") and as included in the Authorizing Contract (collectively, the "Educational Program").
- Section 5. <u>Compliance with the Contract</u>. Detroit 90/90 agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with PSAD's obligations under the Authorizing Contract issued by the Authorizer. The provisions of PSAD's Authorizing Contract shall supersede any competing or conflicting provisions in this Agreement.
- Section 6. <u>Relationship of the Parties</u>. Detroit 90/90 is not a division or any part of PSAD. PSAD is not a division or any part of Detroit 90/90 and is a separate corporate and governmental entity authorized under the Code. The relationship between the parties was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.
- Section 7. <u>Detroit 90/90 as Independent Contractor; Agency.</u> Detroit 90/90 shall provide the Services as an independent contractor and not as an employee, partner, agent, or associate of the School. This independent contractor relationship shall extend to the officers, directors, employees, and representatives of Detroit 90/90. Detroit 90/90 shall be solely responsible for its acts, the acts of its employees, partners, agents, and those subcontractors who are contracted through Detroit 90/90. Consistent with the status of an independent contractor, Detroit 90/90 reserves to itself the right to designate the means and methods of accomplishing the objectives and purposes of this Agreement in accordance with the Authorizing Contract and Applicable Law.
- Section 8. Detroit 90/90 Authorized Access to Information. During the Term of this Agreement defined below, the Board designates Detroit 90/90 staff and any "Outside Services" (as referenced in Exhibit A, Paragraph G below) as school officials having a legitimate educational interest such that they are entitled to access to education records under 20 U.S.C. §1232g of the Family Educational Rights and Privacy Act. Detroit 90/90, its officers, agents, employees, and staff, including any "Outside Services," shall comply with the Family Educational Rights and Privacy Act at all times. During the Term of this Agreement, PSAD may disclose confidential data and information to Detroit 90/90 and its respective officers, directors, employees, and designated agents to the extent permitted by Applicable Law including, without limitation, the Individuals 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 Americans 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.

Section 9. <u>No Related Parties or Common Control</u>. The parties agree that none of the voting power of the governing body of PSAD or the Board will be vested in Detroit 90/90 or its directors, members, managers, officers, shareholders, or employees. Further, PSAD and Detroit 90/90 are not, and shall not become: (a) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the "IRS Code"); or (b) related persons, as that term is defined in the IRS Code.

Section 10. <u>Teachers</u>. All teachers and staff employed or retained by Detroit 90/90 and assigned to UPSM are employees of Detroit 90/90 and not employees of PSAD or the UPSM Schools. Detroit 90/90 may elect to contract with a co-employer but a co-employer arrangement between Detroit 90/90 and the co-employer shall in no way make, reference or substitute PSAD as an employer or co-employer. Detroit 90/90 teachers assigned to UPSM are not considered teachers for purposes of continuing tenure under MCL 38.71 et seq.

Section 11. <u>Chief Executive Officer</u>. Detroit 90/90 shall employ a Chief Executive Officer ("CEO") for UPSM. PSAD and Detroit 90/90 understand that they will also enter into a similar educational management agreement for the operation of the PSAD University Preparatory Academy ("UPA") urban high school academy and the PSAD University Preparatory Academy: Art and Design ("UPA:AD"). The CEO for UPSM shall also serve as the CEO for UPA and UPA:AD. The CEO shall hold all required certifications as required by the Code. The Detroit 90/90 Board will have the authority, consistent with Applicable Law, to select, supervise, discipline, or terminate the CEO and to hold the CEO accountable for the success of UPSM. Detroit 90/90 will empower the CEO with the authority to select and hold accountable the teachers and staff at UPSM.

Section 12. <u>Criminal Background Checks.</u> Detroit 90/90 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 unprofessional conduct, criminal background, and criminal conduct checks. In accordance with state law and the Michigan State Police regulations, PSAD and/or the CEO shall conduct the appropriate criminal background checks in the manner required by applicable law, regulation, and policy, including as it relates to the obtaining, storage, and dissemination of Criminal History Record Information ("CHRI") and the registering and use of the Criminal History Records Internet Subscription Service ("CHRISS"). PSAD and Detroit 90/90 shall use CHRI and CHRISS 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.

Section 13. <u>Unprofessional Conduct Checks.</u> Detroit 90/90 agrees that the CEO will conduct unprofessional conduct checks in accordance with MCL 380.1230b before hiring an employee assigned to work at the UPSM worksite.

Section 14. Compliance with Section 523c. On an annual basis, Detroit 90/90 agrees to provide PSAD with 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, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, PSAD shall make the information available on UPSM's website home page, in a form and

manner prescribed by the Michigan Department of Education. The defined terms in section 523c of the Code, MCL 380.523c, shall have the same meaning in this Agreement.

- Section 15. <u>The Board</u>. The Board is the governing body with oversight responsibilities over PSAD. The parties acknowledge that, throughout this Agreement, the term "Board" and the term "PSAD" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject matter of the article/section.
- Section 16. <u>Availability of Funds.</u> Detroit 90/90 shall be liable to PSAD for any cost it commits PSAD to without the Board's approval in the event such cost is beyond the amount in PSAD's budget or any approved amendment to the budget. Detroit 90/90 shall only be required to perform its responsibilities under this Agreement to the extent PSAD has appropriated required funds in its budget, as amended.
- Section 17. <u>Materials Purchased</u>. Notwithstanding any provision in this Agreement, the Board retains the obligation, as provided in Section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials, and equipment to PSAD. Unless otherwise prohibited by law, Detroit 90/90 shall directly procure all supplies, materials, and equipment provided that Detroit 90/90 complies with Section 1274 of the Code and the written policies the Board promulgated related to such items. All supplies, materials, and equipment purchased by Detroit 90/90 on behalf of PSAD shall be property of PSAD. Detroit 90/90 certifies that there shall be no markup of costs for supplies, materials, or equipment procured by Detroit 90/90 on the behalf of PSAD and that said supplies, materials and/or equipment shall be inventoried in such a way that it can be clearly established which property belongs to PSAD. Detroit 90/90 shall maintain an inventory of PSAD equipment so that it can be clearly established which property belongs to PSAD.
- Section 18. <u>Subcontracts.</u> Detroit 90/90 reserves the right to subcontract, with Board approval, any and all aspects of all other services it agrees to provide to PSAD, including, but not limited to transportation and/or food service. Detroit 90/90 shall not subcontract the management, oversight, staffing, or operation of the teaching and instructional program, except as specifically permitted herein or with the prior approval of the Board.
- Section 19. <u>Compliance with Section 11.22 of Contract Terms and Conditions</u>. Detroit 90/90 shall make information concerning the operation and management of PSAD, including without limitation the information described in Schedule 6 of the Contract, available to PSAD as deemed necessary by the Board in order to enable PSAD to fully satisfy its obligations under Section 11.22(a) of the Contract Terms and Conditions.
- Section 20. Privacy. Except as permitted under the Code, Detroit 90/90 shall not sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of PSAD student's education records. If Detroit 90/90 receives information that is part of an PSAD student's education records, Detroit 90/90 shall not sell or otherwise provide the information to any other person except as permitted under the Code. For purposes of this section, the terms "education records" and "personally identifiable information" shall have the same meaning as those terms in section 1136 of the Code, MCL 380.1136.

Section 21. <u>Data Breach</u>. Detroit 90/90 shall develop and maintain, with Board approval, a data breach response plan to address the release of personally identifiable information from PSAD education records or other information not suitable for public release. In the event of a data breach, Detroit 90/90 and PSAD shall follow the data breach response plan.

ARTICLE II Term

This Agreement shall be effective for a five (5) year period beginning July 1, 2019 and ending June 30, 2024 (the "Term"), subject to earlier termination under Article VI.

ARTICLE III Obligations of the Academy

- Section 1. <u>Good Faith Obligation</u>. PSAD shall exercise good faith in considering recommendations by Detroit 90/90 relative to the Educational Program defined above in Article I, Section 2 and attached Exhibit A.
- Section 2. <u>PSAD Funds</u>. The Board shall determine the depository of all funds received by PSAD including, but not limited to, the State School Aid and any funds, other consideration, or property purchased with such funds, received by PSAD or Detroit 90/90 on behalf of PSAD from such other revenue sources (generally, the "Additional Revenue"). All funds received by PSAD shall be deposited in PSAD's depository account. Signatories on the depository account shall be members of the Board or properly designated Board agents, which may include employees or agents of Detroit 90/90. All interest or investment earnings on PSAD deposits shall accrue to PSAD.
- Section 3. <u>District Facilities and Physical Plants.</u> PSAD shall provide Detroit 90/90 reasonable access to the district facilities and physical plants that are provided by PSAD for use by UPSM, as described in the operative lease agreements between TEF-FIVE, LLC and PSAD; TEF-Franklin, LLC and PSAD; TEF-EIGHT, LLC and PSAD; and as incorporated into the Authorizing Contract for the provision of Services under this Agreement.
- Section 4. <u>Board Policies</u>. PSAD shall be responsible for the fiscal and academic policies of the School. The Board shall exercise good faith in considering the recommendations of Detroit 90/90 including, but not limited to, Detroit 90/90's recommendations regarding PSAD policies, rules, regulations, and the PSAD Budget (as defined below).
- Section 5. <u>Board Spending Account.</u> The Board may maintain revenues provided by philanthropic donors for general PSAD expenses (the "Board Spending Account"). All funds in the Board Spending Account are the property of the PSAD Schools and may be used solely by PSAD for the benefit of the Schools at the discretion of the Board. Funds in the Board Spending Account that are not spent by PSAD during the academic year shall carry over annually and shall be included in the PSAD annual audit.

ARTICLE IV Compensation For Services

- Section 1. [Section left intentionally blank].
- Section 2. <u>Compensation for Services</u>. During the Term of this Agreement, the Board shall pay Detroit 90/90 a fee equal to Detroit 90/90's break-even operating costs attributed to UPSM that are not cost allocated to the PSAD UPSM budget plus one percent (1%) of such Detroit 90/90 UPSM operating costs (the "Fee").
- Section 3. <u>Fee Payments</u>. Detroit 90/90 shall receive the Fee in twelve (12) installments of approximately equal monthly amounts beginning in July of each academic year and ending in the following June unless otherwise described in this Agreement related to a Transition Period as defined in Article VI, Section 4.
- Section 4. <u>Reasonable Compensation</u>. The parties agree that the Fee amount is reasonable compensation for the provision of the Services and Detroit 90/90's incurring of any non-reimbursable expenses. PSAD and Detroit 90/90 agree to make adjustments to the Fee as necessary because of factors such as differences in actual and projected enrollments, differences between actual and projected operating expenses, and funding changes mandated by federal, state, or municipal sources.
- Section 5. <u>Detroit 90/90 Budget Surplus</u>. Detroit 90/90 shall operate on a break-even cost plus one percent (1%) of the Fee budget (the "Detroit 90/90 Budget"). In the event Detroit 90/90 maintains a budget surplus at the end of any academic year of the Term in excess of \$20,000 (a "Budget Surplus") or a fund balance in excess of \$25,000 ("Fund Balance Surplus"), then Detroit 90/90 shall make a proposal to PSAD for disposition of the Budget Surplus or Fund Balance Surplus. If the parties do not mutually agree to the disposition of the Budget Surplus or Fund Balance Surplus for such year of the Term after informal discussion, the parties shall participate in mediation and arbitration if the matter is not resolved as set forth in Article X of this Agreement. PSAD retains the right to request additional proposals for the Budget Surplus or Fund Balance Surplus and/or to veto Detroit 90/90's proposal if it considers it not in the best interest of PSAD Schools.
- Section 6. <u>Detroit 90/90 Budget Deficit</u>. In the event Detroit 90/90 incurs expenses in amounts more than those set forth in the applicable Detroit 90/90 Budget in any type or classification resulting in a deficit (a "Budget Deficit") for any year of the Term, Detroit 90/90 shall provide a budget amendment in writing to PSAD. If the parties do not mutually agree to the budget adjustment, the parties shall participate in mediation and arbitration if the matter is not resolved as set forth in Article X of this Agreement. Notwithstanding the foregoing, Detroit 90/90 shall give PSAD written notice not more than fifteen (15) days after becoming aware of a potential Budget Deficit.

Section 7. [Section left intentionally blank].

ARTICLE V Proprietary Information and Personal Property

- Section 1. <u>PSAD's Rights to Curriculum and Educational Materials</u>. All items acquired with PSAD funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and all other technology shall be owned by and remain the property of PSAD.
- Section 2. <u>Non-Disclosure of Proprietary Information; Remedy for Breach</u>. Except as specifically required by the Code or the Michigan Freedom of Information Act, the proprietary information and materials of either party shall be held in strict confidence by the other party to this Agreement.
- Section 3. Naming Rights and Intellectual Property. PSAD is the sole owner, licensee or grantee of all PSAD School names and marks or substantially similar names or marks. This includes, but is not limited to, "UPA," "University Prep," "University Preparatory," "University Preparatory Academy," "UPA," "UPREP," "Uprep," "University Prep Science & Math," "UPSM," "University Preparatory Academy Art & Design," "UPA:AD," and "UPrep Schools" (the "PSAD Marks"). Detroit 90/90 shall acquire no rights in or to the PSAD Marks, and all goodwill associated with the PSAD Marks shall inure to the sole benefit of and remain with PSAD. Upon expiration or termination of this Agreement, Detroit 90/90 shall immediately discontinue use of the PSAD Marks and shall remove the PSAD Marks from its locations, websites, telephone directory listing, and all other written or electronic promotional materials.
- Section 4. Personal Property Upon Termination or Expiration. Upon any termination or the expiration of this Agreement, PSAD shall own, without restriction, all property, tangible and intangible, purchased, licensed, or acquired in any fashion by or for PSAD. PSAD may elect: (a) to purchase any personal property which has been purchased or leased from a third party solely with Detroit 90/90 funds, provided such purchase or lease is permitted under the purchase or lease documents, at the fair market, depreciated value of such personal property; or (b) to return same to Detroit 90/90.

ARTICLE VI Termination

Section 1. <u>Termination by Detroit 90/90</u>. Detroit 90/90 may terminate this Agreement before the end of the Term in the event PSAD fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to, PSAD's failure to timely remit the Fee due to Detroit 90/90. PSAD has thirty (30) days after notice from Detroit 90/90 to remedy a breach that involves the advancement of funds for all compensation required for payroll or to reach an agreement with Detroit 90/90 on the payment of those funds.

Termination before the end of the Term shall not relieve PSAD of any financial or other obligations to Detroit 90/90 outstanding as of the date of termination. Failure by Detroit 90/90 to: (a) declare a breach; (b) place PSAD on notice thereof; or (c) fail to exercise or exert any remedy available to Detroit 90/90 under this Agreement or Applicable Law, shall not be deemed a waiver of Detroit 90/90's right and remedies whatsoever.

- Section 2. <u>Termination by PSAD</u>. PSAD may terminate this Agreement before the end of the Term in the event that Detroit 90/90 fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to:
 - a. Failure by Detroit 90/90 to reasonably account for its expenditures;
 - b. Failure by Detroit 90/90 to pay PSAD's approved and budgeted operating expenses as required under this Agreement (provided funds are available);
 - c. Failure by Detroit 90/90 to substantially follow policies, procedures, rules, regulations, or curriculum duly adopted by the Board which are not in violation of Applicable Law or this Agreement;
 - d. Failure by Detroit 90/90 to provide the Services as required by this Agreement;
 - e. Any action or inaction by Detroit 90/90 that places the Authorizing Contract in jeopardy of revocation, suspension, or termination as evidenced by written notification from the Authorizer; and/or
 - f. Failure to meet the educational performance requirements in the Authorizing Contract, any lease agreement entered into by PSAD for the operation of UPSM, or as set forth in **Exhibit B** to this Agreement.

Detroit 90/90 has ten (10) days after notice from PSAD to remedy a breach that involves Detroit 90/90's non-payment of approved and budgeted funds for all compensation required for Detroit 90/90's payroll or to reach an agreement with PSAD on the payment of those funds. Detroit 90/90 has thirty (30) days after written notice from PSAD to remedy all other material breaches.

- Section 3. <u>Termination by Either Party</u>. Either party may also terminate this Agreement without cause before the end of the Term by giving written notice of termination to the other party by December 1 of a particular year and, unless otherwise agreed to by the parties, the termination shall be effective as of June 30 of the following year. Notice of termination provided after December 1 shall not be effective until one year after June 30 of the following year. In the event notice of termination is provided after December 1 of any academic year, PSAD reserves the right to provide sixty (60) days written notice of termination to Detroit 90/90, with Detroit 90/90 obligated to provide transition services commencing on day sixty-one (61) as set forth in Section 5.
- Section 4. Revocation or Termination of Contract. If the Authorizing Contract as it relates to UPSM is revoked or terminated or a new charter contract is not issued or obtained, this Agreement shall automatically terminate on the same date as the Authorizing Contract is revoked or terminated without further action of the parties.
- Section 5. <u>Transition Period</u>. In the event of any termination or expiration of this Agreement, Detroit 90/90 shall provide PSAD reasonable assistance for up to ninety (90) days to assist in the orderly transition from Detroit 90/90 to another educational management company, at no cost to PSAD (the "Transition Period"). As of the date of the notice of termination, any

remaining Fee payments shall be divided by the remaining months of the academic year, plus the three (3) month Transition Period, and paid in equal monthly amounts ending at the conclusion of the Transition Period unless otherwise disbursed by PSAD. In the event Detroit 90/90 fails to provide adequate transition services as set forth in this Agreement, the three (3) month Transition Period payments are deemed waived in accordance with Applicable Law to the extent such payments are not directly for payroll services previously rendered.

After a notice of termination is provided by either party and up and until the effective date of termination as stated in the notice (i.e., June 30) and the conclusion of the Transition Period, Detroit 90/90 shall undertake the following:

- 1. Carry out its obligations under this Agreement in the ordinary course of business;
- 2. Use its best efforts to maintain its relations and goodwill with suppliers, landlords, creditors, employees, agents, and others having business relationships with UPSM;
- 3. Make Detroit 90/90 staff available to Detroit 90/90's successor:
- 4. Provide Detroit 90/90's successor with all information and access to records and information necessary for the ongoing operation of the School;
- 5. Provide Detroit 90/90's successor with all information, systems, electronic databases (including passcodes and electronic keys) necessary to ensure the orderly transition of all student records, school database and information systems, free and reduced lunch records and reports, financial and facilities information, vendor subcontracts, and all other administrative records necessary for school management and operation;
- 6. Make no material changes in administrative, operational, or management personnel, including the chief administrative officer, chief operating officer, director of finance, assistant director of finance for UPSM, principals for each of the UPSM schools, or teaching staff without prior written approval of PSAD;
- 7. Use its best efforts not to disturb UPSM's relations and goodwill with parents, students, and the educational community relating to the operation and management of UPSM, including not initiating contact with the parents, legal guardians, or students of PSAD;
- 8. Comply with all legal requirements and contractual obligations related to the operations of the School;
- 9. Continue in full force and effect all required insurance coverages;
- 10. Cooperate with PSAD in identifying the governmental authorizations or other approvals including, but not limited to, those regarding UPSM facilities required by PSAD to operate UPSM; and

- 11. Prepare and provide to PSAD, within twenty (20) days of the provision of notice of termination, at Detroit 90/90's own expense, a draft transition agreement which shall specifically detail and plan for each and every transition issue and provide a timeline for addressing each issue.
- 12. Detroit 90/90 agrees that it shall not enforce any non-compete contractual requirement or contractual obligation on any of its teachers, support staff, principals, agents, or others under its employ who are currently working at UPSM.

Section 6. 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. After any termination or the expiration of this Agreement, and once all such obligations referenced above are satisfied, the parties shall have no further obligations to each other under this Agreement except for the continuing obligations under: (a) Article V (proprietary information); and (b) Article VII (indemnification).

Section 7. <u>Termination Based on Cross-Default.</u> In the event Detroit 90/90 violates or otherwise fails to comply with the contractual obligations of the PSAD Independent Contractor Agreement for operation of UPA, or the PSAD Independent Contractor Agreement for operation of UPA: AD at the PSAD Board's discretion it may vote to terminate any one of the PSAD Schools' Independent Contractor Agreements, or any combination of the PSAD Schools' Independent Contractor Agreement, or none of the PSAD Schools' Independent Contractor Agreement, or none of the PSAD Schools' Independent Contractor Agreements, if the violation is not cured in the time specified in the respective PSAD Schools' Agreement.

Section 8. <u>Amendment Caused By Site Closure or Reconstitution.</u> In the event PSAD is required (i) to close a site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 528 of the Code, MCL 380.528; or (ii) to undergo a reconstitution pursuant to Section 528 of the Code, MCL 380.528, and of the Contract Terms and Conditions, and such site closure 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 site closure or reconstitution, with no cost or penalty to PSAD, and Detroit 90/90 shall have no recourse against PSAD or the Grand Valley State University Board for implementing such site closure or reconstitution.

ARTICLE VII

Indemnification & Cooperation

Section 1. <u>Indemnification of Detroit 90/90</u>. To the extent permitted by law and without waiving any privilege or immunity, PSAD shall indemnify and save and hold Detroit 90/90 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 be caused by any negligent or intentional misconduct by PSAD, its officers, directors, employees, subcontractors,

and agents or by any negligent or intentional failure to act or any omission that causes harm to Detroit 90/90 arising out of this Agreement. In addition, to the extent permitted by law, PSAD shall reimburse Detroit 90/90 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 1 may be met by the purchase of insurance by PSAD.

- Section 2. <u>Immunities and Limitations</u>. PSAD may assert all privileges, immunities, and statutory limitations of liability in connection with any claims arising under this Agreement.
- Section 3. <u>Indemnification of PSAD</u>. Detroit 90/90 shall indemnify and save and hold PSAD 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 be caused by any negligent or intentional misconduct by Detroit 90/90, its officers, directors, employees, subcontractors, and agents or by any negligent or intentional failure to act or omission by Detroit 90/90 that causes harm to PSAD arising out of this Agreement. In addition, Detroit 90/90 shall reimburse PSAD 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 Detroit 90/90.
- Section 4. <u>Mutual Duty to Cooperate</u>. 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.
- Section 5. Indemnification of the Authorizer. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives from all claims, demands, or liability, including attorney fees and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University which arise out of or are in any manner connected with Grand Valley State University Board of Trustees' approval of PSAD's public school academy application, the University Board's consideration of or issuance of a Contract, PSAD's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives upon information supplied by PSAD or Detroit 90/90 or which arises out of the failure of PSAD to perform its obligations under the Contract. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.

ARTICLE VIII Insurance

- Section 1. <u>Academy Insurance</u>. PSAD shall maintain such policies of insurance coverage in the amounts required by the Authorizing Contract. PSAD shall add Detroit 90/90 as an additional insured on all policies.
- Section 2. <u>Detroit 90/90 Insurance</u>. Detroit 90/90 shall maintain separate general liability and umbrella insurance coverage, with PSAD listed as an additional insured on all policies. Detroit 90/90 shall maintain such policies of insurance in the amounts required by the Authorizing Contract and any lease agreements. Specifically, Detroit 90/90 agrees to maintain, as part of the PSAD UPSM budget, the required levels of insurance set forth in the lease agreements entered into by PSAD for district facilities and physical plants used by Detroit 90/90 for the operation of UPSM, including but not limited to the required amounts of general liability per occurrence basis requirements and property insurance.
- Section 3. <u>Evidence and Notices</u>. Each party shall, upon written request, present evidence to the other that it maintains the requisite insurance.
- Section 4. <u>Workers' Compensation Coverage</u>. Detroit 90/90 shall maintain workers' compensation insurance, as required by state law, covering its employees.

ARTICLE IX Warranties and Representations

- Section 1. <u>Warranties and Representations of PSAD</u>. PSAD represents to Detroit 90/90 that it has the authority under law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement, and its actions have been duly and validly authorized.
- Section 2. Good Standing. Detroit 90/90 represents and warrants to PSAD that: (a) it is a Michigan corporation in good standing, duly authorized to conduct business in the state of Michigan; (b) it has the authority under Applicable Law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement; (c) its actions have been duly and validly authorized; and (d) it will adopt any and all resolutions required for execution of this Agreement.
- Section 3. <u>Contract Administrator</u>. Detroit 90/90 represents and warrants that it has a thorough understanding of the Contract Administration Agreement entered into by PSAD and the Contract Administrator dated July 1, 2019 as provided by the Authorizing Contract and the Code, and that Detroit 90/90 shall cooperate in such a manner so as to allow PSAD and the Contract Administrator to comply with their respective obligations and exercise their respective rights under the Contract Administration Agreement.
- Section 4. <u>District Facilities and Physical Plants</u>. Detroit 90/90 represents and warrants that it has a thorough understanding of the district facilities and physical plants that are provided by PSAD for use by UPSM, and all applicable documentation, including lease agreements, certificate of occupancy, and other permits to operate UPSM. Detroit 90/90

specifically agrees to use best efforts to ensure PSAD's compliance with the contractual obligations set forth in the operative lease agreements between TEF-FIVE, LLC and PSAD; TEF-Franklin, LLC and PSAD; TEF-EIGHT, LLC and PSAD; including but not limited to the sections covering the following: (a) Use of Demised Premises, (b) Indemnity, (c) Maintenance and Repairs, (d) Property Insurance, Rebuilding, And Waiver of Subrogation, (e) Access to Premises, and (f) Reporting. Detroit 90/90 also represents and warrants that the PSAD district facilities and physical plants allow Detroit 90/90 to undertake and meet its contractual obligations.

Section 5. Other Schools. Detroit 90/90 represents and warrants that, other than entering into an educational management agreement with PSAD for the operation of PSAD Schools, it shall not operate any other school or third party programs including, but not limited to, a pre-K school, a public school, a private school, a public school academy, an urban high school academy, a trade school, or an institution of high learning without the express written consent of PSAD and the Contract Administrator.

Section 6. <u>Change in Control.</u> Detroit 90/90 represents and warrants that it will not amend its articles of incorporation or bylaws without thirty (30) days written notice to PSAD of the proposed Detroit 90/90 amendment(s) to the articles of incorporation or bylaws. Detroit 90/90 understands and agrees that any amendments to its articles of incorporation or bylaws shall not materially impact or in any way interfere with Detroit 90/90's ability to fulfill its obligations under this Agreement.

ARTICLE X Alternative Dispute Resolution

Section 1. <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 discussed informally between the parties. In the event that the parties cannot resolve their dispute, the matter shall be submitted to mediation for resolution in Wayne or Oakland County. Both parties must mutually agree upon the mediator selected and shall participate in all meetings in good faith. The mediation shall be conducted in accordance with the rules of the American Arbitration Association seated in Wayne or Oakland County, Michigan, with such variations as the parties and arbitrators unanimously accept. The parties will share equally in the costs of the mediation, including forum fees, expenses, and charges of the mediator.

Section 2. Arbitration. If the mediation does not result in a mutually satisfactory compromise, then the matter shall be resolved by arbitration, and such procedure shall be the sole and exclusive remedy for such matters, except for the pursuit of injunctive or equitable relief. Any dispute, difference, or disagreement arising under or related to this Agreement shall be referred to a single arbitrator, mutually agreed upon by the parties or, if no single arbitrator can be agreed upon, an arbitrator shall be selected in accordance with the rules of the American Arbitration Association and such dispute, difference, or disagreement shall be settled by arbitration in accordance with the then-prevailing Commercial Rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction thereof. All arbitration proceedings shall take place exclusively in the state of

Michigan in Wayne or Oakland County, Michigan. If the parties are unable to agree on a mutual location for the arbitration, the arbitration shall take place at the Southfield Office of the American Arbitration Association. The arbitrator's award shall be final and binding. Each party shall be responsible for their own costs and attorneys' fees.

ARTICLE XI Miscellaneous

- Section 1. <u>Entire Agreement</u>. This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between PSAD and Detroit 90/90 regarding the subject matter hereof. This Agreement, including all Exhibits and Schedules, constitutes the entire agreement of the parties.
- Section 2. <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 reasonable control.
- Section 3. <u>Governing Law</u>. This Agreement and the rights of the parties shall be interpreted according to the laws of the state of Michigan.

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

PSAD:

The Public School Academies of Detroit c/o Board President 435 Amsterdam Detroit, MI 48202

and

Contract Administrator Thompson Schools Foundation c/o Cathy Ebejer P.O. Box 6349 Plymouth, MI 48170

with a copy to:

Peter H. Webster, Esq. Dickinson Wright PLLC

2600 W. Big Beaver Road, Suite 300

Troy, MI 48084-3312

Detroit 90/90:

Detroit 90/90

c/o CEO

P.O. Box 11290 610 Antoinette Street Detroit, MI 48202

With a copy to: Reginald M. Turner

Clark Hill PLC

500 Woodward Avenue, Suite 3500

Detroit, MI 48226-3435

Section 5. <u>Assignment</u>. This Agreement shall not be assigned: (a) by Detroit 90/90 without prior written consent of the Board, which consent shall not be unreasonably withheld; or (b) by PSAD without prior written consent of Detroit 90/90, which consent shall not be unreasonably withheld. Any assignment shall be prepared in a manner consistent with the Authorizer's educational management company policies.

Section 6. <u>Amendment; Effect of Headings</u>. This Agreement may only be amended in writing, signed by a duly authorized representative of each party, and in a manner consistent with the Authorizer's educational management company policies. The underlined headings are included for convenience of the reader and, if the underlined headings are inconsistent with the other text, the underlined text shall be disregarded.

Section 7. <u>Tax Exempt Financing</u>. If at any time PSAD determines that it is in the best interests of PSAD to obtain financing that is tax-exempt pursuant to the IRS Code, then the parties agree that this Agreement shall be automatically amended for the sole and limited purpose of compliance with Revenue Procedure 97-13. 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.

Section 8. <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.

Section 9. <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.

Section 10. <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.

Section 11. <u>No Third Party Rights</u>. This Agreement is made for the sole benefit of PSAD and Detroit 90/90. Except as otherwise expressly provided, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.

- Section 12. <u>Survival of Termination</u>. All representations, warranties, indemnities, and proprietary/confidentiality obligations made in this Agreement shall survive any termination or expiration of this Agreement without limitation.
- Section 13. <u>Delegation of Authority; Compliance with Laws</u>. Nothing in this Agreement shall be construed as delegating to Detroit 90/90 any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with all Applicable Law. The parties agree to comply with all Applicable Law.
- Section 14. Execution in Counterparts. The parties may execute this Agreement by facsimile or in counterparts. A facsimile or photographic copy of this Agreement may be relied upon by either party, or any third party, as if it were an original signature copy. If this Agreement is executed in counterparts, the separate counterpart signature pages shall be combined and treated by the parties, or any third party, as if the separate counterpart signature pages were part of one original signature copy.
- Section 15. Review by Independent Counsel. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

[Signature Page Follows]

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

PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

Joseph A. Aristeo, President

DETROIT 90/90, a Michigan nonprofit corporation

Mark Ornstein, CEO

EXHIBIT A TO

INDEPENDENT CONTRACTOR AGREEMENT

The purpose of this Exhibit A is to describe and define the Services to be provided by Detroit 90/90 pursuant to the Agreement.

EDUCATIONAL PROGRAM MANAGEMENT SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- A. <u>Educational Program</u>. Detroit 90/90 shall implement the educational components of the Services (defined in Article I, Section 2, of this Agreement and referred to also as the "Educational Program" herein) as set forth in detail in the Authorizing Contract. Substantial modification of the Educational Program may only occur with the prior written consent of the Board and, if required, an amendment to the Authorizing Contract which requires Authorizer approval.
- B. Other Operating Functions. Detroit 90/90 may perform functions other than educational instruction including, but not limited to, purchasing, professional development, and administrative functions off-site (i.e., not on PSAD property) unless prohibited by Applicable Law. Student records are the property of PSAD and shall be maintained by Detroit 90/90 at the corresponding PSAD UPSM sites.
- C. <u>Student Enrollment</u>. Although the Board shall be responsible for establishing recruitment admission policies in accordance with the Authorizing Contract, Detroit 90/90 shall enroll students at PSAD Schools in accordance with such policies provided that the policies are in compliance with the Authorizing Contract and Applicable Law.
- D. <u>Student Due Process Hearings</u>. Detroit 90/90 shall provide student due process hearings in compliance with all Applicable Law, consistent with PSAD's own obligations to oversee student due process hearings, as set forth in the Authorizing Contract and Applicable Law.
- E. <u>Adherence to Applicable Law</u>. Detroit 90/90 shall administer and provide the Educational Program in a manner which shall meet federal, state, and local requirements, the requirements imposed under the Code and the Authorizing Contract, and all lease provisions entered into by PSAD for the operation of UPSM.
- F. <u>Additional Funds.</u> In order to supplement and enhance the school aid payments received from the state of Michigan and improve the quality of education at UPSM, Detroit 90/90 shall assist PSAD's endeavors to obtain revenue from other sources (the "Funding Sources") and, in this regard:
 - PSAD and/or Detroit 90/90 may solicit grants and donations in the name of PSAD from various Funding Sources consistent with the mission of PSAD in furtherance of the Educational Program;

- 2. Detroit 90/90 shall provide bi-monthly reports to PSAD regarding any grant requests for applications, grant application, or grant administration status relating to grants or grant applications relating to UPSM;
- 3. PSAD and/or Detroit 90/90, only with prior Board approval, may apply for and receive grant money in the name of PSAD from various Funding Sources for activities outside of the Educational Program;
- 4. To the extent permitted under the Code and Contract, and with the approval of the Board, PSAD may charge fees to students for extra services such as summer and after-school programs, athletics, etc., and charge non-PSAD students who participate in such programs; and
- 5. Additional Revenue as defined in Article III, Section 2 shall inure to, and be deemed property of, PSAD.
- G. Outside Services. Detroit 90/90 may procure outside services from other vendors ("Outside Services") for the benefit of PSAD. Detroit 90/90 shall not mark up any costs related to providing the Outside Services. In the event the Outside Services are in excess of \$10,000.00 on an annual basis, prior written approval of PSAD is required. Detroit 90/90 shall provide a list of all such Outside Service providers and the contract details upon request by PSAD as part of the PSAD budget review and approval by PSAD.
- H. <u>Adherence to Authorizing Contract</u>. Detroit 90/90 agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with PSAD's obligations under its Authorizing Contract issued by Grand Valley State University Board of Trustees. As stated in this Agreement, the provisions of PSAD's Authorizing Contract shall supersede any competing or conflicting provisions contained in this Agreement.
- I. <u>Detroit 90/90 Performance Reporting</u>. Detroit 90/90 shall timely provide reasonably requested or expected information to the Board on a monthly basis or upon the Board's reasonable request to enable the Board to monitor Detroit 90/90's performance under this Agreement.
- J. Pupil Performance Standards and Evaluation. Detroit 90/90 shall implement pupil performance evaluations consistent with the Educational Program which permit evaluation of the educational progress of each UPSM student. Detroit 90/90 shall be responsible for and accountable to the Board for the performance of UPSM students and shall meet the educational performance requirements of the Authorizing Contract and any lease agreement entered into by PSAD for the UPSM facilities. At a minimum, Detroit 90/90 shall utilize assessment strategies required by the Educational Program and the Authorizer. Other measures of and goals for students and school performance are set forth in **Exhibit B** to this Agreement.
- K. <u>Services to Students with Disabilities.</u> Detroit 90/90 shall welcome students with disabilities at UPSM and plan and supervise special education services to students who attend UPSM. Detroit 90/90 may subcontract these services if it determines that it is necessary and

appropriate for the provision of services to students with special needs or if instruction cannot be met within UPSM's program. Such services shall be provided in a manner that complies with Applicable Law.

L. <u>Services to All Students</u>. Detroit 90/90 shall place a high value on diversity, and PSAD shall welcome students and families of all races, ethnicity, religion, gender, and economic backgrounds.

BUSINESS/FINANCE SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- M. <u>Accountability</u>. Detroit 90/90 shall be directly accountable to the Board for the administration, operation, and performance of UPSM in accordance with the Authorizing Contract. Detroit 90/90 shall not expend UPSM funds in excess of the amount set forth in the PSAD Budget, as amended.
- N. <u>Business Administration</u>. Detroit 90/90 shall be responsible for all of the management, operation, administration, and education at UPSM which includes, but is not limited to:
 - 1. Implementation and administration of the Educational Program, including administration of any and all extracurricular and co-curricular activities and programs and the selection and acquisition of instructional materials, equipment, and supplies;
 - 2. Management of all personnel functions, including professional development for all instructional personnel and the personnel functions outlined in this Agreement;
 - 3. Aspects of the business administration (as determined as generally understood in the industry) of UPSM as agreed between Detroit 90/90 and the Board; and
 - 4. Any function necessary or expedient for the administration of UPSM consistent with the Educational Program or otherwise approved by the Board.
- O. <u>Student Records</u>. Except as otherwise provided in this Agreement, Detroit 90/90 shall keep all student and financial records relating to UPSM at the respective UPSM site, and the same shall be available for public inspection upon reasonable request consistent with Applicable Law. All student and financial records will remain the property of PSAD.
- P. <u>Financial Reporting</u>. Detroit 90/90 shall provide the PSAD Board with:
 - 1. A projected annual PSAD budget that complies with Applicable Law before June 30 of each school year, related to the Services in accordance with the Contract and the Educational Program;

- 2. Detailed monthly or quarterly statements (in a form and as requested by the Board) of all revenues received, from whatever source, with respect to PSAD and detailed budgets with statements of all direct expenditures (with details) for the Services rendered to or on behalf of PSAD, whether incurred on-site or off-site;
- 3. Facilitate the annual audit in compliance with Applicable Law showing the manner in which funds are spent at PSAD Schools; however, it is acknowledged that only PSAD shall select and retain auditors, and PSAD shall contract directly with any auditor of its choice, and Detroit 90/90 will cooperate with the production of any and all documents necessary for the audit. Any such audit and audit materials shall be the property of PSAD;
- 4. Other information as reasonably requested by the Board to enable the Board to monitor Detroit 90/90's performance under the Agreement; and
- 5. A copy of the Detroit 90/90 annual audit.
- Q. <u>Statutory Reporting Requirements</u>. Detroit 90/90 shall provide to the Board, at least annually, the following information to ensure that PSAD can comply with the following statutory reporting requirements including, but not limited to, MCL 380.523c and MCL 380.1618:
 - 1. Each health care benefit plan including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services offered to any employee at the Academy.
 - 2. The PSAD audit report conducted for the most recent fiscal year for which it is available.
 - 3. The bids required under section 5 of the Public Employee Health Benefits Act, 2007 PA 106, MCL 124.75.
 - 4. The total salary and a description and cost of each fringe benefit included in the compensation package for the superintendent of the district and for each employee of the district whose salary exceeds \$100,000.00.
 - 5. The annual amount spent on dues paid to associations.
 - 6. The annual amount spent on lobbying or lobbying services. As used in this subsection, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL 4.415.
 - 7. All of 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 that information is available.

Detroit 90/90 shall make all of the above-enumerated information available through a link on the UPSM website homepage, in a form and manner prescribed by the Michigan Department of Education.

- R. <u>Policy and Procedures</u>. Detroit 90/90 will recommend to the Board reasonable rules, regulations, policies, and/or procedures applicable to UPSM. The Board hereby authorizes and directs Detroit 90/90 to enforce such rules, regulations, and procedures consistent with Board policy.
- S. Review of Budget. Detroit 90/90 shall timely prepare, propose, and amend, as necessary, an annual operating budget for UPSM (the "Budget") in accordance with the Authorizing Contract and the Michigan Budgeting and Accounting Act for review by PSAD. The Budget shall include all of UPSM's projected revenues and expenses at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual.

HUMAN RESOURCES SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- T. <u>Detroit 90/90 as Employer.</u> Detroit 90/90 shall determine staffing levels and select, hire, evaluate, assign, discipline, transfer, and terminate personnel consistent with Applicable Law as the sole employer.
- U. <u>Detroit 90/90 Teachers</u>. Detroit 90/90 shall hire, evaluate, assign, discipline, transfer, and terminate teachers qualified in the applicable grade levels and subjects consistent with Applicable Law and the Authorizing Contract. Detroit 90/90 shall ensure that the curriculum taught by teachers is the curriculum set forth in the Authorizing Contract. Detroit 90/90 shall only hire teachers that hold a valid teaching certificate issued by the State Board of Education.
- V. <u>Detroit 90/90 Support Staff.</u> Detroit 90/90 shall hire, evaluate, assign, discipline, transfer, and terminate support staff qualified in the areas required including, but not limited to, clerical staff, administrative assistants and director, bookkeeping staff, maintenance personnel, and the like.
- W. <u>Detroit 90/90 Employee Taxes.</u> Detroit 90/90 shall pay its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees. Unless required by Applicable Law, Detroit 90/90 shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees.
- X. <u>Background Clearances</u>. Detroit 90/90 shall, to the extent permitted by applicable law, be responsible for conducting or arranging for criminal background and conduct checks on its employees assigned to the Academy to ensure that the Academy fulfills its responsibilities to: a) conduct criminal background and record checks required by Applicable Law; and, b) maintain evidence that it has performed such actions.

STUDENT SAFETY PROGRAM MANAGEMENT SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- Y. <u>Crisis Management Policy.</u> Detroit 90/90 shall draft and update a comprehensive crisis management policy and protocol to ensure PSAD Schools maintain a safe school environment and are prepared to respond to a range of crisis-level incidents that could impact student safety and the learning environment, including but not limited to natural disasters, bomb threats, active shooter or other violence, hostage situation, suicide, serious injury or ill student, hazardous materials accident, or fire.
- Z. <u>Crisis Team Management</u>. Detroit 90/90 shall identify and form a school crisis team and document reporting procedures and response protocol. Detroit 90/90 shall train the Crisis Team regarding how to implement crisis management plans quickly and effectively, including securing students, securing building, minimizing harm and communicating with first responders.
- AA. Preventative Resources and Outreach. Detroit 90/90 shall identify warning signs for violent behavior, suicide, gang activity, etc., and develop resource materials for students, parents, staff and teachers to attempt to minimize negative outcomes and occurrences. Detroit 90/90 shall implement private reporting component of school and community safety plan in which every student, staff, teacher, parent and volunteer, agrees that whenever anyone "sees something, they say something."
- BB. <u>Post-Incident Restoration</u>. Detroit 90/90 shall provide counseling and other resources as necessary following a crisis to restore safe learning environment and student well-being. Following crisis incident, Detroit 90/90 shall evaluate incident and response and improve crisis management plan as appropriate.
- CC. <u>Media Relations</u>. Detroit 90/90 shall identify a media spokesperson and crisis response communication plan. Detroit 90/90 shall advise all Detroit 90/90 employees regarding media response plan.
- DD. <u>Safety Drills</u>. Detroit 90/90 shall practice and perform all statutory required safety drills including but not limited to lockdown drills, fire drills, and tornado drills, and undertake other precautions to minimize harm in crisis situations.
- EE. Reporting. Detroit 90/90 shall inform the PSAD Board regarding occurrence and results of statutory required safety drills, operations of crisis management team, and response protocol and outcomes of any crisis incidents.

ANNARBOR 38030-1 261211v2

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (the "Agreement") is made effective as of July 1, 2019 by and between **DETROIT 90/90**, **INC.**, a Michigan nonprofit corporation ("Detroit 90/90") and **THE PUBLIC SCHOOL ACADEMIES OF DETROIT**, a Michigan public school academy (the "PSAD") formed under Part 6c of the Revised School Code, Public Act 451 of 1976 (the "Code"), as amended.

PSAD is an urban high school academy organized under the Code. PSAD has been issued a contract (the "Authorizing Contract") by **GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES** (the "Authorizer") to organize and operate one or more urban high school academies. PSAD currently operates three (3) school districts within the city of Detroit, Michigan (the "PSAD Schools"), including **UNIVERSITY PREPARATORY ACADEMY** ("UPA" or the "School"). UPA is comprised of: (1) UPA Elementary School – Ellen Thompson Campus; (2) UPA Elementary School – Mark Murray Campus; (3) UPA Middle School; and, (4) UPA High School (collectively referred as the "UPA Schools").

PSAD and Detroit 90/90 desire to enter into an agreement, as defined in MCL 380.523c(2)(c), whereby PSAD and Detroit 90/90 will work together to deliver systems of educational excellence and services to PSAD and its UPA Schools based on Detroit 90/90's vision of school design, management principles, and curriculum programs for the PSAD's urban high school academies as set forth in detail in the Authorizing Contract.

THEREFORE, the parties agree as follows:

ARTICLE I Relationship of the Parties and Other Matters

- Section 1. <u>Authority</u>. PSAD represents that: (a) it is authorized by law to contract with an educational management organization for the provision of management and operational services to PSAD; and (b) PSAD has been issued the Authorizing Contract from the Authorizer to organize and operate one or more urban high school academies. To the extent permitted by law and without waiving any privilege or immunity, PSAD authorizes and grants to Detroit 90/90 the necessary authority and power to perform under this Agreement.
- Section 2. <u>Detroit 90/90 Services</u>. The parties agree that Detroit 90/90 shall provide all labor, materials, and supervision necessary for the provision of comprehensive educational, administrative, management, and instructional services contemplated by this Agreement to PSAD (the "Services") as set forth below and in attached <u>Exhibit A</u>. Detroit 90/90 shall provide such Services to PSAD so PSAD can meet its obligations under the Authorizing Contract, Michigan Department of Education agency requirements, and all other applicable law.
- Section 3. <u>Change in Law</u>. 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 Law") 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.

- Section 4. <u>Educational Program</u>. Detroit 90/90 shall implement the educational goals, curriculum, method of pupil assessment, admissions, policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, and methods to be used to monitor compliance with performance of targeted educational outcomes as previously adopted by the PSAD Board of Directors ("Board") and as included in the Authorizing Contract (collectively, the "Educational Program").
- Section 5. <u>Compliance with the Contract</u>. Detroit 90/90 agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with PSAD's obligations under the Authorizing Contract issued by the Authorizer. The provisions of PSAD's Authorizing Contract shall supersede any competing or conflicting provisions in this Agreement.
- Section 6. Relationship of the Parties. Detroit 90/90 is not a division or any part of PSAD. PSAD is not a division or any part of Detroit 90/90 and is a separate corporate and governmental entity authorized under the Code. The relationship between the parties was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.
- Section 7. Detroit 90/90 as Independent Contractor; Agency. Detroit 90/90 shall provide the Services as an independent contractor and not as an employee, partner, agent, or associate of the School. This independent contractor relationship shall extend to the officers, directors, employees, and representatives of Detroit 90/90. Detroit 90/90 shall be solely responsible for its acts, the acts of its employees, partners, agents, and those subcontractors who are contracted through Detroit 90/90. Consistent with the status of an independent contractor, Detroit 90/90 reserves to itself the right to designate the means and methods of accomplishing the objectives and purposes of this Agreement in accordance with the Authorizing Contract and Applicable Law.
- Detroit 90/90 Authorized Access to Information. During the Term of this Section 8. Agreement defined below, the Board designates Detroit 90/90 staff and any "Outside Services" (as referenced in Exhibit A, Paragraph G below) as school officials having a legitimate educational interest such that they are entitled to access to education records under 20 U.S.C. §1232g of the Family Educational Rights and Privacy Act. Detroit 90/90, its officers, agents, employees, and staff, including any "Outside Services," shall comply with the Family Educational Rights and Privacy Act at all times. During the Term of this Agreement, PSAD may disclose confidential data and information to Detroit 90/90 and its respective officers, directors, employees, and designated agents to the extent permitted by Applicable Law including, without limitation, the Individuals 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 Americans 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.

- Section 9. No Related Parties or Common Control. The parties agree that none of the voting power of the governing body of PSAD or the Board will be vested in Detroit 90/90 or its directors, members, managers, officers, shareholders, or employees. Further, PSAD and Detroit 90/90 are not, and shall not become: (a) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the "IRS Code"); or (b) related persons, as that term is defined in the IRS Code.
- Section 10. <u>Teachers</u>. All teachers and staff employed or retained by Detroit 90/90 and assigned to UPA are employees of Detroit 90/90 and not employees of PSAD or the UPA Schools. Detroit 90/90 may elect to contract with a co-employer but a co-employer arrangement between Detroit 90/90 and the co-employer shall in no way make, reference or substitute PSAD as an employer or co-employer. Detroit 90/90 teachers assigned to UPA are not considered teachers for purposes of continuing tenure under MCL 38.71 et seq.
- Section 11. <u>Chief Executive Officer</u>. Detroit 90/90 shall employ a Chief Executive Officer ("CEO") for UPA. PSAD and Detroit 90/90 understand that they will also enter into a similar educational management agreement for the operation of the PSAD University Preparatory Academy ("UPA") urban high school academy and the PSAD University Preparatory Science and Math Academy ("UPSM"). The CEO for UPA shall also serve as the CEO for UPA and UPSM. The CEO shall hold all required certifications as required by the Code. The Detroit 90/90 Board will have the authority, consistent with Applicable Law, to select, supervise, discipline, or terminate the CEO and to hold the CEO accountable for the success of UPA. Detroit 90/90 will empower the CEO with the authority to select and hold accountable the teachers and staff at UPA.
- Section 12. <u>Criminal Background Checks.</u> Detroit 90/90 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 unprofessional conduct, criminal background, and criminal conduct checks. In accordance with state law and the Michigan State Police regulations, PSAD and/or the CEO shall conduct the appropriate criminal background checks in the manner required by applicable law, regulation, and policy, including as it relates to the obtaining, storage, and dissemination of Criminal History Record Information ("CHRI") and the registering and use of the Criminal History Records Internet Subscription Service ("CHRISS"). PSAD and Detroit 90/90 shall use CHRI and CHRISS 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.
- Section 13. <u>Unprofessional Conduct Checks.</u> Detroit 90/90 agrees that the CEO will conduct unprofessional conduct checks in accordance with MCL 380.1230b before hiring an employee assigned to work at the UPA worksite.
- Section 14. <u>Compliance with Section 523c</u>. On an annual basis, Detroit 90/90 agrees to provide PSAD with 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, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, PSAD shall make the information available on UPA's website home page, in a form and manner

prescribed by the Michigan Department of Education. The defined terms in section 523c of the Code, MCL 380.523c, shall have the same meaning in this Agreement.

- Section 15. <u>The Board</u>. The Board is the governing body with oversight responsibilities over PSAD. The parties acknowledge that, throughout this Agreement, the term "Board" and the term "PSAD" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject matter of the article/section.
- Section 16. <u>Availability of Funds.</u> Detroit 90/90 shall be liable to PSAD for any cost it commits PSAD to without the Board's approval in the event such cost is beyond the amount in PSAD's budget or any approved amendment to the budget. Detroit 90/90 shall only be required to perform its responsibilities under this Agreement to the extent PSAD has appropriated required funds in its budget, as amended.
- Section 17. <u>Materials Purchased</u>. Notwithstanding any provision in this Agreement, the Board retains the obligation, as provided in Section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials, and equipment to PSAD. Unless otherwise prohibited by law, Detroit 90/90 shall directly procure all supplies, materials, and equipment provided that Detroit 90/90 complies with Section 1274 of the Code and the written policies the Board promulgated related to such items. All supplies, materials, and equipment purchased by Detroit 90/90 on behalf of PSAD shall be property of PSAD. Detroit 90/90 certifies that there shall be no markup of costs for supplies, materials, or equipment procured by Detroit 90/90 on the behalf of PSAD and that said supplies, materials and/or equipment shall be inventoried in such a way that it can be clearly established which property belongs to PSAD. Detroit 90/90 shall maintain an inventory of PSAD equipment so that it can be clearly established which property belongs to PSAD.
- Section 18. <u>Subcontracts.</u> Detroit 90/90 reserves the right to subcontract, with Board approval, any and all aspects of all other services it agrees to provide to PSAD, including, but not limited to transportation and/or food service. Detroit 90/90 shall not subcontract the management, oversight, staffing, or operation of the teaching and instructional program, except as specifically permitted herein or with the prior approval of the Board.
- Section 19. <u>Compliance with Section 11.22 of Contract Terms and Conditions.</u> Detroit 90/90 shall make information concerning the operation and management of PSAD, including without limitation the information described in Schedule 6 of the Contract, available to PSAD as deemed necessary by the Board in order to enable PSAD to fully satisfy its obligations under Section 11.22(a) of the Contract Terms and Conditions.
- Section 20. <u>Privacy</u>. Except as permitted under the Code, Detroit 90/90 shall not sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of PSAD student's education records. If Detroit 90/90 receives information that is part of an PSAD student's education records, Detroit 90/90 shall not sell or otherwise provide the information to any other person except as permitted under the Code. For purposes of this section, the terms "education records" and "personally identifiable information" shall have the same meaning as those terms in section 1136 of the Code, MCL 380.1136.

Section 21. <u>Data Breach</u>. Detroit 90/90 shall develop and maintain, with Board approval, a data breach response plan to address the release of personally identifiable information from PSAD education records or other information not suitable for public release. In the event of a data breach, Detroit 90/90 and PSAD shall follow the data breach response plan.

ARTICLE II Term

This Agreement shall be effective for a five (5) year period beginning July 1, 2019 and ending June 30, 2024 (the "Term"), subject to earlier termination under Article VI.

ARTICLE III Obligations of the Academy

- Section 1. <u>Good Faith Obligation</u>. PSAD shall exercise good faith in considering recommendations by Detroit 90/90 relative to the Educational Program defined above in Article I, Section 2 and attached Exhibit A.
- Section 2. <u>PSAD Funds</u>. The Board shall determine the depository of all funds received by PSAD including, but not limited to, the State School Aid and any funds, other consideration, or property purchased with such funds, received by PSAD or Detroit 90/90 on behalf of PSAD from such other revenue sources (generally, the "Additional Revenue"). All funds received by PSAD shall be deposited in PSAD's depository account. Signatories on the depository account shall be members of the Board or properly designated Board agents, which may include employees or agents of Detroit 90/90. All interest or investment earnings on PSAD deposits shall accrue to PSAD.
- Section 3. <u>District Facilities and Physical Plants.</u> PSAD shall provide Detroit 90/90 reasonable access to the district facilities and physical plants that are provided by PSAD for use by UPA, as described in the operative lease agreements between TEF-ONE, LLC and PSAD; TEF-TWO, LLC and PSAD; TEF-FOUR, LLC and PSAD; and, THOMPSON EDUCATIONAL FOUNDATION and PSAD, and as incorporated into the Authorizing Contract for the provision of Services under this Agreement.
- Section 4. <u>Board Policies</u>. PSAD shall be responsible for the fiscal and academic policies of the School. The Board shall exercise good faith in considering the recommendations of Detroit 90/90 including, but not limited to, Detroit 90/90's recommendations regarding PSAD policies, rules, regulations, and the PSAD Budget (as defined below).
- Section 5. <u>Board Spending Account.</u> The Board may maintain revenues provided by philanthropic donors for general PSAD expenses (the "Board Spending Account"). All funds in the Board Spending Account are the property of the PSAD Schools and may be used solely by PSAD for the benefit of the Schools at the discretion of the Board. Funds in the Board Spending

Account that are not spent by PSAD during the academic year shall carry over annually and shall be included in the PSAD annual audit.

ARTICLE IV Compensation For Services

Section 1. [Section left intentionally blank].

- Section 2. <u>Compensation for Services</u>. During the Term of this Agreement, the Board shall pay Detroit 90/90 a fee equal to Detroit 90/90's break-even operating costs attributed to UPA that are not cost allocated to the PSAD UPA budget plus one percent (1%) of such Detroit 90/90 UPA operating costs (the "Fee").
- Section 3. <u>Fee Payments</u>. Detroit 90/90 shall receive the Fee in twelve (12) installments of approximately equal monthly amounts beginning in July of each academic year and ending in the following June unless otherwise described in this Agreement related to a Transition Period as defined in Article VI, Section 4.
- Section 4. <u>Reasonable Compensation</u>. The parties agree that the Fee amount is reasonable compensation for the provision of the Services and Detroit 90/90's incurring of any non-reimbursable expenses. PSAD and Detroit 90/90 agree to make adjustments to the Fee as necessary because of factors such as differences in actual and projected enrollments, differences between actual and projected operating expenses, and funding changes mandated by federal, state, or municipal sources.
- Section 5. <u>Detroit 90/90 Budget Surplus</u>. Detroit 90/90 shall operate on a break-even cost plus one percent (1%) of the Fee budget (the "Detroit 90/90 Budget"). In the event Detroit 90/90 maintains a budget surplus at the end of any academic year of the Term in excess of \$20,000 (a "Budget Surplus") or a fund balance in excess of \$25,000 ("Fund Balance Surplus"), then Detroit 90/90 shall make a proposal to PSAD for disposition of the Budget Surplus or Fund Balance Surplus. If the parties do not mutually agree to the disposition of the Budget Surplus or Fund Balance Surplus for such year of the Term after informal discussion, the parties shall participate in mediation and arbitration if the matter is not resolved as set forth in Article X of this Agreement. PSAD retains the right to request additional proposals for the Budget Surplus or Fund Balance Surplus and/or to veto Detroit 90/90's proposal if it considers it not in the best interest of PSAD Schools.
- Section 6. <u>Detroit 90/90 Budget Deficit</u>. In the event Detroit 90/90 incurs expenses in amounts more than those set forth in the applicable Detroit 90/90 Budget in any type or classification resulting in a deficit (a "Budget Deficit") for any year of the Term, Detroit 90/90 shall provide a budget amendment in writing to PSAD. If the parties do not mutually agree to the budget adjustment, the parties shall participate in mediation and arbitration if the matter is not resolved as set forth in Article X of this Agreement. Notwithstanding the foregoing, Detroit 90/90 shall give PSAD written notice not more than fifteen (15) days after becoming aware of a potential Budget Deficit.

Section 7. [Section left intentionally blank].

ARTICLE V Proprietary Information and Personal Property

- Section 1. <u>PSAD's Rights to Curriculum and Educational Materials</u>. All items acquired with PSAD funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and all other technology shall be owned by and remain the property of PSAD.
- Section 2. <u>Non-Disclosure of Proprietary Information; Remedy for Breach</u>. Except as specifically required by the Code or the Michigan Freedom of Information Act, the proprietary information and materials of either party shall be held in strict confidence by the other party to this Agreement.
- Section 3. Naming Rights and Intellectual Property. PSAD is the sole owner, licensee or grantee of all PSAD School names and marks or substantially similar names or marks. This includes, but is not limited to, "UPA," "University Prep," "University Preparatory," "University Preparatory Academy," "UPA," "UPREP," "Uprep," "University Prep Science & Math," "University Preparatory Academy Art & Design," "UPA:AD," and "UPrep Schools" (the "PSAD Marks"). Detroit 90/90 shall acquire no rights in or to the PSAD Marks, and all goodwill associated with the PSAD Marks shall inure to the sole benefit of and remain with PSAD. Upon expiration or termination of this Agreement, Detroit 90/90 shall immediately discontinue use of the PSAD Marks and shall remove the PSAD Marks from its locations, websites, telephone directory listing, and all other written or electronic promotional materials.
- Section 4. Personal Property Upon Termination or Expiration. Upon any termination or the expiration of this Agreement, PSAD shall own, without restriction, all property, tangible and intangible, purchased, licensed, or acquired in any fashion by or for PSAD. PSAD may elect: (a) to purchase any personal property which has been purchased or leased from a third party solely with Detroit 90/90 funds, provided such purchase or lease is permitted under the purchase or lease documents, at the fair market, depreciated value of such personal property; or (b) to return same to Detroit 90/90.

ARTICLE VI Termination

Section 1. <u>Termination by Detroit 90/90</u>. Detroit 90/90 may terminate this Agreement before the end of the Term in the event PSAD fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to, PSAD's failure to timely remit the Fee due to Detroit 90/90. PSAD has thirty (30) days after notice from Detroit 90/90 to remedy a breach that involves the advancement of funds for all compensation required for payroll or to reach an agreement with Detroit 90/90 on the payment of those funds.

Termination before the end of the Term shall not relieve PSAD of any financial or other obligations to Detroit 90/90 outstanding as of the date of termination. Failure by Detroit 90/90 to: (a) declare a breach; (b) place PSAD on notice thereof; or (c) fail to exercise or exert any remedy available to Detroit 90/90 under this Agreement or Applicable Law, shall not be deemed a waiver of Detroit 90/90's right and remedies whatsoever.

- Section 2. <u>Termination by PSAD</u>. PSAD may terminate this Agreement before the end of the Term in the event that Detroit 90/90 fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to:
 - a. Failure by Detroit 90/90 to reasonably account for its expenditures;
 - b. Failure by Detroit 90/90 to pay PSAD's approved and budgeted operating expenses as required under this Agreement (provided funds are available);
 - c. Failure by Detroit 90/90 to substantially follow policies, procedures, rules, regulations, or curriculum duly adopted by the Board which are not in violation of Applicable Law or this Agreement;
 - d. Failure by Detroit 90/90 to provide the Services as required by this Agreement;
 - e. Any action or inaction by Detroit 90/90 that places the Authorizing Contract in jeopardy of revocation, suspension, or termination as evidenced by written notification from the Authorizer; and/or
 - f. Failure to meet the educational performance requirements in the Authorizing Contract, any lease agreement entered into by PSAD for the operation of UPA, or as set forth in **Exhibit B** to this Agreement.

Detroit 90/90 has ten (10) days after notice from PSAD to remedy a breach that involves Detroit 90/90's non-payment of approved and budgeted funds for all compensation required for Detroit 90/90's payroll or to reach an agreement with PSAD on the payment of those funds. Detroit 90/90 has thirty (30) days after written notice from PSAD to remedy all other material breaches.

- Section 3. <u>Termination by Either Party</u>. Either party may also terminate this Agreement without cause before the end of the Term by giving written notice of termination to the other party by December 1 of a particular year and, unless otherwise agreed to by the parties, the termination shall be effective as of June 30 of the following year. Notice of termination provided after December 1 shall not be effective until one year after June 30 of the following year. In the event notice of termination is provided after December 1 of any academic year, PSAD reserves the right to provide sixty (60) days written notice of termination to Detroit 90/90, with Detroit 90/90 obligated to provide transition services commencing on day sixty-one (61) as set forth in Section 5.
- Section 4. <u>Revocation or Termination of Contract</u>. If the Authorizing Contract as it relates to UPA is revoked or terminated or a new charter contract is not issued or obtained, this Agreement shall automatically terminate on the same date as the Authorizing Contract is revoked or terminated without further action of the parties.
- Section 5. <u>Transition Period</u>. In the event of any termination or expiration of this Agreement, Detroit 90/90 shall provide PSAD reasonable assistance for up to ninety (90) days to assist in the orderly transition from Detroit 90/90 to another educational management company, at no cost to PSAD (the "Transition Period"). As of the date of the notice of termination, any

remaining Fee payments shall be divided by the remaining months of the academic year, plus the three (3) month Transition Period, and paid in equal monthly amounts ending at the conclusion of the Transition Period unless otherwise disbursed by PSAD. In the event Detroit 90/90 fails to provide adequate transition services as set forth in this Agreement, the three (3) month Transition Period payments are deemed waived in accordance with Applicable Law to the extent such payments are not directly for payroll services previously rendered.

After a notice of termination is provided by either party and up and until the effective date of termination as stated in the notice (i.e., June 30) and the conclusion of the Transition Period, Detroit 90/90 shall undertake the following:

- 1. Carry out its obligations under this Agreement in the ordinary course of business;
- 2. Use its best efforts to maintain its relations and goodwill with suppliers, landlords, creditors, employees, agents, and others having business relationships with UPA;
- 3. Make Detroit 90/90 staff available to Detroit 90/90's successor;
- 4. Provide Detroit 90/90's successor with all information and access to records and information necessary for the ongoing operation of the School;
- 5. Provide Detroit 90/90's successor with all information, systems, electronic databases (including passcodes and electronic keys) necessary to ensure the orderly transition of all student records, school database and information systems, free and reduced lunch records and reports, financial and facilities information, vendor subcontracts, and all other administrative records necessary for school management and operation;
- 6. Make no material changes in administrative, operational, or management personnel, including the chief administrative officer, chief operating officer, director of finance, assistant director of finance for UPA, principals for each of the UPA schools, or teaching staff without prior written approval of PSAD;
- 7. Use its best efforts not to disturb UPA's relations and goodwill with parents, students, and the educational community relating to the operation and management of UPA, including not initiating contact with the parents, legal guardians, or students of PSAD;
- 8. Comply with all legal requirements and contractual obligations related to the operations of the School;
- 9. Continue in full force and effect all required insurance coverages;
- 10. Cooperate with PSAD in identifying the governmental authorizations or other approvals including, but not limited to, those regarding UPA facilities required by PSAD to operate UPA; and

- 11. Prepare and provide to PSAD, within twenty (20) days of the provision of notice of termination, at Detroit 90/90's own expense, a draft transition agreement which shall specifically detail and plan for each and every transition issue and provide a timeline for addressing each issue.
- 12. Detroit 90/90 agrees that it shall not enforce any non-compete contractual requirement or contractual obligation on any of its teachers, support staff, principals, agents, or others under its employ who are currently working at UPA.

Section 6. <u>Obligations Upon Termination or Expiration</u>. 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. After any termination or the expiration of this Agreement, and once all such obligations referenced above are satisfied, the parties shall have no further obligations to each other under this Agreement except for the continuing obligations under: (a) Article V (proprietary information); and (b) Article VII (indemnification).

Section 7. <u>Termination Based on Cross-Default.</u> In the event Detroit 90/90 violates or otherwise fails to comply with the contractual obligations of the PSAD Independent Contractor Agreement for operation of UPSM, or the PSAD Independent Contractor Agreement for operation of UPA: AD at the PSAD Board's discretion it may vote to terminate any one of the PSAD Schools' Independent Contractor Agreements, or any combination of the PSAD Schools' Independent Contractor Agreement, or none of the PSAD Schools' Independent Contractor Agreement, or none of the PSAD Schools' Independent Contractor Agreements, if the violation is not cured in the time specified in the respective PSAD Schools' Agreement.

Section 8. Amendment Caused By Site Closure or Reconstitution. In the event PSAD is required (i) to close a site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 528 of the Code, MCL 380.528; or (ii) to undergo a reconstitution pursuant to Section 528 of the Code, MCL 380.528, and of the Contract Terms and Conditions, and such site closure 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 site closure or reconstitution, with no cost or penalty to PSAD, and Detroit 90/90 shall have no recourse against PSAD or the Grand Valley State University Board for implementing such site closure or reconstitution.

ARTICLE VII

Indemnification & Cooperation

Section 1. <u>Indemnification of Detroit 90/90</u>. To the extent permitted by law and without waiving any privilege or immunity, PSAD shall indemnify and save and hold Detroit 90/90 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 be caused by any negligent or intentional misconduct by PSAD, its officers, directors, employees, subcontractors, and agents or by any negligent or intentional failure to act or any omission that causes harm to

Detroit 90/90 arising out of this Agreement. In addition, to the extent permitted by law, PSAD shall reimburse Detroit 90/90 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 1 may be met by the purchase of insurance by PSAD.

- Section 2. <u>Immunities and Limitations</u>. PSAD may assert all privileges, immunities, and statutory limitations of liability in connection with any claims arising under this Agreement.
- Section 3. <u>Indemnification of PSAD</u>. Detroit 90/90 shall indemnify and save and hold PSAD 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 be caused by any negligent or intentional misconduct by Detroit 90/90, its officers, directors, employees, subcontractors, and agents or by any negligent or intentional failure to act or omission by Detroit 90/90 that causes harm to PSAD arising out of this Agreement. In addition, Detroit 90/90 shall reimburse PSAD 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 Detroit 90/90.
- Section 4. <u>Mutual Duty to Cooperate</u>. 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.
- Indemnification of the Authorizer. The parties acknowledge and agree Section 5. that the Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives from all claims, demands, or liability, including attorney fees and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University which arise out of or are in any manner connected with Grand Valley State University Board of Trustees' approval of PSAD's public school academy application, the University Board's consideration of or issuance of a Contract, PSAD's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives upon information supplied by PSAD or Detroit 90/90 or which arises out of the failure of PSAD to perform its obligations under the Contract. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.

ARTICLE VIII Insurance

- Section 1. <u>Academy Insurance</u>. PSAD shall maintain such policies of insurance coverage in the amounts required by the Authorizing Contract. PSAD shall add Detroit 90/90 as an additional insured on all policies.
- Section 2. <u>Detroit 90/90 Insurance</u>. Detroit 90/90 shall maintain separate general liability and umbrella insurance coverage, with PSAD listed as an additional insured on all policies. Detroit 90/90 shall maintain such policies of insurance in the amounts required by the Authorizing Contract and any lease agreements. Specifically, Detroit 90/90 agrees to maintain, as part of the PSAD UPA budget, the required levels of insurance set forth in the lease agreements entered into by PSAD for district facilities and physical plants used by Detroit 90/90 for the operation of UPA, including but not limited to the required amounts of general liability per occurrence basis requirements and property insurance.
- Section 3. <u>Evidence and Notices</u>. Each party shall, upon written request, present evidence to the other that it maintains the requisite insurance.
- Section 4. <u>Workers' Compensation Coverage</u>. Detroit 90/90 shall maintain workers' compensation insurance, as required by state law, covering its employees.

ARTICLE IX Warranties and Representations

- Section 1. <u>Warranties and Representations of PSAD</u>. PSAD represents to Detroit 90/90 that it has the authority under law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement, and its actions have been duly and validly authorized.
- Section 2. Good Standing. Detroit 90/90 represents and warrants to PSAD that: (a) it is a Michigan corporation in good standing, duly authorized to conduct business in the state of Michigan; (b) it has the authority under Applicable Law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement; (c) its actions have been duly and validly authorized; and (d) it will adopt any and all resolutions required for execution of this Agreement.
- Section 3. <u>Contract Administrator</u>. Detroit 90/90 represents and warrants that it has a thorough understanding of the Contract Administration Agreement entered into by PSAD and the Contract Administrator dated July 1, 2019 as provided by the Authorizing Contract and the Code, and that Detroit 90/90 shall cooperate in such a manner so as to allow PSAD and the Contract Administrator to comply with their respective obligations and exercise their respective rights under the Contract Administration Agreement.
- Section 4. <u>District Facilities and Physical Plants</u>. Detroit 90/90 represents and warrants that it has a thorough understanding of the district facilities and physical plants that are provided by PSAD for use by UPA, and all applicable documentation, including lease agreements, certificate of occupancy, and other permits to operate UPA. Detroit 90/90

specifically agrees to use best efforts to ensure PSAD's compliance with the contractual obligations set forth in the operative lease agreements between TEF-ONE, LLC and PSAD; TEF-TWO, LLC and PSAD; TEF-FOUR, LLC and PSAD; and, THOMPSON EDUCATIONAL FOUNDATION and PSAD including but not limited to the sections covering the following: (a) Use of Demised Premises, (b) Indemnity, (c) Maintenance and Repairs, (d) Property Insurance, Rebuilding, And Waiver of Subrogation, (e) Access to Premises, and (f) Reporting. Detroit 90/90 also represents and warrants that the PSAD district facilities and physical plants allow Detroit 90/90 to undertake and meet its contractual obligations.

Section 5. Other Schools. Detroit 90/90 represents and warrants that, other than entering into an educational management agreement with PSAD for the operation of PSAD Schools, it shall not operate any other school or third party programs including, but not limited to, a pre-K school, a public school, a private school, a public school academy, an urban high school academy, a trade school, or an institution of high learning without the express written consent of PSAD and the Contract Administrator.

Section 6. <u>Change in Control.</u> Detroit 90/90 represents and warrants that it will not amend its articles of incorporation or bylaws without thirty (30) days written notice to PSAD of the proposed Detroit 90/90 amendment(s) to the articles of incorporation or bylaws. Detroit 90/90 understands and agrees that any amendments to its articles of incorporation or bylaws shall not materially impact or in any way interfere with Detroit 90/90's ability to fulfill its obligations under this Agreement.

ARTICLE X Alternative Dispute Resolution

Section 1. <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 discussed informally between the parties. In the event that the parties cannot resolve their dispute, the matter shall be submitted to mediation for resolution in Wayne or Oakland County. Both parties must mutually agree upon the mediator selected and shall participate in all meetings in good faith. The mediation shall be conducted in accordance with the rules of the American Arbitration Association seated in Wayne or Oakland County, Michigan, with such variations as the parties and arbitrators unanimously accept. The parties will share equally in the costs of the mediation, including forum fees, expenses, and charges of the mediator.

Section 2. Arbitration. If the mediation does not result in a mutually satisfactory compromise, then the matter shall be resolved by arbitration, and such procedure shall be the sole and exclusive remedy for such matters, except for the pursuit of injunctive or equitable relief. Any dispute, difference, or disagreement arising under or related to this Agreement shall be referred to a single arbitrator, mutually agreed upon by the parties or, if no single arbitrator can be agreed upon, an arbitrator shall be selected in accordance with the rules of the American Arbitration Association and such dispute, difference, or disagreement shall be settled by arbitration in accordance with the then-prevailing Commercial Rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction thereof. All arbitration proceedings shall take place exclusively in the state of

Michigan in Wayne or Oakland County, Michigan. If the parties are unable to agree on a mutual location for the arbitration, the arbitration shall take place at the Southfield Office of the American Arbitration Association. The arbitrator's award shall be final and binding. Each party shall be responsible for their own costs and attorneys' fees.

ARTICLE XI Miscellaneous

- Section 1. <u>Entire Agreement</u>. This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between PSAD and Detroit 90/90 regarding the subject matter hereof. This Agreement, including all Exhibits and Schedules, constitutes the entire agreement of the parties.
- Section 2. <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 reasonable control.
- Section 3. <u>Governing Law</u>. This Agreement and the rights of the parties shall be interpreted according to the laws of the state of Michigan.

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

PSAD:

The Public School Academies of Detroit c/o Board President 435 Amsterdam Detroit, MI 48202

and

Contract Administrator Thompson Schools Foundation c/o Cathy Ebejer P.O. Box 6349 Plymouth, MI 48170

with a copy to:

Peter H. Webster, Esq. Dickinson Wright PLLC 2600 W. Big Beaver Road, Suite 300

Troy, MI 48084-3312

Detroit 90/90:

Detroit 90/90

c/o CEO

P.O. Box 11290 610 Antoinette Street Detroit, MI 48202

With a copy to:

Reginald M. Turner Clark Hill PLC

500 Woodward Avenue, Suite 3500

Detroit, MI 48226-3435

- Section 5. <u>Assignment</u>. This Agreement shall not be assigned: (a) by Detroit 90/90 without prior written consent of the Board, which consent shall not be unreasonably withheld; or (b) by PSAD without prior written consent of Detroit 90/90, which consent shall not be unreasonably withheld. Any assignment shall be prepared in a manner consistent with the Authorizer's educational management company policies.
- Section 6. <u>Amendment; Effect of Headings</u>. This Agreement may only be amended in writing, signed by a duly authorized representative of each party, and in a manner consistent with the Authorizer's educational management company policies. The underlined headings are included for convenience of the reader and, if the underlined headings are inconsistent with the other text, the underlined text shall be disregarded.
- Section 7. <u>Tax Exempt Financing</u>. If at any time PSAD determines that it is in the best interests of PSAD to obtain financing that is tax-exempt pursuant to the IRS Code, then the parties agree that this Agreement shall be automatically amended for the sole and limited purpose of compliance with Revenue Procedure 97-13. 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.
- Section 8. <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.
- Section 9. <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.
- Section 10. <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.
- Section 11. No Third Party Rights. This Agreement is made for the sole benefit of PSAD and Detroit 90/90. Except as otherwise expressly provided, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.

- Section 12. <u>Survival of Termination</u>. All representations, warranties, indemnities, and proprietary/confidentiality obligations made in this Agreement shall survive any termination or expiration of this Agreement without limitation.
- Section 13. <u>Delegation of Authority; Compliance with Laws</u>. Nothing in this Agreement shall be construed as delegating to Detroit 90/90 any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with all Applicable Law. The parties agree to comply with all Applicable Law.
- Section 14. Execution in Counterparts. The parties may execute this Agreement by facsimile or in counterparts. A facsimile or photographic copy of this Agreement may be relied upon by either party, or any third party, as if it were an original signature copy. If this Agreement is executed in counterparts, the separate counterpart signature pages shall be combined and treated by the parties, or any third party, as if the separate counterpart signature pages were part of one original signature copy.
- Section 15. Review by Independent Counsel. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

[Signature Page Follows]

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

PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

DETROIT 90/90, a Michigan nonprofit corporation

Bv: ¯

Mark Ornstein, CEO

EXHIBIT A

INDEPENDENT CONTRACTOR AGREEMENT

The purpose of this Exhibit A is to describe and define the Services to be provided by Detroit 90/90 pursuant to the Agreement.

EDUCATIONAL PROGRAM MANAGEMENT SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- A. <u>Educational Program</u>. Detroit 90/90 shall implement the educational components of the Services (defined in Article I, Section 2, of this Agreement and referred to also as the "Educational Program" herein) as set forth in detail in the Authorizing Contract. Substantial modification of the Educational Program may only occur with the prior written consent of the Board and, if required, an amendment to the Authorizing Contract which requires Authorizer approval.
- B. Other Operating Functions. Detroit 90/90 may perform functions other than educational instruction including, but not limited to, purchasing, professional development, and administrative functions off-site (i.e., not on PSAD property) unless prohibited by Applicable Law. Student records are the property of PSAD and shall be maintained by Detroit 90/90 at the corresponding PSAD UPA sites.
- C. <u>Student Enrollment</u>. Although the Board shall be responsible for establishing recruitment admission policies in accordance with the Authorizing Contract, Detroit 90/90 shall enroll students at PSAD Schools in accordance with such policies provided that the policies are in compliance with the Authorizing Contract and Applicable Law.
- D. <u>Student Due Process Hearings</u>. Detroit 90/90 shall provide student due process hearings in compliance with all Applicable Law, consistent with PSAD's own obligations to oversee student due process hearings, as set forth in the Authorizing Contract and Applicable Law.
- E. <u>Adherence to Applicable Law</u>. Detroit 90/90 shall administer and provide the Educational Program in a manner which shall meet federal, state, and local requirements, the requirements imposed under the Code and the Authorizing Contract, and all lease provisions entered into by PSAD for the operation of UPA.
- F. <u>Additional Funds</u>. In order to supplement and enhance the school aid payments received from the state of Michigan and improve the quality of education at UPA, Detroit 90/90 shall assist PSAD's endeavors to obtain revenue from other sources (the "Funding Sources") and, in this regard:
 - 1. PSAD and/or Detroit 90/90 may solicit grants and donations in the name of PSAD from various Funding Sources consistent with the mission of PSAD in furtherance of the Educational Program;

- 2. Detroit 90/90 shall provide bi-monthly reports to PSAD regarding any grant requests for applications, grant application, or grant administration status relating to grants or grant applications relating to UPA;
- 3. PSAD and/or Detroit 90/90, only with prior Board approval, may apply for and receive grant money in the name of PSAD from various Funding Sources for activities outside of the Educational Program;
- 4. To the extent permitted under the Code and Contract, and with the approval of the Board, PSAD may charge fees to students for extra services such as summer and after-school programs, athletics, etc., and charge non-PSAD students who participate in such programs; and
- 5. Additional Revenue as defined in Article III, Section 2 shall inure to, and be deemed property of, PSAD.
- G. <u>Outside Services</u>. Detroit 90/90 may procure outside services from other vendors ("Outside Services") for the benefit of PSAD. Detroit 90/90 shall not mark up any costs related to providing the Outside Services. In the event the Outside Services are in excess of \$10,000.00 on an annual basis, prior written approval of PSAD is required. Detroit 90/90 shall provide a list of all such Outside Service providers and the contract details upon request by PSAD as part of the PSAD budget review and approval by PSAD.
- H. <u>Adherence to Authorizing Contract</u>. Detroit 90/90 agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with PSAD's obligations under its Authorizing Contract issued by Grand Valley State University Board of Trustees. As stated in this Agreement, the provisions of PSAD's Authorizing Contract shall supersede any competing or conflicting provisions contained in this Agreement.
- I. <u>Detroit 90/90 Performance Reporting</u>. Detroit 90/90 shall timely provide reasonably requested or expected information to the Board on a monthly basis or upon the Board's reasonable request to enable the Board to monitor Detroit 90/90's performance under this Agreement.
- J. Pupil Performance Standards and Evaluation. Detroit 90/90 shall implement pupil performance evaluations consistent with the Educational Program which permit evaluation of the educational progress of each UPA student. Detroit 90/90 shall be responsible for and accountable to the Board for the performance of UPA students and shall meet the educational performance requirements of the Authorizing Contract and any lease agreement entered into by PSAD for the UPA facilities. At a minimum, Detroit 90/90 shall utilize assessment strategies required by the Educational Program and the Authorizer. Other measures of and goals for students and school performance are set forth in **Exhibit B** to this Agreement.
- K. <u>Services to Students with Disabilities.</u> Detroit 90/90 shall welcome students with disabilities at UPA and plan and supervise special education services to students who attend UPA. Detroit 90/90 may subcontract these services if it determines that it is necessary and

appropriate for the provision of services to students with special needs or if instruction cannot be met within UPA's program. Such services shall be provided in a manner that complies with Applicable Law.

L. <u>Services to All Students</u>. Detroit 90/90 shall place a high value on diversity, and PSAD shall welcome students and families of all races, ethnicity, religion, gender, and economic backgrounds.

BUSINESS/FINANCE SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- M. <u>Accountability</u>. Detroit 90/90 shall be directly accountable to the Board for the administration, operation, and performance of UPA in accordance with the Authorizing Contract. Detroit 90/90 shall not expend UPA funds in excess of the amount set forth in the PSAD Budget, as amended.
- N. <u>Business Administration</u>. Detroit 90/90 shall be responsible for all of the management, operation, administration, and education at UPA which includes, but is not limited to:
 - 1. Implementation and administration of the Educational Program, including administration of any and all extracurricular and co-curricular activities and programs and the selection and acquisition of instructional materials, equipment, and supplies;
 - 2. Management of all personnel functions, including professional development for all instructional personnel and the personnel functions outlined in this Agreement;
 - 3. Aspects of the business administration (as determined as generally understood in the industry) of UPA as agreed between Detroit 90/90 and the Board; and
 - 4. Any function necessary or expedient for the administration of UPA consistent with the Educational Program or otherwise approved by the Board.
- O. <u>Student Records</u>. Except as otherwise provided in this Agreement, Detroit 90/90 shall keep all student and financial records relating to UPA at the respective UPA site, and the same shall be available for public inspection upon reasonable request consistent with Applicable Law. All student and financial records will remain the property of PSAD.
- P. <u>Financial Reporting</u>. Detroit 90/90 shall provide the PSAD Board with:
 - 1. A projected annual PSAD budget that complies with Applicable Law before June 30 of each school year, related to the Services in accordance with the Contract and the Educational Program;

- 2. Detailed monthly or quarterly statements (in a form and as requested by the Board) of all revenues received, from whatever source, with respect to PSAD and detailed budgets with statements of all direct expenditures (with details) for the Services rendered to or on behalf of PSAD, whether incurred on-site or off-site;
- 3. Facilitate the annual audit in compliance with Applicable Law showing the manner in which funds are spent at PSAD Schools; however, it is acknowledged that only PSAD shall select and retain auditors, and PSAD shall contract directly with any auditor of its choice, and Detroit 90/90 will cooperate with the production of any and all documents necessary for the audit. Any such audit and audit materials shall be the property of PSAD;
- 4. Other information as reasonably requested by the Board to enable the Board to monitor Detroit 90/90's performance under the Agreement; and
- 5. A copy of the Detroit 90/90 annual audit.
- Q. <u>Statutory Reporting Requirements</u>. Detroit 90/90 shall provide to the Board, at least annually, the following information to ensure that PSAD can comply with the following statutory reporting requirements including, but not limited to, MCL 380.523c and MCL 380.1618:
 - 1. Each health care benefit plan including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services offered to any employee at the Academy.
 - 2. The PSAD audit report conducted for the most recent fiscal year for which it is available.
 - 3. The bids required under section 5 of the Public Employee Health Benefits Act, 2007 PA 106, MCL 124.75.
 - 4. The total salary and a description and cost of each fringe benefit included in the compensation package for the superintendent of the district and for each employee of the district whose salary exceeds \$100,000.00.
 - 5. The annual amount spent on dues paid to associations.
 - 6. The annual amount spent on lobbying or lobbying services. As used in this subsection, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL 4.415.
 - 7. All of 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 that information is available.

Detroit 90/90 shall make all of the above-enumerated information available through a link on the UPA website homepage, in a form and manner prescribed by the Michigan Department of Education.

- R. <u>Policy and Procedures</u>. Detroit 90/90 will recommend to the Board reasonable rules, regulations, policies, and/or procedures applicable to UPA. The Board hereby authorizes and directs Detroit 90/90 to enforce such rules, regulations, and procedures consistent with Board policy.
- S. Review of Budget. Detroit 90/90 shall timely prepare, propose, and amend, as necessary, an annual operating budget for UPA (the "Budget") in accordance with the Authorizing Contract and the Michigan Budgeting and Accounting Act for review by PSAD. The Budget shall include all of UPA's projected revenues and expenses at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual.

HUMAN RESOURCES SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- T. <u>Detroit 90/90 as Employer.</u> Detroit 90/90 shall determine staffing levels and select, hire, evaluate, assign, discipline, transfer, and terminate personnel consistent with Applicable Law as the sole employer.
- U. <u>Detroit 90/90 Teachers</u>. Detroit 90/90 shall hire, evaluate, assign, discipline, transfer, and terminate teachers qualified in the applicable grade levels and subjects consistent with Applicable Law and the Authorizing Contract. Detroit 90/90 shall ensure that the curriculum taught by teachers is the curriculum set forth in the Authorizing Contract. Detroit 90/90 shall only hire teachers that hold a valid teaching certificate issued by the State Board of Education.
- V. <u>Detroit 90/90 Support Staff</u>. Detroit 90/90 shall hire, evaluate, assign, discipline, transfer, and terminate support staff qualified in the areas required including, but not limited to, clerical staff, administrative assistants and director, bookkeeping staff, maintenance personnel, and the like.
- W. <u>Detroit 90/90 Employee Taxes.</u> Detroit 90/90 shall pay its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees. Unless required by Applicable Law, Detroit 90/90 shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees.
- X. <u>Background Clearances</u>. Detroit 90/90 shall, to the extent permitted by applicable law, be responsible for conducting or arranging for criminal background and conduct checks on its employees assigned to the Academy to ensure that the Academy fulfills its responsibilities to: a) conduct criminal background and record checks required by Applicable Law; and, b) maintain evidence that it has performed such actions.

STUDENT SAFETY PROGRAM MANAGEMENT SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- Y. <u>Crisis Management Policy.</u> Detroit 90/90 shall draft and update a comprehensive crisis management policy and protocol to ensure PSAD Schools maintain a safe school environment and are prepared to respond to a range of crisis-level incidents that could impact student safety and the learning environment, including but not limited to natural disasters, bomb threats, active shooter or other violence, hostage situation, suicide, serious injury or ill student, hazardous materials accident, or fire.
- Z. <u>Crisis Team Management</u>. Detroit 90/90 shall identify and form a school crisis team and document reporting procedures and response protocol. Detroit 90/90 shall train the Crisis Team regarding how to implement crisis management plans quickly and effectively, including securing students, securing building, minimizing harm and communicating with first responders.
- AA. <u>Preventative Resources and Outreach</u>. Detroit 90/90 shall identify warning signs for violent behavior, suicide, gang activity, etc., and develop resource materials for students, parents, staff and teachers to attempt to minimize negative outcomes and occurrences. Detroit 90/90 shall implement private reporting component of school and community safety plan in which every student, staff, teacher, parent and volunteer, agrees that whenever anyone "sees something, they say something."
- BB. <u>Post-Incident Restoration</u>. Detroit 90/90 shall provide counseling and other resources as necessary following a crisis to restore safe learning environment and student well-being. Following crisis incident, Detroit 90/90 shall evaluate incident and response and improve crisis management plan as appropriate.
- CC. <u>Media Relations</u>. Detroit 90/90 shall identify a media spokesperson and crisis response communication plan. Detroit 90/90 shall advise all Detroit 90/90 employees regarding media response plan.
- DD. <u>Safety Drills</u>. Detroit 90/90 shall practice and perform all statutory required safety drills including but not limited to lockdown drills, fire drills, and tornado drills, and undertake other precautions to minimize harm in crisis situations.
- EE. Reporting. Detroit 90/90 shall inform the PSAD Board regarding occurrence and results of statutory required safety drills, operations of crisis management team, and response protocol and outcomes of any crisis incidents.

ANNARBOR 38030-3 260706v7

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (the "Agreement") is made effective as of July 1, 2019 by and between **DETROIT 90/90**, **INC.**, a Michigan nonprofit corporation ("Detroit 90/90") and **THE PUBLIC SCHOOL ACADEMIES OF DETROIT**, a Michigan public school academy (the "PSAD") formed under Part 6c of the Revised School Code, Public Act 451 of 1976 (the "Code"), as amended.

PSAD is an urban high school academy organized under the Code. PSAD has been issued a contract (the "Authorizing Contract") by **GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES** (the "Authorizer") to organize and operate one or more urban high school academies. PSAD currently operates three (3) school districts within the city of Detroit, Michigan (the "PSAD Schools"), including **UNIVERSITY PREPARATORY ACADEMY – ART & DESIGN** ("UPA:AD" or the "School"). UPA:AD is comprised of: (1) UPA:AD Elementary School; and (2) UPA:AD Middle School (collectively referred as the "UPA:AD Schools").

PSAD and Detroit 90/90 desire to enter into an agreement, as defined in MCL 380.523c(2)(c), whereby PSAD and Detroit 90/90 will work together to deliver systems of educational excellence and services to PSAD and its UPA:AD Schools based on Detroit 90/90's vision of school design, management principles, and curriculum programs for the PSAD's urban high school academies as set forth in detail in the Authorizing Contract.

THEREFORE, the parties agree as follows:

ARTICLE I Relationship of the Parties and Other Matters

- Section 1. <u>Authority</u>. PSAD represents that: (a) it is authorized by law to contract with an educational management organization for the provision of management and operational services to PSAD; and (b) PSAD has been issued the Authorizing Contract from the Authorizer to organize and operate one or more urban high school academies. To the extent permitted by law and without waiving any privilege or immunity, PSAD authorizes and grants to Detroit 90/90 the necessary authority and power to perform under this Agreement.
- Section 2. <u>Detroit 90/90 Services</u>. The parties agree that Detroit 90/90 shall provide all labor, materials, and supervision necessary for the provision of comprehensive educational, administrative, management, and instructional services contemplated by this Agreement to PSAD (the "Services") as set forth below and in attached <u>Exhibit A</u>. Detroit 90/90 shall provide such Services to PSAD so PSAD can meet its obligations under the Authorizing Contract, Michigan Department of Education agency requirements, and all other applicable law.
- Section 3. <u>Change in Law</u>. 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 Law") 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.

- Section 4. <u>Educational Program</u>. Detroit 90/90 shall implement the educational goals, curriculum, method of pupil assessment, admissions, policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, and methods to be used to monitor compliance with performance of targeted educational outcomes as previously adopted by the PSAD Board of Directors ("Board") and as included in the Authorizing Contract (collectively, the "Educational Program").
- Section 5. <u>Compliance with the Contract</u>. Detroit 90/90 agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with PSAD's obligations under the Authorizing Contract issued by the Authorizer. The provisions of PSAD's Authorizing Contract shall supersede any competing or conflicting provisions in this Agreement.
- Section 6. Relationship of the Parties. Detroit 90/90 is not a division or any part of PSAD. PSAD is not a division or any part of Detroit 90/90 and is a separate corporate and governmental entity authorized under the Code. The relationship between the parties was developed and entered into through arms-length negotiation and is based solely on the terms of this Agreement.
- Section 7. <u>Detroit 90/90 as Independent Contractor; Agency.</u> Detroit 90/90 shall provide the Services as an independent contractor and not as an employee, partner, agent, or associate of the School. This independent contractor relationship shall extend to the officers, directors, employees, and representatives of Detroit 90/90. Detroit 90/90 shall be solely responsible for its acts, the acts of its employees, partners, agents, and those subcontractors who are contracted through Detroit 90/90. Consistent with the status of an independent contractor, Detroit 90/90 reserves to itself the right to designate the means and methods of accomplishing the objectives and purposes of this Agreement in accordance with the Authorizing Contract and Applicable Law.
- Section 8. Detroit 90/90 Authorized Access to Information. During the Term of this Agreement defined below, the Board designates Detroit 90/90 staff and any "Outside Services" (as referenced in Exhibit A, Paragraph G below) as school officials having a legitimate educational interest such that they are entitled to access to education records under 20 U.S.C. §1232g of the Family Educational Rights and Privacy Act. Detroit 90/90, its officers, agents, employees, and staff, including any "Outside Services," shall comply with the Family Educational Rights and Privacy Act at all times. During the Term of this Agreement, PSAD may disclose confidential data and information to Detroit 90/90 and its respective officers, directors, employees, and designated agents to the extent permitted by Applicable Law including, without limitation, the Individuals 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 Americans 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.

- Section 9. No Related Parties or Common Control. The parties agree that none of the voting power of the governing body of PSAD or the Board will be vested in Detroit 90/90 or its directors, members, managers, officers, shareholders, or employees. Further, PSAD and Detroit 90/90 are not, and shall not become: (a) members of the same controlled group, as that term is defined in the Internal Revenue Code of 1986, as amended (the "IRS Code"); or (b) related persons, as that term is defined in the IRS Code.
- Section 10. <u>Teachers</u>. All teachers and staff employed or retained by Detroit 90/90 and assigned to UPA:AD are employees of Detroit 90/90 and not employees of PSAD or the UPA:AD Schools. Detroit 90/90 may elect to contract with a co-employer but a co-employer arrangement between Detroit 90/90 and the co-employer shall in no way make, reference or substitute PSAD as an employer or co-employer. Detroit 90/90 teachers assigned to UPA:AD are not considered teachers for purposes of continuing tenure under MCL 38.71 et seq.
- Section 11. <u>Chief Executive Officer</u>. Detroit 90/90 shall employ a Chief Executive Officer ("CEO") for UPA:AD. PSAD and Detroit 90/90 understand that they will also enter into a similar educational management agreement for the operation of the PSAD University Preparatory Academy ("UPA") urban high school academy and the PSAD University Preparatory Academy Science and Math ("UPSM"). The CEO for UPA:AD shall also serve as the CEO for UPA and UPSM. The CEO shall hold all required certifications as required by the Code. The Detroit 90/90 Board will have the authority, consistent with Applicable Law, to select, supervise, discipline, or terminate the CEO and to hold the CEO accountable for the success of UPA:AD. Detroit 90/90 will empower the CEO with the authority to select and hold accountable the teachers and staff at UPA:AD.
- Section 12. <u>Criminal Background Checks.</u> Detroit 90/90 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 unprofessional conduct, criminal background, and criminal conduct checks. In accordance with state law and the Michigan State Police regulations, PSAD and/or the CEO shall conduct the appropriate criminal background checks in the manner required by applicable law, regulation, and policy, including as it relates to the obtaining, storage, and dissemination of Criminal History Record Information ("CHRI") and the registering and use of the Criminal History Records Internet Subscription Service ("CHRISS"). PSAD and Detroit 90/90 shall use CHRI and CHRISS 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.
- Section 13. <u>Unprofessional Conduct Checks.</u> Detroit 90/90 agrees that the CEO will conduct unprofessional conduct checks in accordance with MCL 380.1230b before hiring an employee assigned to work at the UPA:AD worksite.
- Section 14. <u>Compliance with Section 523c</u>. On an annual basis, Detroit 90/90 agrees to provide PSAD with 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, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, PSAD shall make the information available on UPA:AD's website home page, in a form and

manner prescribed by the Michigan Department of Education. The defined terms in section 523c of the Code, MCL 380.523c, shall have the same meaning in this Agreement.

- Section 15. <u>The Board</u>. The Board is the governing body with oversight responsibilities over PSAD. The parties acknowledge that, throughout this Agreement, the term "Board" and the term "PSAD" are sometimes used interchangeably in some sections for the sole purpose of readability based on the nature and subject matter of the article/section.
- Section 16. <u>Availability of Funds.</u> Detroit 90/90 shall be liable to PSAD for any cost it commits PSAD to without the Board's approval in the event such cost is beyond the amount in PSAD's budget or any approved amendment to the budget. Detroit 90/90 shall only be required to perform its responsibilities under this Agreement to the extent PSAD has appropriated required funds in its budget, as amended.
- Section 17. <u>Materials Purchased</u>. Notwithstanding any provision in this Agreement, the Board retains the obligation, as provided in Section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials, and equipment to PSAD. Unless otherwise prohibited by law, Detroit 90/90 shall directly procure all supplies, materials, and equipment provided that Detroit 90/90 complies with Section 1274 of the Code and the written policies the Board promulgated related to such items. All supplies, materials, and equipment purchased by Detroit 90/90 on behalf of PSAD shall be property of PSAD. Detroit 90/90 certifies that there shall be no markup of costs for supplies, materials, or equipment procured by Detroit 90/90 on the behalf of PSAD and that said supplies, materials and/or equipment shall be inventoried in such a way that it can be clearly established which property belongs to PSAD. Detroit 90/90 shall maintain an inventory of PSAD equipment so that it can be clearly established which property belongs to PSAD.
- Section 18. <u>Subcontracts.</u> Detroit 90/90 reserves the right to subcontract, with Board approval, any and all aspects of all other services it agrees to provide to PSAD, including, but not limited to transportation and/or food service. Detroit 90/90 shall not subcontract the management, oversight, staffing, or operation of the teaching and instructional program, except as specifically permitted herein or with the prior approval of the Board.
- Section 19. <u>Compliance with Section 11.22 of Contract Terms and Conditions.</u> Detroit 90/90 shall make information concerning the operation and management of PSAD, including without limitation the information described in Schedule 6 of the Contract, available to PSAD as deemed necessary by the Board in order to enable PSAD to fully satisfy its obligations under Section 11.22(a) of the Contract Terms and Conditions.
- Section 20. <u>Privacy</u>. Except as permitted under the Code, Detroit 90/90 shall not sell or otherwise provide to a for-profit business entity any personally identifiable information that is part of PSAD student's education records. If Detroit 90/90 receives information that is part of an PSAD student's education records, Detroit 90/90 shall not sell or otherwise provide the information to any other person except as permitted under the Code. For purposes of this section, the terms "education records" and "personally identifiable information" shall have the same meaning as those terms in section 1136 of the Code, MCL 380.1136.

Section 21. <u>Data Breach</u>. Detroit 90/90 shall develop and maintain, with Board approval, a data breach response plan to address the release of personally identifiable information from PSAD education records or other information not suitable for public release. In the event of a data breach, Detroit 90/90 and PSAD shall follow the data breach response plan.

ARTICLE II Term

This Agreement shall be effective for a five (5) year period beginning July 1, 2019 and ending June 30, 2024 (the "Term"), subject to earlier termination under Article VI.

ARTICLE III Obligations of the Academy

- Section 1. <u>Good Faith Obligation</u>. PSAD shall exercise good faith in considering recommendations by Detroit 90/90 relative to the Educational Program defined above in Article I, Section 2 and attached Exhibit A.
- Section 2. <u>PSAD Funds</u>. The Board shall determine the depository of all funds received by PSAD including, but not limited to, the State School Aid and any funds, other consideration, or property purchased with such funds, received by PSAD or Detroit 90/90 on behalf of PSAD from such other revenue sources (generally, the "Additional Revenue"). All funds received by PSAD shall be deposited in PSAD's depository account. Signatories on the depository account shall be members of the Board or properly designated Board agents, which may include employees or agents of Detroit 90/90. All interest or investment earnings on PSAD deposits shall accrue to PSAD.
- Section 3. <u>District Facilities and Physical Plants.</u> PSAD shall provide Detroit 90/90 reasonable access to the district facilities and physical plants that are provided by PSAD for use by UPA:AD, as described in the operative lease agreements between TEF-SIX, LLC and PSAD; TEF-THREE, LLC and PSAD; and as incorporated into the Authorizing Contract for the provision of Services under this Agreement.
- Section 4. <u>Board Policies</u>. PSAD shall be responsible for the fiscal and academic policies of the School. The Board shall exercise good faith in considering the recommendations of Detroit 90/90 including, but not limited to, Detroit 90/90's recommendations regarding PSAD policies, rules, regulations, and the PSAD Budget (as defined below).
- Section 5. <u>Board Spending Account.</u> The Board may maintain revenues provided by philanthropic donors for general PSAD expenses (the "Board Spending Account"). All funds in the Board Spending Account are the property of the PSAD Schools and may be used solely by PSAD for the benefit of the Schools at the discretion of the Board. Funds in the Board Spending Account that are not spent by PSAD during the academic year shall carry over annually and shall be included in the PSAD annual audit.

ARTICLE IV Compensation For Services

Section 1. [Section left intentionally blank].

- Section 2. <u>Compensation for Services</u>. During the Term of this Agreement, the Board shall pay Detroit 90/90 a fee equal to Detroit 90/90's break-even operating costs attributed to UPA:AD that are not cost allocated to the PSAD UPA:AD budget plus one percent (1%) of such Detroit 90/90 UPA:AD operating costs (the "Fee").
- Section 3. <u>Fee Payments</u>. Detroit 90/90 shall receive the Fee in twelve (12) installments of approximately equal monthly amounts beginning in July of each academic year and ending in the following June unless otherwise described in this Agreement related to a Transition Period as defined in Article VI, Section 4.
- Section 4. <u>Reasonable Compensation</u>. The parties agree that the Fee amount is reasonable compensation for the provision of the Services and Detroit 90/90's incurring of any non-reimbursable expenses. PSAD and Detroit 90/90 agree to make adjustments to the Fee as necessary because of factors such as differences in actual and projected enrollments, differences between actual and projected operating expenses, and funding changes mandated by federal, state, or municipal sources.
- Section 5. <u>Detroit 90/90 Budget Surplus</u>. Detroit 90/90 shall operate on a break-even cost plus one percent (1%) of the Fee budget (the "Detroit 90/90 Budget"). In the event Detroit 90/90 maintains a budget surplus at the end of any academic year of the Term in excess of \$20,000 (a "Budget Surplus") or a fund balance in excess of \$25,000 ("Fund Balance Surplus"), then Detroit 90/90 shall make a proposal to PSAD for disposition of the Budget Surplus or Fund Balance Surplus. If the parties do not mutually agree to the disposition of the Budget Surplus or Fund Balance Surplus for such year of the Term after informal discussion, the parties shall participate in mediation and arbitration if the matter is not resolved as set forth in Article X of this Agreement. PSAD retains the right to request additional proposals for the Budget Surplus or Fund Balance Surplus and/or to veto Detroit 90/90's proposal if it considers it not in the best interest of PSAD Schools.
- Section 6. <u>Detroit 90/90 Budget Deficit</u>. In the event Detroit 90/90 incurs expenses in amounts more than those set forth in the applicable Detroit 90/90 Budget in any type or classification resulting in a deficit (a "Budget Deficit") for any year of the Term, Detroit 90/90 shall provide a budget amendment in writing to PSAD. If the parties do not mutually agree to the budget adjustment, the parties shall participate in mediation and arbitration if the matter is not resolved as set forth in Article X of this Agreement. Notwithstanding the foregoing, Detroit 90/90 shall give PSAD written notice not more than fifteen (15) days after becoming aware of a potential Budget Deficit.

Section 7. [Section left intentionally blank].

ARTICLE V Proprietary Information and Personal Property

- Section 1. <u>PSAD's Rights to Curriculum and Educational Materials</u>. All items acquired with PSAD funds including, but not limited to, instructional materials, equipment, supplies, furniture, computers, and all other technology shall be owned by and remain the property of PSAD.
- Section 2. <u>Non-Disclosure of Proprietary Information; Remedy for Breach</u>. Except as specifically required by the Code or the Michigan Freedom of Information Act, the proprietary information and materials of either party shall be held in strict confidence by the other party to this Agreement.
- Section 3. Naming Rights and Intellectual Property. PSAD is the sole owner, licensee or grantee of all PSAD School names and marks or substantially similar names or marks. This includes, but is not limited to, "UPA," "University Prep," "University Preparatory," "University Preparatory Academy," "UPA," "UPREP," "Uprep," "University Prep Science & Math," "UPSM," "University Preparatory Academy Art & Design," "UPA:AD," and "UPrep Schools" (the "PSAD Marks"). Detroit 90/90 shall acquire no rights in or to the PSAD Marks, and all goodwill associated with the PSAD Marks shall inure to the sole benefit of and remain with PSAD. Upon expiration or termination of this Agreement, Detroit 90/90 shall immediately discontinue use of the PSAD Marks and shall remove the PSAD Marks from its locations, websites, telephone directory listing, and all other written or electronic promotional materials.
- Section 4. Personal Property Upon Termination or Expiration. Upon any termination or the expiration of this Agreement, PSAD shall own, without restriction, all property, tangible and intangible, purchased, licensed, or acquired in any fashion by or for PSAD. PSAD may elect: (a) to purchase any personal property which has been purchased or leased from a third party solely with Detroit 90/90 funds, provided such purchase or lease is permitted under the purchase or lease documents, at the fair market, depreciated value of such personal property; or (b) to return same to Detroit 90/90.

ARTICLE VI Termination

Section 1. <u>Termination by Detroit 90/90</u>. Detroit 90/90 may terminate this Agreement before the end of the Term in the event PSAD fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to, PSAD's failure to timely remit the Fee due to Detroit 90/90. PSAD has thirty (30) days after notice from Detroit 90/90 to remedy a breach that involves the advancement of funds for all compensation required for payroll or to reach an agreement with Detroit 90/90 on the payment of those funds.

Termination before the end of the Term shall not relieve PSAD of any financial or other obligations to Detroit 90/90 outstanding as of the date of termination. Failure by Detroit 90/90 to: (a) declare a breach; (b) place PSAD on notice thereof; or (c) fail to exercise or exert any remedy available to Detroit 90/90 under this Agreement or Applicable Law, shall not be deemed a waiver of Detroit 90/90's right and remedies whatsoever.

- Section 2. <u>Termination by PSAD</u>. PSAD may terminate this Agreement before the end of the Term in the event that Detroit 90/90 fails to remedy a material breach within the required time frames below. A material breach includes, but is not limited to:
 - a. Failure by Detroit 90/90 to reasonably account for its expenditures;
 - b. Failure by Detroit 90/90 to pay PSAD's approved and budgeted operating expenses as required under this Agreement (provided funds are available);
 - c. Failure by Detroit 90/90 to substantially follow policies, procedures, rules, regulations, or curriculum duly adopted by the Board which are not in violation of Applicable Law or this Agreement;
 - d. Failure by Detroit 90/90 to provide the Services as required by this Agreement;
 - e. Any action or inaction by Detroit 90/90 that places the Authorizing Contract in jeopardy of revocation, suspension, or termination as evidenced by written notification from the Authorizer; and/or
 - f. Failure to meet the educational performance requirements in the Authorizing Contract, any lease agreement entered into by PSAD for the operation of UPA:AD, or as set forth in **Exhibit B** to this Agreement.

Detroit 90/90 has ten (10) days after notice from PSAD to remedy a breach that involves Detroit 90/90's non-payment of approved and budgeted funds for all compensation required for Detroit 90/90's payroll or to reach an agreement with PSAD on the payment of those funds. Detroit 90/90 has thirty (30) days after written notice from PSAD to remedy all other material breaches.

- Section 3. <u>Termination by Either Party</u>. Either party may also terminate this Agreement without cause before the end of the Term by giving written notice of termination to the other party by December 1 of a particular year and, unless otherwise agreed to by the parties, the termination shall be effective as of June 30 of the following year. Notice of termination provided after December 1 shall not be effective until one year after June 30 of the following year. In the event notice of termination is provided after December 1 of any academic year, PSAD reserves the right to provide sixty (60) days written notice of termination to Detroit 90/90, with Detroit 90/90 obligated to provide transition services commencing on day sixty-one (61) as set forth in Section 5.
- Section 4. Revocation or Termination of Contract. If the Authorizing Contract as it relates to UPA:AD is revoked or terminated or a new charter contract is not issued or obtained, this Agreement shall automatically terminate on the same date as the Authorizing Contract is revoked or terminated without further action of the parties.
- Section 5. <u>Transition Period</u>. In the event of any termination or expiration of this Agreement, Detroit 90/90 shall provide PSAD reasonable assistance for up to ninety (90) days to assist in the orderly transition from Detroit 90/90 to another educational management company, at no cost to PSAD (the "Transition Period"). As of the date of the notice of termination, any

remaining Fee payments shall be divided by the remaining months of the academic year, plus the three (3) month Transition Period, and paid in equal monthly amounts ending at the conclusion of the Transition Period unless otherwise disbursed by PSAD. In the event Detroit 90/90 fails to provide adequate transition services as set forth in this Agreement, the three (3) month Transition Period payments are deemed waived in accordance with Applicable Law to the extent such payments are not directly for payroll services previously rendered.

After a notice of termination is provided by either party and up and until the effective date of termination as stated in the notice (i.e., June 30) and the conclusion of the Transition Period, Detroit 90/90 shall undertake the following:

- 1. Carry out its obligations under this Agreement in the ordinary course of business;
- 2. Use its best efforts to maintain its relations and goodwill with suppliers, landlords, creditors, employees, agents, and others having business relationships with UPA:AD;
- 3. Make Detroit 90/90 staff available to Detroit 90/90's successor;
- 4. Provide Detroit 90/90's successor with all information and access to records and information necessary for the ongoing operation of the School;
- 5. Provide Detroit 90/90's successor with all information, systems, electronic databases (including passcodes and electronic keys) necessary to ensure the orderly transition of all student records, school database and information systems, free and reduced lunch records and reports, financial and facilities information, vendor subcontracts, and all other administrative records necessary for school management and operation;
- 6. Make no material changes in administrative, operational, or management personnel, including the chief administrative officer, chief operating officer, director of finance, assistant director of finance for UPA:AD, principals for each of the UPA:AD schools, or teaching staff without prior written approval of PSAD;
- 7. Use its best efforts not to disturb UPA:AD's relations and goodwill with parents, students, and the educational community relating to the operation and management of UPA:AD, including not initiating contact with the parents, legal guardians, or students of PSAD;
- 8. Comply with all legal requirements and contractual obligations related to the operations of the School;
- 9. Continue in full force and effect all required insurance coverages;
- 10. Cooperate with PSAD in identifying the governmental authorizations or other approvals including, but not limited to, those regarding UPA:AD facilities required by PSAD to operate UPA:AD; and

- 11. Prepare and provide to PSAD, within twenty (20) days of the provision of notice of termination, at Detroit 90/90's own expense, a draft transition agreement which shall specifically detail and plan for each and every transition issue and provide a timeline for addressing each issue.
- 12. Detroit 90/90 agrees that it shall not enforce any non-compete contractual requirement or contractual obligation on any of its teachers, support staff, principals, agents, or others under its employ who are currently working at UPA:AD.

Section 6. 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. After any termination or the expiration of this Agreement, and once all such obligations referenced above are satisfied, the parties shall have no further obligations to each other under this Agreement except for the continuing obligations under: (a) Article V (proprietary information); and (b) Article VII (indemnification).

Section 7. <u>Termination Based on Cross-Default.</u> In the event Detroit 90/90 violates or otherwise fails to comply with the contractual obligations of the PSAD Independent Contractor Agreement for operation of UPA, or the PSAD Independent Contractor Agreement for operation of UPA: AD at the PSAD Board's discretion it may vote to terminate any one of the PSAD Schools' Independent Contractor Agreements, or any combination of the PSAD Schools' Independent Contractor Agreement, or none of the PSAD Schools' Independent Contractor Agreement, if the violation is not cured in the time specified in the respective PSAD Schools' Agreement.

Section 8. Amendment Caused By Site Closure or Reconstitution. In the event PSAD is required (i) to close a site pursuant to a notice issued by the State School Reform/Redesign Officer under Section 528 of the Code, MCL 380.528; or (ii) to undergo a reconstitution pursuant to Section 528 of the Code, MCL 380.528, and of the Contract Terms and Conditions, and such site closure 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 site closure or reconstitution, with no cost or penalty to PSAD, and Detroit 90/90 shall have no recourse against PSAD or the Grand Valley State University Board for implementing such site closure or reconstitution.

ARTICLE VII

Indemnification & Cooperation

Section 1. <u>Indemnification of Detroit 90/90</u>. To the extent permitted by law and without waiving any privilege or immunity, PSAD shall indemnify and save and hold Detroit 90/90 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 be caused by any negligent or intentional misconduct by PSAD, its officers, directors, employees, subcontractors,

and agents or by any negligent or intentional failure to act or any omission that causes harm to Detroit 90/90 arising out of this Agreement. In addition, to the extent permitted by law, PSAD shall reimburse Detroit 90/90 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 1 may be met by the purchase of insurance by PSAD.

- Section 2. <u>Immunities and Limitations</u>. PSAD may assert all privileges, immunities, and statutory limitations of liability in connection with any claims arising under this Agreement.
- Section 3. <u>Indemnification of PSAD</u>. Detroit 90/90 shall indemnify and save and hold PSAD 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 be caused by any negligent or intentional misconduct by Detroit 90/90, its officers, directors, employees, subcontractors, and agents or by any negligent or intentional failure to act or omission by Detroit 90/90 that causes harm to PSAD arising out of this Agreement. In addition, Detroit 90/90 shall reimburse PSAD 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 Detroit 90/90.
- Section 4. <u>Mutual Duty to Cooperate</u>. 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.
- Indemnification of the Authorizer. The parties acknowledge and agree Section 5. that the Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives from all claims, demands, or liability, including attorney fees and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University which arise out of or are in any manner connected with Grand Valley State University Board of Trustees' approval of PSAD's public school academy application, the University Board's consideration of or issuance of a Contract, PSAD's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives upon information supplied by PSAD or Detroit 90/90 or which arises out of the failure of PSAD to perform its obligations under the Contract. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.

ARTICLE VIII Insurance

- Section 1. <u>Academy Insurance</u>. PSAD shall maintain such policies of insurance coverage in the amounts required by the Authorizing Contract. PSAD shall add Detroit 90/90 as an additional insured on all policies.
- Section 2. <u>Detroit 90/90 Insurance</u>. Detroit 90/90 shall maintain separate general liability and umbrella insurance coverage, with PSAD listed as an additional insured on all policies. Detroit 90/90 shall maintain such policies of insurance in the amounts required by the Authorizing Contract and any lease agreements. Specifically, Detroit 90/90 agrees to maintain, as part of the PSAD UPA:AD budget, the required levels of insurance set forth in the lease agreements entered into by PSAD for district facilities and physical plants used by Detroit 90/90 for the operation of UPA:AD, including but not limited to the required amounts of general liability per occurrence basis requirements and property insurance.
- Section 3. <u>Evidence and Notices</u>. Each party shall, upon written request, present evidence to the other that it maintains the requisite insurance.
- Section 4. <u>Workers' Compensation Coverage</u>. Detroit 90/90 shall maintain workers' compensation insurance, as required by state law, covering its employees.

ARTICLE IX Warranties and Representations

- Section 1. <u>Warranties and Representations of PSAD</u>. PSAD represents to Detroit 90/90 that it has the authority under law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement, and its actions have been duly and validly authorized.
- Section 2. <u>Good Standing</u>. Detroit 90/90 represents and warrants to PSAD that: (a) it is a Michigan corporation in good standing, duly authorized to conduct business in the state of Michigan; (b) it has the authority under Applicable Law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement; (c) its actions have been duly and validly authorized; and (d) it will adopt any and all resolutions required for execution of this Agreement.
- Section 3. <u>Contract Administrator</u>. Detroit 90/90 represents and warrants that it has a thorough understanding of the Contract Administration Agreement entered into by PSAD and the Contract Administrator dated July 1, 2019 as provided by the Authorizing Contract and the Code, and that Detroit 90/90 shall cooperate in such a manner so as to allow PSAD and the Contract Administrator to comply with their respective obligations and exercise their respective rights under the Contract Administration Agreement.
- Section 4. <u>District Facilities and Physical Plants</u>. Detroit 90/90 represents and warrants that it has a thorough understanding of the district facilities and physical plants that are provided by PSAD for use by UPA:AD, and all applicable documentation, including lease agreements, certificate of occupancy, and other permits to operate UPA:AD. Detroit 90/90

specifically agrees to use best efforts to ensure PSAD's compliance with the contractual obligations set forth in the operative lease agreements between TEF-SIX, LLC and PSAD and TEF-THREE, LLC and PSAD, including but not limited to the sections covering the following: (a) Use of Demised Premises, (b) Indemnity, (c) Maintenance and Repairs, (d) Property Insurance, Rebuilding, And Waiver of Subrogation, (e) Access to Premises, and (f) Reporting. Detroit 90/90 also represents and warrants that the PSAD district facilities and physical plants allow Detroit 90/90 to undertake and meet its contractual obligations.

Section 5. Other Schools. Detroit 90/90 represents and warrants that, other than entering into an educational management agreement with PSAD for the operation of PSAD Schools, it shall not operate any other school or third party programs including, but not limited to, a pre-K school, a public school, a private school, a public school academy, an urban high school academy, a trade school, or an institution of high learning without the express written consent of PSAD and the Contract Administrator.

Section 6. <u>Change in Control.</u> Detroit 90/90 represents and warrants that it will not amend its articles of incorporation or bylaws without thirty (30) days written notice to PSAD of the proposed Detroit 90/90 amendment(s) to the articles of incorporation or bylaws. Detroit 90/90 understands and agrees that any amendments to its articles of incorporation or bylaws shall not materially impact or in any way interfere with Detroit 90/90's ability to fulfill its obligations under this Agreement.

ARTICLE X Alternative Dispute Resolution

Section 1. <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 discussed informally between the parties. In the event that the parties cannot resolve their dispute, the matter shall be submitted to mediation for resolution in Wayne or Oakland County. Both parties must mutually agree upon the mediator selected and shall participate in all meetings in good faith. The mediation shall be conducted in accordance with the rules of the American Arbitration Association seated in Wayne or Oakland County, Michigan, with such variations as the parties and arbitrators unanimously accept. The parties will share equally in the costs of the mediation, including forum fees, expenses, and charges of the mediator.

Section 2. <u>Arbitration</u>. If the mediation does not result in a mutually satisfactory compromise, then the matter shall be resolved by arbitration, and such procedure shall be the sole and exclusive remedy for such matters, except for the pursuit of injunctive or equitable relief. Any dispute, difference, or disagreement arising under or related to this Agreement shall be referred to a single arbitrator, mutually agreed upon by the parties or, if no single arbitrator can be agreed upon, an arbitrator shall be selected in accordance with the rules of the American Arbitration Association and such dispute, difference, or disagreement shall be settled by arbitration in accordance with the then-prevailing Commercial Rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction thereof. All arbitration proceedings shall take place exclusively in the state of Michigan in Wayne or Oakland County, Michigan. If the parties are unable to agree on a mutual

location for the arbitration, the arbitration shall take place at the Southfield Office of the American Arbitration Association. The arbitrator's award shall be final and binding. Each party shall be responsible for their own costs and attorneys' fees.

ARTICLE XI Miscellaneous

- Section 1. <u>Entire Agreement</u>. This Agreement supersedes and replaces any and all prior written or oral agreements and understandings between PSAD and Detroit 90/90 regarding the subject matter hereof. This Agreement, including all Exhibits and Schedules, constitutes the entire agreement of the parties.
- Section 2. <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 reasonable control.
- Section 3. Governing Law. This Agreement and the rights of the parties shall be interpreted according to the laws of the state of Michigan.

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

PSAD: The Public School Academies of Detroit

c/o Board President 435 Amsterdam Detroit, MI 48202

and

Contract Administrator

Thompson Schools Foundation

c/o Cathy Ebejer P.O. Box 6349

Plymouth, MI 48170

with a copy to: Peter H. Webster, Esq.

Dickinson Wright PLLC

2600 W. Big Beaver Road, Suite 300

Troy, MI 48084-3312

Detroit 90/90: Detroit 90/90

c/o CEO

P.O. Box 11290 610 Antoinette Street Detroit, MI 48202

With a copy to:

Reginald M. Turner
Clark Hill PLC
500 Woodward Avenue Sui

500 Woodward Avenue, Suite 3500

Detroit, MI 48226-3435

- Section 5. <u>Assignment</u>. This Agreement shall not be assigned: (a) by Detroit 90/90 without prior written consent of the Board, which consent shall not be unreasonably withheld; or (b) by PSAD without prior written consent of Detroit 90/90, which consent shall not be unreasonably withheld. Any assignment shall be prepared in a manner consistent with the Authorizer's educational management company policies.
- Section 6. <u>Amendment; Effect of Headings</u>. This Agreement may only be amended in writing, signed by a duly authorized representative of each party, and in a manner consistent with the Authorizer's educational management company policies. The underlined headings are included for convenience of the reader and, if the underlined headings are inconsistent with the other text, the underlined text shall be disregarded.
- Section 7. <u>Tax Exempt Financing</u>. If at any time PSAD determines that it is in the best interests of PSAD to obtain financing that is tax-exempt pursuant to the IRS Code, then the parties agree that this Agreement shall be automatically amended for the sole and limited purpose of compliance with Revenue Procedure 97-13. 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.
- Section 8. <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.
- Section 9. <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.
- Section 10. <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.
- Section 11. <u>No Third Party Rights</u>. This Agreement is made for the sole benefit of PSAD and Detroit 90/90. Except as otherwise expressly provided, nothing in this Agreement shall create or be deemed to create a relationship between the parties, or either of them individually with any third person, third party beneficiary, fiduciary, or the Authorizer.

- Section 12. <u>Survival of Termination</u>. All representations, warranties, indemnities, and proprietary/confidentiality obligations made in this Agreement shall survive any termination or expiration of this Agreement without limitation.
- Section 13. <u>Delegation of Authority; Compliance with Laws</u>. Nothing in this Agreement shall be construed as delegating to Detroit 90/90 any of the powers or authority of the Board which are not subject to delegation by the Board in accordance with all Applicable Law. The parties agree to comply with all Applicable Law.
- Section 14. <u>Execution in Counterparts</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.
- Section 15. Review by Independent Counsel. The parties agree that each has reviewed, or had the opportunity to review, this Agreement with its own independent legal counsel prior to the execution of this Agreement.

[Signature Page Follows]

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

PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

Joseph A. Aristeo, President

DETROIT 90/90, a Michigan nonprofit corporation

Mark Ornstein, CEO

EXHIBIT A TO INDEPENDENT CONTRACTOR AGREEMENT

The purpose of this Exhibit A is to describe and define the Services to be provided by Detroit 90/90 pursuant to the Agreement.

EDUCATIONAL PROGRAM MANAGEMENT SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- A. <u>Educational Program</u>. Detroit 90/90 shall implement the educational components of the Services (defined in Article I, Section 2, of this Agreement and referred to also as the "Educational Program" herein) as set forth in detail in the Authorizing Contract. Substantial modification of the Educational Program may only occur with the prior written consent of the Board and, if required, an amendment to the Authorizing Contract which requires Authorizer approval.
- B. Other Operating Functions. Detroit 90/90 may perform functions other than educational instruction including, but not limited to, purchasing, professional development, and administrative functions off-site (i.e., not on PSAD property) unless prohibited by Applicable Law. Student records are the property of PSAD and shall be maintained by Detroit 90/90 at the corresponding PSAD UPA:AD sites.
- C. <u>Student Enrollment</u>. Although the Board shall be responsible for establishing recruitment admission policies in accordance with the Authorizing Contract, Detroit 90/90 shall enroll students at PSAD Schools in accordance with such policies provided that the policies are in compliance with the Authorizing Contract and Applicable Law.
- D. <u>Student Due Process Hearings</u>. Detroit 90/90 shall provide student due process hearings in compliance with all Applicable Law, consistent with PSAD's own obligations to oversee student due process hearings, as set forth in the Authorizing Contract and Applicable Law.
- E. <u>Adherence to Applicable Law</u>. Detroit 90/90 shall administer and provide the Educational Program in a manner which shall meet federal, state, and local requirements, the requirements imposed under the Code and the Authorizing Contract, and all lease provisions entered into by PSAD for the operation of UPA:AD.
- F. <u>Additional Funds.</u> In order to supplement and enhance the school aid payments received from the state of Michigan and improve the quality of education at UPA:AD, Detroit 90/90 shall assist PSAD's endeavors to obtain revenue from other sources (the "Funding Sources") and, in this regard:
 - 1. PSAD and/or Detroit 90/90 may solicit grants and donations in the name of PSAD from various Funding Sources consistent with the mission of PSAD in furtherance of the Educational Program;

- 2. Detroit 90/90 shall provide bi-monthly reports to PSAD regarding any grant requests for applications, grant application, or grant administration status relating to grants or grant applications relating to UPA:AD;
- 3. PSAD and/or Detroit 90/90, only with prior Board approval, may apply for and receive grant money in the name of PSAD from various Funding Sources for activities outside of the Educational Program;
- 4. To the extent permitted under the Code and Contract, and with the approval of the Board, PSAD may charge fees to students for extra services such as summer and after-school programs, athletics, etc., and charge non-PSAD students who participate in such programs; and
- 5. Additional Revenue as defined in Article III, Section 2 shall inure to, and be deemed property of, PSAD.
- G. <u>Outside Services</u>. Detroit 90/90 may procure outside services from other vendors ("Outside Services") for the benefit of PSAD. Detroit 90/90 shall not mark up any costs related to providing the Outside Services. In the event the Outside Services are in excess of \$10,000.00 on an annual basis, prior written approval of PSAD is required. Detroit 90/90 shall provide a list of all such Outside Service providers and the contract details upon request by PSAD as part of the PSAD budget review and approval by PSAD.
- H. <u>Adherence to Authorizing Contract</u>. Detroit 90/90 agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with PSAD's obligations under its Authorizing Contract issued by Grand Valley State University Board of Trustees. As stated in this Agreement, the provisions of PSAD's Authorizing Contract shall supersede any competing or conflicting provisions contained in this Agreement.
- I. <u>Detroit 90/90 Performance Reporting</u>. Detroit 90/90 shall timely provide reasonably requested or expected information to the Board on a monthly basis or upon the Board's reasonable request to enable the Board to monitor Detroit 90/90's performance under this Agreement.
- J. Pupil Performance Standards and Evaluation. Detroit 90/90 shall implement pupil performance evaluations consistent with the Educational Program which permit evaluation of the educational progress of each UPA:AD student. Detroit 90/90 shall be responsible for and accountable to the Board for the performance of UPA:AD students and shall meet the educational performance requirements of the Authorizing Contract and any lease agreement entered into by PSAD for the UPA:AD facilities. At a minimum, Detroit 90/90 shall utilize assessment strategies required by the Educational Program and the Authorizer. Other measures of and goals for students and school performance are set forth in **Exhibit B** to this Agreement.
- K. <u>Services to Students with Disabilities.</u> Detroit 90/90 shall welcome students with disabilities at UPA:AD and plan and supervise special education services to students who attend UPA:AD. Detroit 90/90 may subcontract these services if it determines that it is necessary and

appropriate for the provision of services to students with special needs or if instruction cannot be met within UPA:AD's program. Such services shall be provided in a manner that complies with Applicable Law.

L. <u>Services to All Students</u>. Detroit 90/90 shall place a high value on diversity, and PSAD shall welcome students and families of all races, ethnicity, religion, gender, and economic backgrounds.

BUSINESS/FINANCE SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- M. <u>Accountability</u>. Detroit 90/90 shall be directly accountable to the Board for the administration, operation, and performance of UPA:AD in accordance with the Authorizing Contract. Detroit 90/90 shall not expend UPA:AD funds in excess of the amount set forth in the PSAD Budget, as amended.
- N. <u>Business Administration</u>. Detroit 90/90 shall be responsible for all of the management, operation, administration, and education at UPA:AD which includes, but is not limited to:
 - 1. Implementation and administration of the Educational Program, including administration of any and all extracurricular and co-curricular activities and programs and the selection and acquisition of instructional materials, equipment, and supplies;
 - 2. Management of all personnel functions, including professional development for all instructional personnel and the personnel functions outlined in this Agreement;
 - 3. Aspects of the business administration (as determined as generally understood in the industry) of UPA:AD as agreed between Detroit 90/90 and the Board; and
 - 4. Any function necessary or expedient for the administration of UPA:AD consistent with the Educational Program or otherwise approved by the Board.
- O. <u>Student Records</u>. Except as otherwise provided in this Agreement, Detroit 90/90 shall keep all student and financial records relating to UPA:AD at the respective UPA:AD site, and the same shall be available for public inspection upon reasonable request consistent with Applicable Law. All student and financial records will remain the property of PSAD.
- P. <u>Financial Reporting</u>. Detroit 90/90 shall provide the PSAD Board with:
 - 1. A projected annual PSAD budget that complies with Applicable Law before June 30 of each school year, related to the Services in accordance with the Contract and the Educational Program;

- 2. Detailed monthly or quarterly statements (in a form and as requested by the Board) of all revenues received, from whatever source, with respect to PSAD and detailed budgets with statements of all direct expenditures (with details) for the Services rendered to or on behalf of PSAD, whether incurred on-site or off-site;
- 3. Facilitate the annual audit in compliance with Applicable Law showing the manner in which funds are spent at PSAD Schools; however, it is acknowledged that only PSAD shall select and retain auditors, and PSAD shall contract directly with any auditor of its choice, and Detroit 90/90 will cooperate with the production of any and all documents necessary for the audit. Any such audit and audit materials shall be the property of PSAD;
- 4. Other information as reasonably requested by the Board to enable the Board to monitor Detroit 90/90's performance under the Agreement; and
- 5. A copy of the Detroit 90/90 annual audit.
- Q. <u>Statutory Reporting Requirements</u>. Detroit 90/90 shall provide to the Board, at least annually, the following information to ensure that PSAD can comply with the following statutory reporting requirements including, but not limited to, MCL 380.523c and MCL 380.1618:
 - 1. Each health care benefit plan including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services offered to any employee at the Academy.
 - 2. The PSAD audit report conducted for the most recent fiscal year for which it is available.
 - 3. The bids required under section 5 of the Public Employee Health Benefits Act, 2007 PA 106, MCL 124.75.
 - 4. The total salary and a description and cost of each fringe benefit included in the compensation package for the superintendent of the district and for each employee of the district whose salary exceeds \$100,000.00.
 - 5. The annual amount spent on dues paid to associations.
 - 6. The annual amount spent on lobbying or lobbying services. As used in this subsection, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL 4.415.
 - 7. All of 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 that information is available.

Detroit 90/90 shall make all of the above-enumerated information available through a link on the UPA:AD website homepage, in a form and manner prescribed by the Michigan Department of Education.

- R. <u>Policy and Procedures</u>. Detroit 90/90 will recommend to the Board reasonable rules, regulations, policies, and/or procedures applicable to UPA:AD. The Board hereby authorizes and directs Detroit 90/90 to enforce such rules, regulations, and procedures consistent with Board policy.
- S. Review of Budget. Detroit 90/90 shall timely prepare, propose, and amend, as necessary, an annual operating budget for UPA:AD (the "Budget") in accordance with the Authorizing Contract and the Michigan Budgeting and Accounting Act for review by PSAD. The Budget shall include all of UPA:AD's projected revenues and expenses at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual.

HUMAN RESOURCES SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- T. <u>Detroit 90/90 as Employer.</u> Detroit 90/90 shall determine staffing levels and select, hire, evaluate, assign, discipline, transfer, and terminate personnel consistent with Applicable Law as the sole employer.
- U. <u>Detroit 90/90 Teachers</u>. Detroit 90/90 shall hire, evaluate, assign, discipline, transfer, and terminate teachers qualified in the applicable grade levels and subjects consistent with Applicable Law and the Authorizing Contract. Detroit 90/90 shall ensure that the curriculum taught by teachers is the curriculum set forth in the Authorizing Contract. Detroit 90/90 shall only hire teachers that hold a valid teaching certificate issued by the State Board of Education.
- V. <u>Detroit 90/90 Support Staff.</u> Detroit 90/90 shall hire, evaluate, assign, discipline, transfer, and terminate support staff qualified in the areas required including, but not limited to, clerical staff, administrative assistants and director, bookkeeping staff, maintenance personnel, and the like.
- W. <u>Detroit 90/90 Employee Taxes.</u> Detroit 90/90 shall pay its portion of social security, unemployment, and any other taxes required by law to be paid on behalf of its employees. Unless required by Applicable Law, Detroit 90/90 shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees.
- X. <u>Background Clearances</u>. Detroit 90/90 shall, to the extent permitted by applicable law, be responsible for conducting or arranging for criminal background and conduct checks on its employees assigned to the Academy to ensure that the Academy fulfills its responsibilities to: a) conduct criminal background and record checks required by Applicable Law; and, b) maintain evidence that it has performed such actions.

STUDENT SAFETY PROGRAM MANAGEMENT SERVICES TO BE PROVIDED BY DETROIT 90/90, INC.

- Y. <u>Crisis Management Policy</u>. Detroit 90/90 shall draft and update a comprehensive crisis management policy and protocol to ensure PSAD Schools maintain a safe school environment and are prepared to respond to a range of crisis-level incidents that could impact student safety and the learning environment, including but not limited to natural disasters, bomb threats, active shooter or other violence, hostage situation, suicide, serious injury or ill student, hazardous materials accident, or fire.
- Z. <u>Crisis Team Management</u>. Detroit 90/90 shall identify and form a school crisis team and document reporting procedures and response protocol. Detroit 90/90 shall train the Crisis Team regarding how to implement crisis management plans quickly and effectively, including securing students, securing building, minimizing harm and communicating with first responders.
- AA. Preventative Resources and Outreach. Detroit 90/90 shall identify warning signs for violent behavior, suicide, gang activity, etc., and develop resource materials for students, parents, staff and teachers to attempt to minimize negative outcomes and occurrences. Detroit 90/90 shall implement private reporting component of school and community safety plan in which every student, staff, teacher, parent and volunteer, agrees that whenever anyone "sees something, they say something."
- BB. <u>Post-Incident Restoration</u>. Detroit 90/90 shall provide counseling and other resources as necessary following a crisis to restore safe learning environment and student well-being. Following crisis incident, Detroit 90/90 shall evaluate incident and response and improve crisis management plan as appropriate.
- CC. <u>Media Relations</u>. Detroit 90/90 shall identify a media spokesperson and crisis response communication plan. Detroit 90/90 shall advise all Detroit 90/90 employees regarding media response plan.
- DD. <u>Safety Drills</u>. Detroit 90/90 shall practice and perform all statutory required safety drills including but not limited to lockdown drills, fire drills, and tornado drills, and undertake other precautions to minimize harm in crisis situations.
- EE. Reporting. Detroit 90/90 shall inform the PSAD Board regarding occurrence and results of statutory required safety drills, operations of crisis management team, and response protocol and outcomes of any crisis incidents.

ANNARBOR 38030-1 261217v2

SCHEDULE 7

CONTRACT ADMINISTRATOR INFORMATION

CONTRACT ADMINISTRATION AGREEMENT

This Contract Administration Agreement (the "Agreement") is made and entered into as of July 1, 2019, by and between the **THOMPSON SCHOOLS FOUNDATION** ("TSF"), a Michigan nonprofit corporation, and the **PUBLIC SCHOOL ACADEMIES OF DETROIT**, a Michigan non-profit corporation ("PSAD," or the "Academy") established and authorized to operate urban high school academies under a charter contract dated July 1, 2018, and as may be amended or restated, (the "Contract") issued by Grand Valley State University Board of Trustees (the "University Board") pursuant to Michigan's Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being MCL 380.1 to 380.1852 of the Michigan Compiled Laws (the "Code").

RECITALS

- A. TSF shall serve as the contract administrator between the Academy and any educational management company (an "EMC") contracted by the Academy to operate one or more urban high school academies as permitted under the Code and the Contract (the "PSAD Schools").
- B. The Academy and TSF desire to create an enduring relationship whereby they will develop educational excellence at the PSAD Schools.

THEREFORE, the parties mutually agree as follows:

ARTICLE I TERM

1.01. <u>Term</u>. This Agreement will become effective as of the date hereof and will remain in effect as long as the Contract is in effect.

ARTICLE II SERVICES PROVIDED

- 2.01. The Academy. The Academy Board of Directors shall retain all policy making functions and other legal responsibilities that cannot be delegated by contract or otherwise with respect to the PSAD Schools.
- 2.02. <u>TSF</u> as the <u>Contract Administrator</u>. TSF shall be the contract administrator between the Academy Board of Directors and the EMC. TSF shall supervise and report to the Academy Board on certain administrative operations concerning the PSAD Schools, including but not limited to the following:

- 1. TSF will participate in the recruiting, interviewing, and nominating process for Academy Board members.
- 2. TSF will investigate and report to the Board regarding the selection, performance, and termination of the EMC of the PSAD Schools. The selection of EMCs includes due diligence, investigation, and reporting on prospective EMCs' educational curriculum, capacity to operate an urban high school academy, past experience, personnel assessments, financial resources, and compliance with statutory and Authorizer regulations and requirements. The investigation and reporting of EMC performance to the Academy Board by TSF includes the review of the EMC's compliance with the statutory, Contract, EMC contract, and lease requirements for the educational performance, reporting requirements, and financial practices. Where performance reviews, as well as input from the University Board's Charter Schools Office and other sources, indicate concerns about terminating an EMC, including the non-renewal of an EMC contract, TSF will investigate and report on findings and recommendations to the Academy Board on whether to terminate an EMC.
- 3. TSF will manage the Academy's real property interests in accordance with applicable law and Academy policies and direction. The EMC will be expected to manage the PSAD facilities and real property on a day-to-day basis in accordance with the planned lease and EMC contract obligations. This includes repairs, improvements, maintenance, insurance, utilities, and TSF is to periodically review such day-to-day operation to promote compliance with applicable law, lease, EMC contract obligations, and sound business practices. In the event the EMC fails to adequately manage the day-to-day operations of the facility, TSF will recommend corrective action to the Academy Board. Where requested by the Academy, TSF will also conduct due diligence on potential new sites for future PSAD Schools and assist the Academy in gathering information to prepare a request to the University Board for an additional urban high school academy.
- 4. TSF will work with the EMCs, University Board's Charter Schools Office, and any advisory committees for the PSAD Schools to better achieve the academies' educational goals. Upon the Academy's request, TSF will compare and contrast best practices of administrative or educational operations of one or more public school academies for Academy Board's consideration to recommend that the EMC adopt certain best practices which have proven to be successful.

- 5. TSF will coordinate the provision of all administrative, budgetary, educational, and financial documentation for consideration, review, or approval by the Academy Board. TSF will work to coordinate each individual urban high school district's budget, financial, and other reporting requirements into an overall Academy-wide report for the Academy Board's consideration.
- 2.03. Reporting. TSF will report to the Academy on a regular basis, or as requested by the Academy, on its activities conducted pursuant to this Agreement and the results of those activities. In addition, TSF will prepare all materials required by the Academy to perform its duties under this Agreement, the Contract and the Code.
- 2.04 <u>Compliance with the Contract</u>. TSF agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Contract. The provisions of the Contract shall supersede any competing or conflicting provisions in this Agreement.

ARTICLE III RELATIONSHIP OF THE PARTIES

3.01. Status of the Parties. TSF is not a division or any part of the Academy. The Academy is a body corporate and a governmental agency authorized under the Code and is not a division or a part of TSF. TSF is the entity that will serve as the contract administrator between the Academy and the EMC contracted to operate the PSAD Schools as permitted under the Code. No employee of TSF will be considered an employee of the Academy by either party. TSF shall not be a division or any part of or affiliated with any EMC that PSAD contracts with for educational management services.

ARTICLE IV CONSIDERATION

4.01. Reimbursement of Costs. The Academy will reimburse TSF for all actual costs incurred and paid by TSF in providing administrative services in an annual amount not to exceed one percent (1%) of the state school aid that the Academy receives, directly or indirectly, from the state of Michigan pursuant to the State School Aid Act of 1979, as amended. TSF will be responsible for all actual costs incurred and paid by TSF in providing administrative services in an annual amount above one percent (1%) of the state school aid that the Academy receives, directly or indirectly from the state of Michigan pursuant to the State School Aid Act of 1979, as amended. Such costs include, but are not limited to, rent or lease payments and salaries of TSF employees and fees charged and expenses incurred by the EMCs that are paid for by TSF. TSF will not charge an added fee. TSF may waive any reimbursement at its sole discretion.

ARTICLE V

TERMINATION OF AGREEMENT

- 5.01. Revocation or <u>Termination</u>. If the Contract is revoked or terminated, this Agreement shall automatically terminate on the same date the Contract is revoked or termination without further action of the parties; otherwise, this Agreement may only be terminated by the Academy and TSF's mutual agreement in writing to terminate this Agreement.
- 5.02. <u>Change in Law</u>. If any federal, State or local law or regulation, court or administrative decision or Attorney General's opinion has a materially adverse effect on the ability of either party to carry out its obligations under this Agreement, such party, upon written notice, may request renegotiation of this Agreement. Such renegotiation will be undertaken in good faith.
- 5.03 <u>Real and Personal Property</u>. Upon termination, all real and personal property leased by TSF, or a TSF related entity, to the Academy will remain the real and personal property and leases of TSF or its related entity, and all other personal property purchased by TSF with TSF funds shall be the personal property of TSF.

ARTICLE VI INDEMNIFICATION

- 6.01. <u>Indemnification of TSF</u>. To the extent permitted by the law and without waiving any governmental immunities or privileges, the Academy will indemnify, defend and save and hold TSF and all of its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits or other forms of liability (including reasonable attorneys fees and costs) that may arise out of, or by reason of, any noncompliance by the Academy with the Contract, the Code, or any agreements, covenants, warranties or undertakings of the Academy in or made pursuant to this Agreement, and any misrepresentations or breach of the representations and warranties of the Academy in or made pursuant to this Agreement. In addition, the Academy will reimburse TSF for any and all legal expenses and costs associated with the defense of any such claim, demand or suit. The indemnification requirements of this Section 6.01 may be met by the purchase of insurance pursuant to Article VII below.
- 6.02. <u>Indemnification of the Academy</u>. TSF will indemnify, defend and save and hold the Academy and its officers and directors, harmless against any and all claims, demands, suits or other forms of liability (including reasonable attorneys fees and costs) that may arise out of, or by reason of, any noncompliance by TSF with any agreements, covenants, warranties or undertakings of TSF in or made pursuant to this Agreement, and any misrepresentation or breach of the representations and warranties of TSF in or made pursuant to this Agreement. In addition, TSF will reimburse the Academy for any and all legal expenses and costs associated with the defense of any such claim, demand or suit. The indemnification requirements of this Section 6.02 may be met by the purchase of insurance pursuant to Article VII below.

- 6.03. <u>Limitations of Liabilities</u>. The Academy will assert all immunities and statutory limitations of liability in connection with any claims arising from its operations.
- Indemnification of the Authorizer. The parties acknowledge and agree that the 6.04 Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University, and its members, officers, employees, agents, or representatives from all claims, demands, or liability, including attorney fees and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University which arise out of or are in any manner connected with Grand Valley State University Board of Trustees' approval of PSAD's public school academy application, the University Board's consideration of or issuance of a Contract, PSAD's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives upon information supplied by PSAD or Detroit 90/90 or which arises out of the failure of PSAD to perform its obligations under the Contract. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents, or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement.
- 6.06 <u>Compliance with the Contract</u>. TSF agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Contract issued by the University Board. The provisions of the Contract shall supersede any competing or conflicting provisions contained in this Agreement.

ARTICLE VII INSURANCE

- 7.01. <u>Insurance Coverage</u>. The Academy will maintain general liability insurance and umbrella insurance coverage in the amounts required by the Contract. The Academy will comply with any information or reporting requirements applicable to the Academy with its insurer(s). The Academy and TSF may meet their respective indemnification requirements of Section 6.01 by the purchase of insurance.
- 7.02. <u>Workers' Compensation Insurance</u>. Each party will maintain workers' compensation insurance as required by law, covering its respective employees, if any.
- 7.03 <u>Cooperation</u>. Each party will, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this Article VII. Each

party will comply with any information or reporting requirements required by the other party's insurer(s), to the extent reasonably practicable.

ARTICLE VIII WARRANTIES AND REPRESENTATIONS

- 8.01. <u>Representations and Warranties of TSF</u>. TSF represents and warrants to the Academy the following:
- (a) TSF is a duly organized nonprofit corporation in good standing and is authorized to conduct business in the state of Michigan.
- (b) To the best of its knowledge, TSF has the authority under the Code and other applicable laws and regulations to execute, deliver, perform this Agreement, and to incur the obligations provided for under this Agreement.
- 8.02 <u>Representations and Warranties of the Academy</u>. The Academy represents and warrants to TSF the following:
- (a) The University Board has issued the Contract which (i) authorizes the Academy to operate and receive the state allocation, federal allocation and other revenues; (ii) approves the Academy's education program and other activities provided by an EMC; and (iii) vests the Academy with all powers necessary and desirable for carrying out any activities contemplated in this Agreement.
- (b) The Academy has the authority under the Code and other applicable laws and regulations to contract with TSF to perform the administrative and all other services under this Agreement and execute, deliver and perform this Agreement, and to incur the obligations provided for under this Agreement.
- (c) The Academy's actions have been duly and validly authorized, and the Academy will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement.

ARTICLE IX MISCELLANEOUS

- 9.01. <u>Sole Agreement</u>. This Agreement supersedes and replaces any and all prior agreements and understandings between the Academy and TSF.
- 9.02. <u>Force Majeure</u>. Notwithstanding any other sections of this Agreement, neither party will be liable for any delay in performance or inability to perform due to acts of God or due

to war, riot, terrorism, civil war, embargo, fire, flood, explosion, sabotage, accident, labor strike or other acts beyond its reasonable control.

- 9.03. Governing Law. The laws of the state of Michigan will govern this Agreement, its construction, and the determination of any rights, duties and remedies of the parties arising out of or relating to this Agreement.
- 9.04. <u>Agreement in Entirety</u>. This Agreement constitutes the entire agreement of the parties.
- 9.05. <u>Counterparts</u>. This Agreement may be executed in counterparts, each of which will be deemed an original, but both of which will constitute one and the same instrument.
- 9.06. Official Notices. All notices and other communications required by the terms of this Agreement will be in writing and sent to the parties hereto at the addresses set forth below (and such addresses may be changed upon proper notice to such addresses). Notice may be given by: (i) certified or registered mail, postage prepaid, return receipt requested, (ii) facsimile (with confirmation of transmission by sender's facsimile machine) or (iii) personal delivery. Notice will be deemed to have been given two days after mailing or on the date of personal delivery or on the date of transmission of a facsimile if on a business day during normal business hours (or, if not, the first business day thereafter). The addresses of the parties are:

To:

THOMPSON SCHOOLS FOUNDATION Contract Administrator c/o Cathy Ebejer P.O. Box 6349 Plymouth, MI 48170

To:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT Board President c/o Peter H. Webster Dickinson Wright PLLC 500 Woodward Avenue, Ste. 4000 Detroit, Michigan 48226

9.07. Assignment. This Agreement will not be assigned by either party.

- 9.08. Amendment. This Agreement will not be altered, amended, modified or supplemented except in a written document signed by authorized officers of both the Academy and TSF, and shall be effective as of the date of the last signature on the written amendment_unless disapproved by the University Board in accordance with the Contract
- 9.09. <u>Waiver</u>. No waiver of any provision of this Agreement will be deemed to be or will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly stated.
- 9.10. Severability. The invalidity of any of the covenants, phrases or clauses in this Agreement will not affect the remaining portions of this Agreement, and this Agreement will be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement. To the extent that any of the services to be provided by TSF are found to be an invalid delegation of authority by the Academy, such services will be construed to be limited to the extent necessary to make the services valid and binding.
- 9.11. <u>Successors and Assigns</u>. Except as limited by Section 9.07 above, this Agreement will be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.
- 9.12. No Third Party Rights. This Agreement is made for the sole benefit of the Academy and TSF, and their successors and assigns. Except as otherwise expressly provided, nothing in this Agreement will create or be deemed to create a relationship between the parties to this Agreement, or either or them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.
- 9.13. <u>Survival of Termination</u>. All representations, warranties and indemnities made in this Agreement will survive termination of this Agreement.

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

THOMPSON SCHOOLS FOUNDATION, a Michigan non-profit corporation

By:

PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan non-profit corporation

By:

SCHEDULE 8

UNIVERSITY PREPARATORY SCIENCE & MATH (UPSM): SCHOOL INFORMATION AND SITE CONFIGURATION

EDUCATIONAL GOALS AND PROGRAMS

EDUCATIONAL GOALS

Academic Achievement

As measured by the state assessment, the school's percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready as reported by the Michigan Department of Education will meet or exceed the select peer schools' mean reported percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Academic Growth

As measured by the state assessment, the school's mean student growth percentile rank in English language arts and math will meet or exceed the select peer schools' mean student growth percentile rank. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Board President/Vice President S

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Board of Directors at a properly noticed open meeting held on the study of the a quorum was present.

Board Secreta

CURRICULUM

The Academy will comply with the requirements of MCL 380.552(20). The Academy will submit a report to the MDE, in a form or manner prescribed by the MDE, that reports the number of pupils enrolled in an online or distance learning program during the immediately preceding month.

Please see separate folder on Contract CD for full Curriculum

STAFF RESPONSIBILITIES

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

- (a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and
- (b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

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.

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 sections 1249 and 1250 of 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 this section.

Performance Evaluation System Commencing with the 2013-2014 School Year. If the Academy Board adopts and implements for all teachers and school administrators a performance evaluation system that complies with section 1249(7) of the Code, then the Academy Board is not required to implement a performance evaluation system that complies with section 1249(2) and (3). 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 this section.

Parent Notification of Ineffective Teacher Ratings. Beginning with the 2015-2016 school year and continuing on during the term of this Contract, if a pupil is assigned to be taught by a teacher who has been rated as ineffective on his or her 2 most recent annual year-end evaluations under section 1249, the Academy Board shall notify the pupil's parent or legal guarding that the pupil has been assigned to a teacher who has been rated as ineffective on the teacher's 2 most recent annual year-end evaluations. The notification shall be in writing and shall be delivered to the pupil's parent or legal guardian by U.S. mail not later than July 15th immediately preceding the beginning of the school year for which the pupil is assigned to the teacher, and shall identify the teacher who is the subject of the notification.

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 earned and paid in accordance with Applicable Law. 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.



Entity:	University Prep Schools
School:	Various
Job Title:	Paraprofessional - Part-time
Reports to:	School Director
Status:	At-will, Exempt, School-year

U Prep Paraprofessionals are responsible for assisting the classroom teacher in the educational and social development of all of the students.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Duties and Responsibilities:

The primary duties and areas of responsibility include, but are not limited to, the following:

- Works under the guidance of a certified teacher
- Provide instructional support to individuals or small groups of students identified by a certified teacher
- Provide intervention tailored to individual student needs, under the guidance of a certified teacher
- Supervises students during non-academic times (i.e. lunch, choice time, recess, teacher planning periods, arrival and dismissal, etc.)
- Helps maintain an orderly, attractive classroom environment
- Participates in all staff meetings and professional development
- Maintains flexible daily routines that accommodate changing responsibilities and schedules
- Supports teaching staff in any way that promotes the goals of U Prep Schools
- All other duties as assigned

Qualifications

• Education and Certification Requirements

- Completion of two years of study or more at an institution of higher education (equal to 60 semester hours); OR
- o Obtained an associate's degree or higher; OR
- o ETS ParaPro Assessment with a passing score or 460; OR
- Michigan Test for Teacher Certification Basic Skills (MTTC); OR
- WorkKeys® through June 1, 2017. After June 1, 2017, MDE requires the use of the other credit
 or assessment options. Anyone that has passed the Reading for Information, Applied
 Mathematics, and Writing portions of the WorkKeys® prior to June 1, 2017 will still meet the
 state requirements.
- Must provide an official transcript
- Proficient in Microsoft Office Suite and Mac or PC platform (as applicable to location)

Experience

- Experience working with others to successfully complete multi-faceted projects
- Experience working with children in an educational setting preferred



Skills

- Proficient in Microsoft Office Suite and Mac or PC platform (as applicable to location)
- Strong communication skills, verbal and written
- Strong time management skills with attention to detail
- Must possess a disciplined work style with the ability to show comparable urgency with proactive work as with deadline-driven work
- Willing and able to adjust to multiple demands and shifting priorities while demonstrating flexibility and resilience
- Proven ability to thrive in a self-directed, fast-paced environment with constantly changing priorities
- Possess high degree of integrity and strong ability to handle sensitive and confidential information; and,
- Strong relationship building

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Compensation

Starting pay is \$15.00 an hour

About U Prep Schools:

If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U. Our mission: to give students the courage to pursue a future full of possibilities. Our students come to our network of schools looking for a rewarding and fulfilling education. Comprised of three public charter school districts; University Preparatory Academy, University Prep Science and Math and Henry Ford Academy; we educate over 4,500 students in the burgeoning city of Detroit. Help us to prepare our students for success in life and be a part of U.

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Entity: University Prep Schools

Level: High School Job Title: Restorative Practices Practitioner

Reports to: School Director

Status: Full-time, School-year, At-will

Summary: The Restorative Practices Practitioner is responsible for providing a safe space for students and staff to resolve conflict, providing techniques and best practices to ensure that all person-to-person interactions are respectful and productive, contributing to development of our school culture, and participating in all pertinent professional development

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities:

- Professional Development
 - o Seeks opportunities to develop their skills and knowledge
 - o Implements recommendations and best practices acquired through professional development, continuing education, observation, coaching, and evaluation
 - \circ Utilizes effective restorative justice practices responding to the needs of each student and staff member in the school community
- Data o Utilizes data to implement best practices and modify practices as

needed

o Works closely with Dean of Culture to create and lead effective Professional Development

School Culture

- o Ensures a safe, supportive, and productive environment for students and staff
- o Sets and maintains high character expectations for students and staff
- o Implements effective conflict resolution, and helpful student support services
- o Promotes teamwork within the school community
- Demonstrates cultural competencies in being part of a multi-cultural institution
- \circ Incorporates school-wide expectations into all work, projects, and interactions with members of the school community
- o Community/Parental Outreach
- o Actively engages parents into restorative justice process as needed
- o Seeks and builds relationships with professional organizations

Compliance

- o Drafts, updates, and submits lesson plans and data analysis action plans on a consistent basis
- Responds to requests from the School Operations Team for any required actions or documents to maintain accurate and complete records and meet reporting deadlines

Job Description: Restorative Practices Practitioner

Page 1 of 2 Revised May 18, 2018

- Building Management
 - \circ Implements classroom procedures that promote a safe, clean, orderly, and productive classroom environment
- · All other duties as assigned

Qualifications

- Education
 - High School diploma or equivalent
- Experience
 - o Knowledge of restorative justice theory and practices preferred
 - o Experience in building positive relationships with colleagues, students, and parents
- Skills O Ability to nurture and develop the character of students
 - Ability to make decisions in a strategic way balancing building strong relationships and maintaining high expectations for character
 - Courage to make decisions in support of cultural goals while maintaining a steady pulse of team and school goals
 - o Meticulous organization and use of time
 - o Excellent written and oral communication skills
- Demonstrates U Prep's Core Values
 - We work well by ourselves and teams
 - We care about people
 - o Our actions have a purpose
 - We think big and do
 - Learning is exciting

Salary Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Performance & Core Value bonuses
- Career development

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Restorative Practices Practitioner

Page 2 of 2 Revised May 18, 2018



School District/Entity:	University Prep Schools
School:	University Prep Science and Math High School, UPSM HS
Job Title:	Zoologist/ Zoology Teacher
Reports to:	UPSM HS School Director
Status:	At-will, Exempt

A member of the Zoology & Aquarium Studies Program, the Zoology teacher is responsible for facilitating learning experiences for students focused around studying animals in both a laboratory and natural environment. Additionally, helping students discover the science behind species, their habitat, environments, and interactions. Finally, exposing and involving students in conservation work.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Planning and Preparation

 Prepare and facilitate standards-aligned lessons and activities that require students to demonstrate mastery of concepts through employing scientific practices, displaying conceptual proficiency and making connections across multiple science disciplines.

Classroom Environment

Develop a classroom environment that is culturally responsive, adjusting to students needs.
 Learning experience ought to speak to the needs of each students learning modality with steadfast intention and awareness of equity, academic and, social-emotional growth.

Professional Responsibilities

- Keep abreast of developments in the field by reading current literature, talking with colleagues, and participating in professional conferences.
- Attend training sessions or professional meetings to develop or maintain professional knowledge.
- Maintain open communication with Detroit Zoo and other partners.

Instruction

- Employee key instructional strategies such as making student thinking visual, providing space for collaboration, notebooking, providing students opportunities to engage in and use data collected from investigations as evidence for arguments, and constructing and using models to communicate scientific concepts.
- Provide learning experiences where students make sense of naturally occurring phenomena to explain the animal behavior, ecology and the interactions of natural systems.
- Provide students with course-related experiences, such as fieldwork excursions in the Metro Detroit Area and using real-world science content in the classroom to make sense of the natural world.
- Evaluate and grade students' class work, group projects, fieldwork, capstone projects, assignments, and papers.
- Maintain student attendance records, grades, and other required records.
- Supervise students' capstone projects and fieldwork experiences

Job Description: Zoologist/ Zoology Teacher

Page 1 of 2 Revised (5/6/19)



- Generate, administer, and grade performance assessments.
- Assist students who need extra help with their coursework outside of class.
- Maintain regularly scheduled office hours to advise and assist students.
- Collaborate with colleagues to address teaching and learning
- Select and obtain materials and supplies such as textbooks and fieldwork equipment.
- Manage and organize students internship application process

Qualifications

Education and Certification

- 4-year BS or BA in Biology focused on Zoology or Biology with Zoology minor (preferably a Master's Degree in Biology or Zoology).
- DX, DI or DA all Acceptable Endorsements

Experience

 1-5 years or more research experience with studying animal behavior, observing them in the laboratory and in their natural habitat.

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values (Stay as is)

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year-round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Zoologist/ Zoology Teacher

Page 2 of 2 Revised (5/6/19)



School District/Entity:	Detroit 90/90 U Prep Schools
School:	N/A
Job Title:	Food Service Assistant
Reports to:	Assistant Director of Food Service
Status:	At-will, Year-round, Non-exempt

The Food Service Assistant serves as a primary source of administrative support for the Food Service Department.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Provides coverage for absent lunch aides
- Verifies lunch aide time sheets
- Train and onboard new hires
- Processes lunch applications
- Evaluate lunch aide's performance
- Provides assistance to parents with questions regarding lunch eligibility, and account reconciliation and other lunch issues.
- Process help desk tickets.
- Process supply requests for lunch aides.
- Meal Magic password resets
- Perform additional tasks as requested.

Qualifications

Education

High School diploma or equivalent

Experience

- Previous experience in food service
- Customer Service experience
- Experience working with children

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Basic math skills
- Microsoft Word, Excel, Meal Magic

Job Description: Food Service Assistant

Page 1 of 2 Revised May 7, 2018



- Ability to lift up to 30 lbs
- Able to bend, stoop and stand for extended periods.

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Compensation

• \$12.00 per hour

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development

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Job Description: Food Service Assistant

Page 2 of 2 Revised May 7, 2018



School District/Entity:	Detroit 90/90
School:	Various
Job Title:	Information Technology Support Specialist
Reports to:	Executive Director of Operations
Status:	Full-time, At-will, Exempt,

A member of the Operations Team, the Information Technology Support Specialist is responsible for overall support and maintenance of assigned technology environment – Mac and Windows platform. This includes installation, deployment, maintenance, repair, and troubleshooting as it pertains to all technology devices and applications for the district.

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Role Responsibilities

- Provides workstation, application, and audiovisual equipment support and training; includes
 district hardware such as interactive whiteboards, multimedia carts, mobile computing carts,
 laptops, desktops, etc.
- Oversees physical and mobile computer cart labs district-wide.
- Setup and deploy new equipment, hardware and/or software; includes upgrades and/or system overhaul projects.
- Sets up and troubleshoots hardware and software for specialized testing and/or programs.
- Troubleshoots and repairs computer hardware, interactive whiteboards, tablets and other peripheral equipment.
- Customizes IT solutions for district initiatives.
- Assists Information Technology Manager as needed.
- Manages, prioritizes, and responds expeditiously to help desk ticket requests.
- Recommends and assists with technology purchases.
- Supports and repairs internal telephone systems and cellular devices.
- Ensures proper accounting, tagging and monitoring of district's inventory (hardware, software, warranty and repair logs).
- Makes needed changes and notes to inventory database; including adding, transferring, and end
 of life noting to assets.
- Reports equipment damage and needed replacements to IT Manager.
- Serves on District Technology Committee.
- Performs other duties as assigned.

Job Description: Informational Technology Support Specialist



Qualifications

Education

- Associates degree and/or at least 3 years of hands-on work experience in Information
 Technology support
- o Microsoft or Mac certification preferred

Experience

- O Experience with troubleshooting and repairing technology devices
- O Experience with telephone maintenance and repair
- Previous experience in an educational environment is desired

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- o We care about people
 - we care about peop
- Our actions have a purpose
- o We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Informational Technology Support Specialist



School District/Entity:	U Prep Schools
School:	Various
Job Title:	School Operations Manager
Reports to:	School Director
Status:	At-will, Exempt, Year-round

The School Operations Manager oversees all areas of school operations. As such, the Manager manages daily school operations, coordinates with the Central Management teams to ensure timely and thorough completion of projects and response to reporting and compliance matters, and helps develop and fully-execute the plans for the school in coordination with Central Management, district, and school-level leadership. In addition, the Manager is the primary troubleshooter for teachers, students, parents, guests, and employees from other divisions of the organization, finding effective solutions for their needs and concerns.

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Role Responsibilities

The primary duties and areas of responsibility include, but are not limited to the following:

Budget Monitoring

- Works with School Director and Accounting to develop and manage the school's budget and collaborates with the Assistant Director of School Quality to develop Title I budget
- Manage all budget-related compliance matters
- Reviews budget variances
- Reviews, monitors, and submits monthly credit card statements to Accounting Department
- Monitors budgets, flags low accounts, and elevates issues
- o Tracks and processes all cash collections and fundraising money

Procurement

 Works closely with Procurement Specialist to place orders and manage inventory at the school-site

Monitors Operational Performance

 Prepares campus for the start of the school year and works with network staff to resolve any outstanding issues

Job Description: School Operations Manager



- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

• Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: School Operations Manager

Page 2 of 3 Revised March 20, 2018

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: School Operations Manager

Page 3 of 3 Revised March 20, 2018



School District/Entity:	U Prep Schools
Location:	Central Management
Job Title:	Talent Coordinator
Reports to:	Assistant Director of Talent
Status:	Part-time, At-will, Exempt

The Talent Coordinator is responsible for recruiting, onboarding, and managing the substitute teachers in the U Prep network. Reporting to the Assistant Director of Talent, the Talent Coordinator would assist with interviewing for all roles, attend hiring fairs, updating personnel files and data management.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Substitute Teachers

- Source, screen and onboard substitute teachers for U Prep Schools
- Use networking, social media and all other available methods to attract substitutes to the organization
- Manage the AESOP absence management system to fill vacancies and when necessary add absences
- Develop a relationship with school leaders and school operations managers to address the needs of each location
- Develop a relationship with substitute teachers to gain feedback and retain talent
- All other duties as assigned

Talent

- Serve on the hiring team by screening resumes assisting with Core Value interviews
- Update personnel files
- Attend hiring fairs to recruit top talent
- All other duties as assigned

Qualifications

Experience

- Human resources experience preferred
- School experience preferred

Skills

- Strong communication skills
- Exceptional organizational skills

Job Description: Talent Coordinator

Page 1 of 2 Revised October 2, 2018



- Commitment to building relationships and trust with leaders, teachers, students, parents, and community.
- Comfortable working within the Microsoft and Google systems

Demonstrates U Prep's Core Values

- o We work well by ourselves and teams
- o We care about people
- o Our actions have a purpose
- o We think big and do
- o Learning is exciting

Salary

Compensation for this position is \$15.00 an hour

Benefits

- Performance & Core Value bonuses
- Career development

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Job Description: Talent Coordinator

Page 2 of 2 Revised October 2, 2018



School District/Entity:	University Prep Schools
School:	Various
Job Title:	Apprentice Teacher
Reports to:	School Director
Status:	At-will, Exempt

The Apprentice Teacher position provides a unique opportunity for talented individuals with limited experience to explore the many aspects of teaching. This position will provide hands-on practice and the training necessary to become a successful full-time classroom teacher in a Detroit 90/90 school. Apprentice Teachers will have an opportunity to observe best practices in classroom instruction and education reform from experienced teachers and school leaders. Apprentice Teachers observe and learn from experienced teachers, co-teach with teacher-leaders, provide in-house substitute teaching coverage for teachers, and support teachers with tutoring, grading, and individual or small group student instruction. Apprentice Teachers may also teach a class of students, allowing for direct teaching experience within a more limited teaching load. Apprentice Teachers will also offer teacher support with a variety of work inside and outside of the classroom, including tutoring classes, organizing student events, and developing mentoring relationships with students. Through school-year professional development, as well as regular meetings with an instructional coach, Apprentice Teachers will have many opportunities to gain the experience and support necessary to develop their teaching skills. By the end of the year, Apprentice Teachers will be very strong candidates for a full time teacher position.

Mission

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities for Apprentice Teachers

- Teach classes on behalf of coaches, dean and teacher-leaders who are observing other teachers
- Teach one class or small groups of students
- · Periodically plan and deliver instruction, gradually taking on more responsibility throughout the semester
- Develop teaching skills to potentially become a full-time teacher at the school
- Occasionally provide substitute teaching coverage for teachers within the school
- Support students by providing one-on-one and small group intervention daily
- Observe Master Teachers in order to improve instructional techniques and classroom management;
- Meet regularly with a coach to implement feedback on lessons and instruction;
- Assist with instruction, assessments, grading, and other classroom responsibilities; (especially in core subjects: ELA, Math, Science, Social Studies)

Job Description: Apprentice Teacher



As appropriate, perform all duties expected of classroom teachers, including but not limited to:

- Implementing curricula and activities to meet academic standards;
- Implementing assessments that measure progress towards academic standards;
- Using assessment data to refine curriculum and inform instructional practices;
- Participating in collaborative curriculum development, grade-level activities, and school-wide functions, events, and trips;
- Providing consistent rewards and/or consequences for student behavior;
- Helping to co-lead crew in the morning and afternoon;
- Supervising students during transitions and dismissal
- Being accountable for students' mastery of academic standards;
- Communicating effectively with students, families, and colleagues;

Qualifications

• Education and Certification

- Bachelor's degree in education required
- Candidate must have taken and passed the MTTC

Experience

Prior experience working in school communities is preferred but not required

Skills

- o Drive to improve the minds and lives of students in and out of the classroom
- Evidence of self-motivation, willingness to be a team player, and has a strong sense of personal responsibility
- Ideal candidates are hard-working, urgent, energetic, and are willing to learn and adapt
- Is extremely reflective and constantly wants to improve
- Is flexible and enjoys dealing with unpredictability
- Strong time management skills; ability to manage multiple tasks simultaneously and meet tight deadlines
- A strong candidate will possess strong organizational skills, communication skills (particularly with children), and problem solving skills
- Interest in performing a critical support role and the ability to excel in a fast-paced, entrepreneurial, results-oriented environment

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Full-time paid teaching apprenticeship beginning at \$32,000, after 90 days there will be a review to determine fit and increase to \$35,000. If hired for the 2019-2020 school year salary will be increased to a first year teacher salary.

Benefits

- Medical coverage through Blue Care Network, Delta Dental, Eyemed and Teladoc
- 401(k) up to 6% matching after one year of employment
- Teachers are equipped with a laptop, email, high-speed internet access and all necessary instructional supplies

Job Description: Apprentice Teacher



- · Eight sick and four personal days
- Performance & Core Value bonuses
- Career development and extensive professional development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Apprentice Teacher



Entity:	University Prep Schools
School:	Various
Job Title:	Advisor
Reports to:	School Director
Status:	At-will, Exempt, School-year

About U Prep Schools:

If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U. Our mission: to give students the courage to pursue a future full of possibilities. Our students come to our network of schools looking for a rewarding and fulfilling education. Comprised of two public charter school districts; University Preparatory Academy and University Prep Science and Math; we educate over 3,300 students in the burgeoning city of Detroit. Help us to prepare our students for success in life and be a part of U.

Summary:

U Prep teachers are responsible for implementing curriculum, maintaining a positive classroom culture, using assessments to drive instructional practice, using district resources in an efficient and responsible manner, contributing to the educational and social development of all students, and participating in the professional development of the learning community.

Desired Competencies:

- Knowledge of curriculum, instruction, and assessments;
- Mission-driven, connecting with overall teaching strategy to the goals of U Prep Schools;
- Ability to nurture and sustain high-quality teaching;
- Experience in building positive relationships with colleagues, students, and parents;
- Ability to make decisions in a strategic way balancing building strong relationships and maintaining high academic rigor;
- Courage to make decisions in support of academic and cultural goals while maintaining a steady pulse of team and school goals;
- Meticulous organization and use of time;
- Excellent written and oral communication skills.

Education/Experience:

- Bachelor's degree or higher
- Valid Michigan teaching certification
- Must meet highly qualified criteria in content area taught, which includes certificate endorsement in the appropriate area(s);
- Desire to teach in an urban environment.

Duties and Responsibilities:

The primary duties and areas of responsibility include, but are not limited to, the following:

Professional Development

 Actively contributes to a professional community that focuses on instruction and high student achievement;

Job Description: Advisor, University Prep Schools Page 1 of 2



- Seeks opportunities to develop their skills and knowledge;
- Implements recommendations and best practices acquired through professional development, continuing education, observation, coaching, and evaluation;
- Utilizes effective instructional practices responding to the needs of each student in the learning community;
- All other duties as assigned.

Curriculum/Learning Model

- Utilizes data to implement learning model and modify instructional practices and daily lesson plans as needed;
- Works closely with principal to create and lead an effective Data Team within the school;
- Coordinates curriculum within the team and school;
- Integrates all aspects of the learning model into classroom procedures, instruction;
- All other duties as assigned.

School Culture

- Ensures a safe, supportive, and productive environment for students;
- Sets and maintains high academic expectations for students;
- Implements effective student discipline, conflict resolution, and helpful student support services;
- Promotes teamwork within the learning community;
- Demonstrates cultural competencies in being part of a multi-cultural institution;
- Incorporates core values into all work, projects, and interactions with members of the school community;
- All other duties as assigned.

Community/Parental Outreach

- Actively engages parents in the learning process and school functions;
- Communicates on a regular basis with families through newsletters, announcements, and updates:
- Seeks and builds relationships with professional organizations;
- Resolves parent issues respectfully and effectively;
- All other duties as assigned.

Compliance

- Drafts, updates, and submits lesson plans and data analysis action plans on a consistent basis;
- Takes accurate attendance in a timely manner;
- Maintains professional credentials and submits updates to the Human Resources Department prior to expiration dates;
- Responds to requests from the School Operations Team for any required actions or documents to maintain accurate and complete records and meet reporting deadlines;
- All other duties as assigned.

Building Management

- Implements classroom procedures that promote a safe, clean, orderly, and productive classroom environment:
- All other duties as assigned.



School District/Entity:	U Prep Schools
School:	Various
Job Title:	Instructional Coach
Reports to:	School Director
Status:	At-will, Exempt

An Instructional Coach is responsible for ensuring highly effective instruction at the school level. This position fills the need for job-embedded professional development and instructional improvement. Through frequent observation of teachers, the Coach will provide professional support and feedback in a non-evaluative context that is intended to foster effective practices within the classroom. The Coach may also be responsible for leading professional development sessions related to pedagogy.

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Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Develops program standards and supporting content aligned with federal, state, and college/career requirements
 - Assesses student performance data to drive continuous improvement of teaching and learning, with school leader input and considering differing student population needs
 - Elevates areas of potential conflict between the academic model and UPREP approach to teaching and learning
 - Advancement of A Culture Focused on Academics and Equity
 - Ensures instructional coaching invests teachers in driving educational equity within their classrooms

Management of Schools

- Community Engagement
 - Shares feedback and provides input on approach to teaching and learning, considering implications for students, teachers, administrators, parents, and broader community
- Measurement and Improvement of Teaching and Learning
 - Utilizes student data, informal classroom observations, feedback, and coaching techniques to coach teachers on areas of improvement in teaching and learning
 - Provides direct support to teachers and grade-level teams on effective unit and lesson planning through modeling and sharing of effective practices
 - Defines and monitors key metrics to measure effectiveness of every teacher

Job Description: Instructional Coach

Page 1 of 3 Revised June 20, 2018



- Management and Coaching of School Director
 - Collaborates with School Directors to ensure consistent delivery and implementation of curriculum and instruction

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Aligns coaching efforts to talent-development
- Career Path and Succession Planning
 - Monitors and assists with development and implementation of individual career development plans
 - Encourages high performers to seek out growth opportunities within the organization
- o Performance Evaluation
 - Recommends performance standards for staff (in focus area)
- Professional Development
 - Collaborates with school and district leadership to structure, sequence, and deliver professional development to ensure effective implementation of curriculum and instruction
 - Identifies trends in student performance data to inform continuous improvement of professional development
 - Delivers feedback and adeptly navigates difficult, growth-oriented conversations with instructional staff

Qualifications

Education and Certification

- Bachelor's degree required; Master's degree preferred
- 4 or more years' teaching experience preferred
- Must maintain either a valid Michigan teaching certificate or a valid Michigan administrator certificate

Experience

- Proven success at implementing exceptional instructional practices in the subject area or at the grade level assigned;
- Leadership ability and the capacity to galvanize and motivate others to move towards achieving a common goal
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

We work well by ourselves and in teams

Job Description: Instructional Coach

Page 2 of 3 Revised June 20, 2018

- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn 10 vacation days
- Core Value bonuses
- Career development
- 50% 80% Masters program tuition scholarship through GVSU

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Instructional Coach

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School District/Entity:	U Prep Schools
School:	Various
Job Title:	School Director
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

The School Director serves as lead instructor and culture czar and is responsible for facilitating the development and implementation of curriculum, programs, positive school culture and climate, policies, and budgets in order to promote the educational and social development of all students. The School Director also ensures the professional development of all staff members through observation and feedback.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Instructional Leadership

- Sets Academic Vision and Goals
 - Ensures implementation of state and network curricula and assessments aligned with state standards, including college and career readiness standards
- Academics Model
 - Drives all school decisions with a focus on achieving level 4 on the Five Elements of the U
- Data Driven
 - Monitors and ensures high-quality instructional practices among teachers and staff that improve student performance
 - Ensures teachers analyze and use assessment data to plan, implement, and modify curriculum and instruction to produce optimal learning
 - Ensures that effective instruction maximizes growth of individual students and student groups, supports equity, and eliminates the achievement gap

Culture and Community

- Student-Centered Environment
 - Creates a student-centered environment focused on trust, respect, collaboration, and high expectations that will allow every student to achieve
 - Develops, implements, and sustains a shared vision of high expectations for all students and staff
- Visible Presence
 - Maintains a visible presence in classrooms and at extra-curricular events, cocurricular events, and network events as is appropriate to job responsibilities

Job Description: School Director



Operations, Systems, and Planning

- Strategic Planning
 - Collaborates with the Academics house to outline and track clear goals, targets, and strategies aligned to a school vision that continuously improves teacher effectiveness and student outcomes
- Maximized Learning Time
 - Implements daily schedules and a yearlong plan for regular data-driven instruction cycles, gives student access to diverse and rigorous instructional programs, and builds in time for professional development
- Resource Alignment
 - Aligns resources with the needs of the school and effectively monitors the impact of these resources and school goals
- Policy Implementation and Advocacy
 - Collaborates with network staff to implement policies and advocates for the needs of all network students and staff.

Growth and Development

- o Talent Recruitment, Retention, Development, and Evaluation
 - Coaches and develops teachers and staff by giving individual feedback and aligned professional development opportunities.
 - Implements collaborative structures and provides leadership opportunities for effective teachers and staff.
 - Provides clear expectations of performance and conducts rigorous evaluations of all staff using multiple data sources

Leadership

- Growth Mindset and Continuous Improvement
 - Is solutions-oriented, treats challenges as opportunities, and supports the school and community through continuous improvement.
- Cultural and Political Competence
 - Consistently articulates organization's vision and strategy clearly to others
- Decision-Making
 - Makes timely and effective decisions that drive the best outcomes for students.
 - Demonstrates excellent judgement communicating decisions and involving network staff as appropriate, based on decision-type (i.e. leaf, branch, trunk, root)
- Change Leadership
 - Anticipates and manages internal and external political dynamics around change efforts
- Motivation and Courage
 - Maintains focus and takes risks in pursuit of breakthrough results for students.
 - Strives to lead team in achieving results beyond what is expected.

Job Description: School Director



Qualifications

Education and Certification

- Master's degree or higher, preferably focused on educational leadership
- O Currently possess Michigan Administrator Certificate

Experience

- 3 years experience as principal preferred
- o 5 or more years teaching experience preferred
- O Experience in an urban school

• Skills

- Knowledge of rigorous curriculum and research supported instructional strategies
- Able to digest large amounts of information and communicate key messages appropriately
- o Project management, especially the ability to make effective strategic plans and bring ideas to fruition
- Adroit managers of adults' (teachers, administrators, parents) and students' expectations and emotions
- o Coaching others to improve their teaching and leadership practice

Demonstrates U Prep's Core Values

- o We work well by ourselves and in teams
- o We care about people
- Our actions have a purpose
- O We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: School Director



School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Assistant Director of Student Development/Special Education
Reports to:	Director of Student Development/Special Education
Status:	At-will, Exempt

A member of the Academic House Team, the Assistant Director of Student Development (ADSD) is responsible for supporting the development, implementation and evaluation of our special education services (including access to the general education curriculum). The ADSD assists the Director of Student Development (DSD) to support a team of special education teachers across the network and where appropriate, collaborates with the curriculum and instruction team and school leaders to support the strategic priorities within the student development team and those of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Implementation of Program

- Program Management and Design (Study Study Pro)
 - Leads the student study process
- Support and Monitor School-wide Intervention Programs
 - Ensures students are assigned appropriate interventions and that the programs are being executed with fidelity
 - Supports team to identify, assign, monitor and evaluate interventions; elevates challenges to Director
 - Observes student management support, noting strengths and gaps in practice
- Data Analysis
 - Assesses student data to drive continuous improvement of programs, with school leader input and considering differing student population needs

Implementation of SPED Program

- Identifying Interventions
 - Looks for opportunities to offer individualized supports at the school level
- IEP Meetings and Communication
 - Maintains thorough knowledge of student IEPs and represents U Prep Schools at all IEP and referral meetings

Learner-Centered

- Growth and Achievement
 - Observes and coaches instructional staff to ensure appropriate delivery of special education services and behavior management

School Leadership

- Planning and Executing Professional Development
 - Delivers and participates in differentiated professional development for special education/

Job Description: Assistant Director of Student Development/Special Education

instructional staff

Staff Engagement

- Collaboration
 - Collaborates with school directors to inform program needs and program improvement

Compliance

- Knowledge of Regulations and Compliance Requirements
 - Ensures staff are operating programs and interacting with students within compliance guidelines
- Reporting
 - Collaborates with school-based staff to ensure compliance reports are timely, complete and accurate
- Data-Driven
 - Uses data and systems to drive compliance, and elevates potential challenges to Executive Director

Qualifications

Education and Certification

- Master's degree required
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion
- O State Approval for Supervisor/Director status

Experience

- o Previous experience supporting district level special education preferred
- Experience with leading major initiatives from concept to implementation
- Experience working with others to successfully develop programing for students with disabilities

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- o Strong communication skills, verbal and written

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- O We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, Job Description: Assistant Director of Student Development/Special Education



color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Assistant Director of Student Development/Special Education

Page 3 of 3 Revised March 15, 2018



School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Assistant Director of School Quality
Reports to:	Executive Director of School Quality
Status:	At-will, Exempt

A member of the Academic House Team, the Assistant Director of School Quality is responsible for

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Application and Action

- Communication for Data-Driven Decision Making
 - Advises management team and school leaders on findings and implications and ensures they are prepared to publicly present
 - Communicates actionable data insights to stakeholders and supports use in effective decision making

Data Analysis

- Identification of Metrics
 - Integrates metric monitoring into organizational routines
- Modeling and Tool Development
 - Leads continuous improvement of models and tools
- Synthesis and Implications
 - Prioritizes continuous improvement of data synthesis informed by stakeholder feedback
 - Elevates key findings and communicates implications to various stakeholders

Data Management

- Data Collection
 - Develops implementation plan based on pathway and knowledge of relevant data models and architecture
 - Determines improvements to data system roadmap
- Data Quality Control
 - Defines operational standards for data quality
- Process Documentation
 - Ensures appropriate documentation of data collection, management, and integration processes

Data Strategy

- Advancement of A Data-Driven Culture
 - Supports management team to make data analysis part of all decision making and continuous improvement
 - Leads department to provide timely, actionable data
 - Develops plan to increase end users' ability to use data to inform decisions

Job Description: Assistant Director of School Quality



- Implementation
 - Monitors implementation plan and manages team to support rollout of data strategy
- Strategy Development
 - Translates data strategy into plan to achieve goals

Oualifications

- Education and Certification
 - Bachelor's degree required; Master's degree preferred
- Experience
 - Experience working with others to successfully complete multi-faceted projects
 - Experience with leading major initiatives from concept to implementation
- Skills
 - Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
 - Strong communication skills, verbal and written
 - o Strong leadership skills

• Demonstrates U Prep's Core Values

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- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Assistant Director of School Quality

Page 2 of 2 Revised May 15, 2018



School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director Crew to College
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

A member of the Academic House Team, the Director of Crew to College is responsible for overseeing the development, implementation, and evaluation of high-quality crew curricula and counseling programming to ensure students are matched and enroll in their best fit college. The DCC reports to the cao and leads a team of counselors while supporting deans of culture to meet organizational goals. The DCC collaborates with the edci and cao to support deans, as well as collaborates with the cao, edci, edsq and dsd to support the strategic priorities of the organization.

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Role Responsibilities

College-Going Culture

- Advancement of a College-Going Culture
 - Ensures operations and academic teams are informed, aligned and supporting the data needs of the crew to college team
 - Creates a college-going culture across all schools, K-12

Equity

- Advancement of a Culture Focused on Academics and Equity
 - Effectively promotes strong culture, ensuring staff focuses all activities on improving student outcomes in college, career, and civic readiness
 - Effectively determines approach to drive educational equity across the network, and allocates resources and programs accordingly

School-Based Responsibilities

- Modeling and Tool Development
 - Monitors the implementation of crew curriculum to address gaps in crew practices
- Program Model Development and Continuous Improvement
 - Structures, sequences, and delivers professional development in support of program and school goals
 - Coaches counselors and deans of culture in the use of best practices to achieve program goals
- Community Engagement
 - Effectively advises School Directors and curriculum/program leaders in how to consider and weigh school, community, and broader field and political implications when making key decisions
 - Effectively makes program decisions, considering implications for students, teachers, administrators, parents, and broader community

Job Description: Director of Crew to College

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 Consistently seeks input from Academic house, school leaders, and other key constituents in making effective decisions

Qualifications

Education and Certification

- Master's degree in Counseling
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Experience supporting college counseling
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Crew to College

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Curriculum and Instruction- ELA
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality ela curricula. The Director of Curriculum and Instruction-ELA collaborates with the curriculum and instruction team to support school leaders, as well as collaborates with the Chief Academic Officer, Executive Director of Curriculum and Instruction, and the Executive Director of School Quality to support the strategic priorities of the organization.

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Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Plays key role in developing academic model and recommending improvements over time, ensuring curriculum, instructional practices, and assessments are appropriately aligned
 - Uses insights from student performance data across school network to inform continuous improvement of curriculum, instruction, and assessments, incorporating input from school leaders
 - Elevates challenges that arise with the academic model and works with the Executive Director to inform and improve model
 - Advancement of A Culture Focused on Academics and Equity
 - Determines approach to drive educational equity across the network and allocates resources and programs accordingly

Management of Schools

- Community Engagement
 - Advises School Directors and curriculum/program leaders in how to consider and weigh school, community and broader field and political implications when making key decisions
- Measurement and Improvement of Teaching and Learning

Job Description: Director of Curriculum and Instruction- ELA

Page 1 of 3 Revised March 9, 2018

- Coaches School Directors in refined approach
- Promotes data-driven decision making
- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: Director of Curriculum and Instruction- ELA

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Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Curriculum and Instruction- ELA

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Curriculum and Instruction- Math
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality math curricula. The Director of Curriculum and Instruction-Math collaborates with the curriculum and instruction team to support school leaders, as well as collaborates with the Chief Academic Officer, Executive Director of Curriculum and Instruction, and the Executive Director of School Quality to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Plays key role in developing academic model and recommending improvements over time, ensuring curriculum, instructional practices, and assessments are appropriately aligned
 - Uses insights from student performance data across school network to inform continuous improvement of curriculum, instruction, and assessments, incorporating input from school leaders
 - Elevates challenges that arise with the academic model and works with the Executive Director to inform and improve model
 - Advancement of A Culture Focused on Academics and Equity
 - Determines approach to drive educational equity across the network and allocates resources and programs accordingly

Management of Schools

- Community Engagement
 - Advises School Directors and curriculum/program leaders in how to consider and weigh school, community and broader field and political implications when making key decisions
- Measurement and Improvement of Teaching and Learning

Job Description: Director of Curriculum and Instruction- Math

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- Coaches School Directors in refined approach
- Promotes data-driven decision making
- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: Director of Curriculum and Instruction- Math

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Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Curriculum and Instruction- Math

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Student Development/Special Education
Reports to:	Chief Academic Officer
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Student Development (DSD) is responsible for overseeing the development, implementation and evaluation of our special education services (including access to the general education curriculum). The DSD leads the Assistant Director of student development to support a team of special education teachers and ancillary staff across the network and collaborates with the curriculum and instruction team and school leaders to support the strategic priorities within the student development team and those of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Implementation of Program

- Program Management and Design (Study Study Pro)
 - Structures, sequences, and delivers supports and training for a variety of stakeholders to engage in the student study process
- Support and Monitor School-wide Intervention Programs
 - Effectively anticipates challenges related to the intervention model and proactively provides solutions to meet student and school needs
- Data Analysis
 - Selects a variety of indicators to measure student progress towards academic, social, emotional and behavioral outcomes including 504 and special education inclusion programs

Implementation of SPED Program

- Identifying Interventions
 - Supports long-term planning and implementation of inclusion model
- IEP Meetings and Communication
 - Leads and establishes systems to drive frequent communication between students, families, staff and other stakeholders

Learner-Centered

- Growth and Achievement
 - Plans and oversees management of programs to implement the academic model

Job Description: Director of Student Development

with fidelity

School Leadership

- Planning and Executing Professional Development
 - Designs scope and sequence, identifies external opportunities, and plans for special education professional development activities

Staff Engagement

- Collaboration
 - Collaborates with school directors to inform program needs and program improvement

Compliance

- Knowledge of Regulations and Compliance Requirements
 - Understands current compliance requirements and ensures that the network staff is compliant with all local, state and federal special education laws
 - Stays abreast of evolving compliance requirements and considers impact on school programming
- Reporting
 - Approves reports created by Assistant Director for submission to local, state and federal agencies
 - Swiftly responds to and addresses compliance issues across the network
- Data-Driven
 - Collects and analyzes network-wide student data to drive continuous improvement of programs, with school leader input and considering differing student population needs

Qualifications

Education and Certification

- Master's degree required
- Currently possess Michigan Administrator Certificate or meet state requirements toward completion
- Michigan Approval for Directorship

Experience

- Previous experience supporting district level special education preferred
- Experience with leading major initiatives from concept to implementation
- Experience working with others to successfully complete multi-faceted projects

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people

Job Description: Director of Student Development



- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Student Development

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Executive Director of Curriculum and Instruction
Reports to:	Chief Academic Officer
Status:	At-will, Exempt

A member of the Academic House Team, the Executive Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality curricula and instruction across the network. The Executive Director of Curriculum and Instruction collaborates with the Chief Academic Officer, Executive Director of School Quality, and the Director of Student Development to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Design and Development of Academic Model

- Academic Model Development and Continuous Improvement
 - Creates strategic vision for network academic model
 - Ensures continuous improvement of the academic model informed by ongoing analysis of student performance data and input from school leaders
 - Anticipates challenges related to the academic model and proactively provides solutions to meet network needs
- Advancement of A Culture Focused on Academics and Equity
 - Promotes educational equity as a guiding principle across school network and ensures it is reflected in curriculum, instruction, and program offerings

Management of Schools

- Community Engagement
 - Makes decisions considering contextual factors that may arise, effectively considering trade-offs and their implications; continually seeks input from stakeholders in decision making
- Measurement and Improvement of Teaching and Learning
 - Contributes to and seeks out best practices in teaching and learning to k-12 field
 - Defines and monitors key metrics to determine success of school network
- School Director Management and Coaching
 - Acts as sounding board and advisor to principals to support and coach them in moments of challenge, continuously providing both thought partnership and moral support

Job Description: Executive Director of Curriculum and Instruction

Page 1 of 3 Revised March 13, 2018



 With input from the CEO, collaborates with the CAO to develop network strategy for implementation of the academic model and ensures it is implemented with fidelity

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Sets organization culture around areas of strength and fosters culture improvement to ultimately improve student outcomes
- Career Path and Succession Planning
 - Leads succession planning for current and future school leadership roles (thought partner with CAO)
 - Ensures high-performing school leaders and teachers are supported and encouraged to rise up within organization if they desire
- Performance Evaluation
 - Ensures high quality performance evaluation system for principals and instructional staff, including clear performance framework, timely evaluations, and accessible data
 - Ensures evaluations provide actionable feedback linked with professional development opportunities, resulting in improved outcomes
- Professional Development
 - Sets vision for instructional staff professional development program
 - Ensures professional development for instructional staff supports implementation of academic model and drives improvement of student outcomes
 - Maintains up-to-date knowledge of approaches to and external partners in professional development and leads implementation of new methods as appropriate
 - Guides academics team to deliver feedback and manage hard conversations

Qualifications

Education and Certification

- Master's degree required, Master's degree in Curriculum and Instruction preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience as school principal preferred
- o Experience developing curriculum at the district level
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- O Strong communication skills, verbal and written
- o Ability to work with others to successfully complete multi-faceted projects

Job Description: Executive Director of Curriculum and Instruction

Page 2 of 3 Revised March 13, 2018



• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Executive Director of Curriculum and Instruction

Page 3 of 3 Revised March 13, 2018



School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Executive Director of School Quality
Reports to:	Chief Academic Officer
Status:	At-will, Exempt

A member of the Academic House Team, the Executive Director of School Quality is responsible for overseeing the development, implementation and evaluation of our program evaluation systems network wide. The Executive Director of School Quality leads the assistant director of school quality to support leaders across the network in monitoring the effectiveness of school and network improvement efforts and collaborates with the cao to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Application and Action
 - Communication for Data-Driven Decision Making
 - Communicates key findings to high priority internal and external stakeholder
 - Promotes user-centric approach to communicating data insights
- Data Analysis
 - Identification of Metrics
 - Ensures metrics are integrated into organizational routines at meaningful time intervals
 - Modeling and Tool Development
 - Ensures execution of high quality, efficient analysis
 - Synthesis and Implications
 - Ensures continuous improvement of data synthesis informed by stakeholder feedback
 - Ensures meaningful implications are communicated in a timely and accessible way to stakeholders

Data Management

- Data Collection
 - Creates roadmap to design, identify and implement data collection systems, informed by relevant data models and architecture used by leading school operators and organizations
 - Ensures roadmap is aligned to data strategy
- Data Quality Control
 - Sets expectations for data quality
- O Process Documentation
 - Sets expectations for documentation of data collection, management, and integration processes
- Data Strategy
 - Advancement of A Data-Driven Culture

Job Description: Executive Director of School Quality

Page 1 of 2 Revised May 15, 2018

- Champions data as engine for achieving organization's mission, and influences management team to make data analysis part of all decision making
- Ensures data are reported in a timely, actionable way
- Ensures continuous growth in end users' ability to use data to inform decisions
- Implementation
 - Holds leadership team accountable for success against milestones
- O Strategy Development
 - Leads development of data strategy that drives to achieve organization's strategic plan and clear priorities

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Executive Director of School Quality

Page 2 of 2 Revised May 15, 2018

SCHEDULE 8-4 FISCAL AGENT AGREEMENT

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to the Public School Academies of Detroit, an urban high school academy ("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 1.01. <u>Definitions</u>. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy 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 of 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 Grand Valley State 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 urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. <u>Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions</u>. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board 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 3.02.

Section 2.02. <u>Transfer to Academy</u>. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. <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 or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board 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, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

ARTICLE III

STATE DUTIES

Section 3.01 <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 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

- Section 4.01. <u>Compliance with State School Aid Act</u>. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.
- Section 4.02. 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 4.03. <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 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. <u>Deposit of Academy Funds</u>. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. <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 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, 2009, and annually thereafter, a written report dated as of August 31 summarizing 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 6.01. <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 6.02. <u>Limitation of Liability</u>. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

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

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

Acknowledgment of Receipt

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

RY.

Joseph L. Fielek, Director Bureau of Bond Finance

Michigan Department of Treasury

Date: 1an, 3 2008

LAN01\148342.1 ID\LCW

SCHEDULE 8-5

METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT

SCHEDULE 8-5, 9-5, 10-5

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. Criteria that the Grand Valley State University Charter Schools Office will use in its evaluation shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

Included in this evaluation shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the approved state standardized assessment designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the at a properly noticed open meeting held on the siday of ferme, 2011, at which a quorum was present.

Board of Directors

SCHEDULE 8-6

ACADEMY'S ADMISSION POLICIES AND CRITERIA

Public School Academies of Detroit (PSAD) Enrollment Guidelines & Admission Policies for the 2019-2020 School Year

A public lottery for each grade offered at each PSAD school will be held at each district when there are more applicants than openings for that particular PSAD school to assign seats to new students and to assign the order of the waitlist for any new seats that become available. Siblings of students returning for the 2018-2019 school year and newly accepted students for the 2019-2020 school year will be given priority for admission in the order detailed below. The priorities for admissions will be conducted in the following order:

Priority 1: Siblings* of 2019 Graduates and Students Returning for the 2019-2020 School Year

Siblings of students who graduated during the 2018-2019 school year or siblings of students returning for the 2019-2020 year are given 1st priority to their siblings PSAD district. If there are more of these siblings than classroom spaces available in a given grade, the PSAD School will hold a random selection lottery for the classroom spaces from among the siblings in that grade. The remaining siblings will be placed on the waitlist based on the number they receive in the sibling lottery <u>as long as they submitted an application</u> during the open enrollment period. Note: Sibling priority does not range across PSAD districts.

Priority 2: PSAD Transfer Students

Any student enrolled in the 8th, 9th, or 10th grade at any PSAD School in the preceding school year will be given transfer student priority (priority 2) provided there is sufficient classroom space available. Transfer student priority is given in the following manner: students enrolled in a PSAD School the previous academic year who apply for the 9th, 10th, or 11th grade during open enrollment to the school they wish to transfer to will receive second priority. Each PSAD School will hold a random selection lottery for the classroom spaces from among the transfer students in that grade. These students will be placed on the waitlist below the priority 1 students based on the number they receive in the transfer student lottery, Students who are transferring between University Preparatory Academy, University Prep Science & Math and University Prep Art & Design must declare which system they wish to enroll their child in for the 2019-20 school year by the school decision deadline date of April 30, 2019. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process and will be removed from the other school systems enrollment lists for the 2019-2020 school year.

Priority 3: Children of Salary Personnel working at PSAD schools or Children of PSAD Board of Directors

These children (including by Michigan law all adopted children or legal wards) are placed behind Priority 2 students based on the number they receive in the lottery as long as they submitted an application during the open enrollment period.

Priority 4: Siblings* of Newly Accepted Students

Siblings of newly accepted students (students who are accepted for enrollment for the 2019-2020 school year) are placed behind Priority 3 students based on the number they receive in the lottery on the waitlist within the same district their sibling was accepted <u>as long as they submitted an application during the open enrollment period</u>. Note: Sibling priority does not range across PSAD districts.

NOTE: Any sibling that DOES NOT submit an application during open enrollment will NOT be given sibling preference.

Priority 5: New Applicants with No Siblings at the PSAD district in which they are applying

Students who apply during open enrollment but do not win a seat in the lottery and who do not have a sibling at the PSAD district in which they are applying will be placed on the waitlist based on the number they received in the lottery below priority 4 students.

Priority 6: Applicants Applying After Open Enrollment

Students who apply after open enrollment (all applications received after the deadline date) will be placed on the waitlist behind the Priority 1, 2, 3, 4, and 5 applicants based on the date and time their application is received. **This includes siblings that submit applications after the deadline date.**

- *Sibling Determination--Siblings who receive preference include:
 - a. Full siblings (children who share the same mother and father) regardless of whether the full siblings live in the same household.
 - b. Step-siblings/half-siblings who live in the same household** Step-siblings and half-siblings who DO NOT live in the same household DO NOT receive the preference.
- **They must live in the same household at the time they apply. If the student moves in with their sibling they need to reapply at that time and the old application is deleted. The parent may be asked to supply some sort of proof of residence for the student.

Public School Academies of Detroit (PSAD) Enrollment Guidelines & Admission Policies for the 2019-2020 School Year

1.) Purpose

The purpose of this policy is to outline the enrollment policy and process for the Public School Academies of Detroit ("PSAD") for the enrollment of students into its urban academies. Grand Valley State University Board of Trustees ("University Board") has authorized PSAD under Part 6c of the Revised School Code to operate one or more urban academies, including but not limited to University Preparatory Academy, University Prep Science and Math, and University Prep Art & Design schools (individually a "PSAD School" or collectively "PSAD Schools").

2.) Open Enrollment Dates

Open Enrollment will last the duration of two months. Applications are on U Prep school's website. All applications must be received by 5:00pm on the last day of Open Enrollment, the deadline date, in order to be considered for the lottery.

3.) Re-enrollment of current students

Students currently enrolled in any PSAD school in the preceding school year will be automatically admitted for the next school year to that same PSAD district.

4.) PSAD Transfer Students

Any student enrolled in the 8th, 9th, or 10th grade at any PSAD School in the preceding school year will be given transfer student priority (priority 2) provided there is sufficient classroom space available. Transfer student priority is given in the following manner: students enrolled in a PSAD School the previous academic year who apply for the 9th, 10th, or 1lth grade during open enrollment to the school they wish to transfer to will receive second priority. Each PSAD School will hold a random selection lottery for the classroom spaces from among the transfer students in that grade. These students will be placed on the waitlist below the priority 1 students based on the number they receive in the transfer student lottery. Students who are transferring between University Preparatory Academy and University Prep Science & Math must declare which system they wish to enroll their child in for the 2019-20 school year by the school decision deadline date of April. 30, 2019. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process and will be removed from the other school systems enrollment lists for the 2019-2020 school year.

5.) Siblings who receive preference include:

Siblings of currently enrolled students receive the 1st priority in enrollment with Siblings of newly accepted students receiving 4th priority. See Enrollment Guidelines (reverse) for more information regarding sibling priority.

6.) Children of PSAD Salary Personnel & PSAD Board of Directors

Children of Salary Personnel working in PSAD schools and children of PSAD board of directors who apply during open enrollment receive third priority before the random lottery. If there are more children of PSAD salary personnel and PSAD board of directors applying than classroom spaces available in a given grade, the PSAD school will hold a random selection lottery which will include these children and all other applicants. The children will be put on the waitlist for that grade in the order of random selection number received, just below the 2nd priority students.

7.) Enrollment for under-subscribed grades/sibling preference

Priority 1 students will be automatically admitted for the next school year to each grade that does not reach full enrollment by the Deadline Date. Transfer students have the next priority in enrollment. If Full Enrollment for a particular grade is not reached by the Deadline Date, PSAD will continue to receive applications for that grade level as long as necessary to complete Full Enrollment. Applications received after the Deadline Date

will be enrolled in order of receipt.

8.) Enrollment for over-subscribed grades

Students will be selected for admission by random lottery for each grade that exceeds Full Enrollment if their applications were received by the Deadline Date. Applications received after the Deadline Date for each grade that has reached Full Enrollment will be added to the official waiting list in the order in which they are received. Kindergarten students must attain the age of five (5) years on or before December 1st of the year for which they are applying, to be eligible for the lottery. PSAD schools have a goal to maintain an even ratio of male to female students and reserves the right to maintain this balance. In order to do so students that leave, if possible, will be replaced with students of the same gender.

9.) Lottery

If there are more applications submitted by the Deadline Date than available seats for any given class, Each PSAD District will hold a random selection lottery on the Lottery Date. All lottery applicants' names will be drawn and placed on the acceptance list and/or the waiting list for each grade based on the number they receive in the lottery. The University Board Charter Schools office may have a representative on site to monitor the public random selection lottery.

10.) Record of enrolled students

As students are selected for admission, their names will be recorded on the Chart of Admitted students.

11.) School Decision Deadline

Parents of students that applied to University Preparatory Academy, University Prep Science & Math and University Prep Art & Design school districts and are accepted to any one of the schools, must choose which school they wish to attend by the School Decision Deadline date of April 30, 2019. Students already enrolled the previous school year in either district will be considered applicants to that system for the coming school year. Declaring their school choice automatically moves that student off of the waitlist or acceptance list of the district they do not choose. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process.

12.) Enrollment Requirements

- PSAD shall not discriminate on the status as a handicapped person or any other basis that would be illegal for an existing school district.
 PSAD shall provide for the education of its pupils without discrimination as to religion, creed, race, sex, color or national origin, The Academy shall comply with all state and federal civil rights laws.
- PSAD shall not charge tuition (but may charge fees in the same manner as existing public schools).
- PSAD shall not enroll any student who is not a resident of this state, except a foreign exchange student. *PSAD shall comply with all state and federal laws applicable to public schools concerning church-state issues,
 PSAD may establish a policy providing enrollment priority to enrolled pupils of a PSAD School, siblings of currently enrolled pupils, children of a person who is employed by or at a PSAD School, or children of PSAD Board Members (See priority on reverse side).

PSAD shall provide legal notice indicating Open Enrollment for each PSAD school in a local newspaper.

SCHEDULE 8-7

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

UNIVERSITY PREP SCHOOLS UPA • UPSM • UPAD

2019

JULY **AUGUST** 1 2 10 10 19 17 17 13 23 24 25 26 22 24 31 SEPTEMBER OCTOBER s S 1 ❸ 2 3 5 10 30 NOVEMBER DECEMBER S 3

NOVEMBER DECEMBER S M T W T F S 1 2 1 2 3 4 5 6 7 3 4 5 6 7 8 9 8 9 10 11 12 13 14 10 11 12 13 14 15 16 15 16 17 18 19 20 21 17 18 19 20 21 22 23 22 23 24 25 26 27 28 24 25 26 27 28 29 30 29 30 31

2020

JANUARY					FEBRUARY								
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19	20	21	22	23	24	25	16	17	18	19	20	21	22
26	27	28	29	30	31		23	24	25	26	27	28	29
	MARCH					APRIL							
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22	23	24	25)	26	27	28	19	20	21	22	23	24	25
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17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30				
31													

FIRST DAY OF SCHOOL

AST DAY OF SCHOOL

NO SCHOOL

PROFESSIONAL DEVELOPMENT (NO STUDENTS)

EARLY RELEASE

PARENT CONFERENCE (PM)

ADMIN ONLY

RECORDS DAY (NO STUDENTS)

REPORTING TERMS

11/4 Q1 (43 DAYS) 01/30 Q2 (48 DAYS) 04/16 Q3 (45 DAYS) 06/19 Q4 (44 DAYS)

IMPORTANT DATES

FALL COUNT 10/2

SPRING COUNT 02/12

FALL PSAT 10/16

8TH GRADE SPRING PSAT 04/14

SAT/WORKKEYS 04/14 - 04/15

SAT/WK M/U 04/28-04/29

SEASONAL BREAKS

FALL BREAK 10/11-10/14 WINTER BREAK 12/23 - 01/03 MID-WINTER BREAK 02/14 - 02/18 SPRING BREAK 04/06 - 04/13



University Prep Academies						
School Address	Phone	Teacher Hours	Student Hours	School Director School Operations Manager		
University Prep - Ellen Thompson Elementary 957 Holden Street Detroit 48202	(313)874-9800	8:00am to 4:00pm	8:20am to 3:15pm	Tamara Johnson - <i>School Director</i> Autumn Dailey - <i>SOM</i>		
University Prep - Mark Murray Elementary 435 Amsterdam Detroit 48202	(313) 309-0552	8:00am to 4:00pm	8:30am to 3:30pm	Kim Llorens - <i>School Director</i> Rita Garcia - <i>SOM</i>		
University Prep - Nan Gill Middle 5310 St. Antoine Detroit 48202	(313)831-0100	7:45am to 3:30pm	8:15am to 3:15pm	Aisha Scott - <i>School Director</i> Santosha King - <i>SOM</i>		
University Prep - Ed Parks High 610 Antoinette Detroit 48202	(313)874-4340	7:40am to 3:30pm	8:00am to 3:30pm	Derrick Kellam - School Director Liz Hubbell - Asst. School Director Chris Waston - Asst. School Director Carmen Dotch - SOM		



University Prep Science & Math Schools									
School Address	Phone	Teacher Hours	Student Hours	School Director School Operations Manager					
University Prep Science & Math Miller Elementary 2251 Antietam Detroit 48207	(313)782-4400	7:40am to 3:45pm	8:00am to 3:15pm	Kimberly Solomon - School Director Georgan Redmond - SOM					
University Prep Science & Math Middle School 5100 John R Detroit 48202	(313)832-8400	7:30am to 3:20pm	7:45am to 3:00pm	LaTasha Goodall - <i>School Director</i> Denise Douglas - <i>SOM</i>					
University Prep Science & Math Dave Bing High School 2664 Franklin Detroit 48207	(313)393-9166	8:00am to 3:45pm	8:30am to 3:30pm	Zetia Hogan - School Director Phillip Robie - Asst School Director Tammy Johnson - SOM					
University Prep Art & Design									
University Prep Art & Design Elementary 10225 3rd Street Detroit, MI 48202	(313)826-1159	8:00am to 4:00pm	8:30am to 3:40pm	Felicia Brimage - <i>School Director</i> Kenya Buchanan - <i>SOM</i>					
University Prep Art & Design 485 W. Milwaukee Street Detroit, MI 48202	(313)481-4000	7:50am to 3:15pm	8:00am to 3:05pm	Joseph Hines - School Director Clare McKenna - Asst School Director Abe Miller - SOM					

SCHEDULE 8-8

AGE/GRADE RANGE OF PUPILS ENROLLED

AGE/GRADE RANGE OF PUPILS ENROLLED

Proposed Enrollment Schedule for University Prep Schools

	UPA	UPSM	UPAD
Grade ES	K,1,2,3,4,5	K,1,2,3,4,5	K,1,2,3,4,5
Grade MS	6,7,8	6,7,8	6,7,8
Grade HS	9,10,11,12	9,10,11,12	9,10,11,12
Age Range	5-18 years old	5-18 years old	5-18 years old

UPA – University Prep Academy District
UPSM- University Prep Science & Math District
UPAD – University Prep Art & Design District

SCHEDULE 8-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

SCHEDULE 8-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

A. Address and Description of the Central Administrative Office:

The Central Administrative Office is located at:

5100 John R. Detroit, MI 48202

See Description below.

B. Address and Description of the UPSM Middle School (Grades 6-8):

The UPSM Middle School is located at:

5100 John R. Detroit, MI 48202

Description: The Academy Middle School building is new construction attached to the Detroit Science Center at 5100 John R., Detroit, MI 48202. The facility is approximately 80,000 square feet with 65,000 square feet dedicated to the school and about 15,000 square feet split between The Detroit Science Center and shared school/Sciences Center uses. Site Plans, Floor plans, and building elevations are attached as **Exhibit A.**

The Detroit Science Center entered into a ground lease and joint use agreement with TEF Five, LLC, a single member limited liability company whose single member is the Thompson Educational Foundation. A copy of the Ground Lease and Joint Use Agreement and First Amendment to the Ground Lease and Joint Use Agreement are attached as Exhibit A. The Thompson Educational Foundation provided a limited guaranty to complete and timely perform TEF Five, LLC's obligations under the ground lease and joint use agreement. TEF Five, LLC subleases the premises to New Urban Learning, the educational management company of the Academy, for a nominal amount. A copy of the Sublease between TEF-Five and New Urban Learning is attached as Exhibit A. New Urban Learning will provide the premises at no additional expense to PSAD in conjunction with the management agreement.

Inspections and Certificates

Appropriate copies of inspection documents and certificates are attached as Exhibit A.

Certificates of Use and Occupancy

Copies of all use and occupancy certificates granting temporary or permanent occupancy for the Academy's High School facilities, identified in this Schedule, are automatically incorporated into the Contract upon receipt by the University Charter Schools Office as Exhibit A.

C. Address and Description of the UPSM High School (Grades 9-12):

The UPSM High School is located at:

2664 Franklin Street Detroit, MI 48207

Description: The Academy High School will be a renovated warehouse construction located between Chene Park and Stroh Place at 2664 Franklin Street, Detroit, MI 48207. The facility will be approximately 80,000 square feet with 20,000 square feet on each of three classroom floors and another 20,000 square feet on a newly constructed fourth floor where the gym, cafe, conference room, and terrace will be located. The UPSM High School includes the renovated building, improvements, parking lots, paved areas, driveways, ingress/egress and all fixtures, furnishings and equipment. Site plans, floor plans, and building elevations are attached as **Exhibit B**.

PSAD will enter into a lease with TEF Franklin L3C, LLC. TEF Franklin L3C is a two member limited liability company. The Thompson Educational Foundation is the managing member and majority interest of TEF Franklin L3C, LLC. New Urban Learning, Inc. is the second, minority member of TEF Franklin L3C, LLC. A copy of the draft lease is attached as **Exhibit B**.

Inspections and Certificates

Appropriate copies of inspection documents and certificates will be provided as they are obtained and the building is renovated and will be attached as **Exhibit B**.

Certificates of Use and Occupancy

Copies of all use and occupancy certificates granting temporary or permanent occupancy for the Academy's High School facilities, identified in this Schedule, are automatically incorporated into the Contract upon receipt by the University Charter Schools Office as Exhibit B.

2251 Antietam Detroit, MI 48207 Amend.9)

SCHEDULE 8-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

UPSM Elementary Facility

D. Address and Description of the UPSM Elementary School (Grades K-5):

The UPSM Elementary School is located at:

2322 DuBois Detroit, Michigan 48207

Description: UPSM Elementary School will operate at the historic (former Detroit Public School) Miller School. UPSM Elementary School will share the same relationship as the rest of the district with the Thompson Educational Foundation (TEF). TEF purchased and renovated the building and will lease the facility at \$1 per year under a performance lease. The lease spells out specific educational performance requirements, including the 90-90 criteria and will be attached as **Exhibit C**.

Inspections and Certificates: Appropriate copies of inspection documents and certificates will be provided as they are obtained as the building is renovated and will be attached as Exhibit C.

Certificates of Use and Occupancy: Copies of all use and occupancy certificates granting temporary or permanent occupancy for the UPSM Elementary School facilities, identified in this Schedule, are automatically incorporated into the Contract upon receipt by the University Charter Schools Office as part of Exhibit C.

UPSM High School Lease

(TEF-Franklin)

Schedule 8-9, Exhibit A

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-Franklin, LLC, a Michigan limited liability company, owner and Landlord of the property located at 2664 Franklin, Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at 2664 Franklin, Detroit, MI 48202

RECITALS:

- A. WHEREAS. Landlord and Tenant are parties to that certain Lease Agreement, dated July 1, 2018 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the Lease to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

LANDLORD:

TENANT:

TEF-Franklin, LLC,

a Michigan nonprofit limited liability company

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Robert M. Thompson

Bv:

Joseph Aristeo

President

BLOOMFIELD 38030-1 2391511v2

LEASE

Between

LANDLORD: TEF-Franklin, LLC a Michigan limited liability

company,

And

TENANT: THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan non-profit corporation

Dated: July 1, 2018

LEASE

SECTION 1 SCHEDULE

LANDLORD:

NAME: TEF-Franklin, LLC

ADDRESS: P.O. Box 6349 Plymouth, MI 48170

TENANT:

NAME: THE PUBLIC SCHOOL ACADEMIES OF

DETROIT

ADDRESS: 600 Antoinette, Detroit, MI 48202

DEMISED PREMISES:

Land located in the City of Detroit, Wayne County, Michigan at 2664 Franklin, Detroit, Michigan as described in legal description attached as Exhibit A (the "Site"), together with all improvements located thereon, including without limitation the existing building, furnishings, fixtures, equipment, parking areas and related site improvements (collectively, the "Demised Premises").

LEASE TERM:

July 1, 2018 until June 30, 2023 unless terminated sooner

pursuant to Paragraph 2.2.

EFFECTIVE DATE

Tenant below.

The date this Lease has been executed by Landlord and

COMMENCEMENT DATE:

The term of this Lease shall commence on the date hereof.

TERMINATION DATE:

June 30, 2023.

BASE RENT:

The Annual Base Rent shall be \$1.00.

EXHIBITS ATTACHED:

"A" - Legal Master Deed

"B" - Schedule of Performance Standards
"C" - Form of Charter Impacts Report

SECTION 2 GRANT, TERM AND TERMINATION OF PRIOR LEASE

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease. Also, the Lease Term shall immediately terminate if Tenant's authorization to operate the University Prep Science and Math High School is terminated in accordance with Article X of a certain Restated Contract to Charter One or More Urban High School Academies and Related Documents dated July 1, 2018, by and between Grand Valley State University Board of Trustees ("Authorizer") and Tenant (the "Charter School Contract").

2.3 Termination of Prior Lease

This Lease amends and restates in its entirety that certain Lease dated June 30, 2013 by and between Landlord and Tenant with respect to the Demised Premises, as amended (the "Prior Lease"). Effective as of the date hereof the Prior Lease is terminated and of no further force and effect except for those obligations set forth therein which expressly survive termination and any obligations for payments of Additional Rent Tenant arising or incurred during the term of the Prior Lease.

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Tenant acknowledges it currently has possession and occupancy of the Demised Premises and that the Lease Term shall commence on the date of this Lease.

4.2 Memorandum

Upon request of the Landlord, Tenant shall join with Landlord in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Lease Term. Tenant's failure to execute the Memorandum (if requested by Landlord) shall be a default by Tenant under this Lease.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated above, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in one annual payment in advance of the Rent Commencement Date and the first day of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. To the extent permitted by law and without waiving any privilege or immunity, Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as utilities, maintenance, etc.), if provided directly to Tenant, excluding Base Rent, including, without limitation, utilities, taxes, maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any such amount, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay Base Rent (Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever except as otherwise specifically set forth herein. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to tax, utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

"Lease Year" shall mean a period of twelve (12) consecutive calendar months, commencing July 1, 2018 and ending on June 30, 2023. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 <u>UTILITIES</u>

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone and all other utilities ("Utilities") during the Lease Term (but specifically excluding the expenses of

bringing Utilities to the Site and to the improvements constituting the Landlord Improvements and separately metering the Utilities, which costs are included as part of the Landlord Improvements) as the same shall become due all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any such utilities, or for any interruption in the supply of any such utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined in Section 7.2) assessed against the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the lease term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees; provided, that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date basis.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for the purpose of managing and operating an urban high school academy for use as a high school known as the University Prep Science and Math High School and attendant office use, and for no other purpose without the prior written consent of Landlord, which may be granted or withheld in its sole and absolute discretion. Without limiting the generality of the foregoing, in no event shall any use of the Demised Premises include (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1) private or commercial golf course, (2) country club, (3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal business of which is the sale of alcoholic beverages for consumption off premises. ANY VIOLATION OF THE FOREGOING USE RESTRICTIONS SHALL BE A MATERIAL DEFAULT GIVING RISE TO AN IMMEDIATE RIGHT OF TERMINATION OF THE LEASE TO THE EXTENT PERMITTED BY APPLICABLE LAW SUBJECT TO THE MINIMUM NOTICE REQUIREMENTS OF APPLICABLE LAW.

Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Commencement Date. Tenant shall comply strictly with each and every term, condition and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in as good condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not use, cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any privilege or immunity, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury or death or property damage occurring in, upon or about the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit

such indemnifications. All liability policies shall contain aggregate limits applying on a per location basis and shall name landlord and any lender designated by landlord as additional insured on a primary non-contributory basis.

9.3 Delivery of Policy

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance and Repairs

Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided, however, that Tenant shall not be responsible for (a) latent defects at the Demised Premises, or (b) any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at its cost. The plumbing system, including the sewage facility, serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

10.2 Compliance with Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date, or to perform any obligation that was to be performed by Landlord as part of the Landlord Improvements.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All work done in connection with any change or alteration shall be done promptly and in a good and workmanlike manner and in compliance with the building and zoning laws of the place in which the Demised Premises are located and with all laws, ordinances, orders, rules, regulations and requirements of all governmental authorities. The cost of any such change or alteration shall be paid in cash so that the Demised Premises shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to the Demised Premises. All improvements and alterations made or installed by Tenant in or on the Demised Premises shall immediately upon completion or installation thereof be and become a part of the Demised Premises and subject as such to the terms of this Lease.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense keep the Demised Premises insured for the benefit of Landlord:

(i) by a special form "All Risk of Physical Loss" policy subject to no coinsurance requirements including any endorsements reasonably required by Landlord and in an amount equal to the full replacement and reconstruction cost of the building and valued on a replacement cost basis. The limit shall take into account the replacement value of the building and improvements which are a part of the Demised Premises (including any alterations made by Tenant and incorporated into the Demised Premise) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings. This policy shall contain Ordinance/Increased Cost of Construction/Demolition coverage subject to a limit of no less than \$500,000;

- (i) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- during the period of any construction, repair, restoration, or replacement of the Demised Premises, performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord. Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. The policy shall contain a standard mortgagee endorsement in favor of Lender (as defined below) and Landlord and any mortgagee shall be named as additional insureds and loss payees on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord and mortgagee. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore the Demised Premises or make it tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty

(30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises. If Landlord shall elect to restore the Demised Premises, then in no event shall Tenant's obligation to pay Base Rent and all other Rent abate following any casualty or destruction of the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever

arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of a stipulation, agreement, or order of possession. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant, at its sole and absolute discretion, may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be pro-rated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, diminution in value of the leasehold interest only, and other just compensation and reimbursement to which Tenant is entitled from the condemning authority.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises. Landlord and Landlord's agent shall comply with all Laws when accessing the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All furnishings, fixtures and equipment incorporated into and/or affixed to the Demised Premises by Landlord shall remain the property of Landlord at the termination of this Lease. Unless otherwise agreed to in a prior writing signed by Landlord and Tenant, if Tenant installs any furnishings, fixtures or equipment during the Term of this Lease that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then they shall become the property of Landlord at the termination of the Lease Term and shall not be removed without Landlord's prior written consent, which may be granted or withheld in its sole and absolute discretion. All fixtures and equipment installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such fixtures in accordance with all applicable Laws and shall repair any such damage or injury in a good and workmanlike manner. This Section shall not apply

to the furnishings, fixtures and equipment leased by Landlord to Tenant pursuant to that certain Equipment Lease Agreement dated as of the date of this Lease.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant without the prior written consent of the Landlord, which may be granted or withheld in its sole and absolute discretion.

SECTION 17 SALE OR TRANSFER

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following non-exhaustive list of events shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due.
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent and other than any other default, breach or failure identified in a separate paragraph of this Section 18.1, and such failure remains uncured for thirty (30) days following written notice.
- (c) Tenant files bankruptcy or Tenant becomes insolvent.
- (d) Tenant has abandoned for longer than thirty (30) days except for the period from June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises.
- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in Board President of the Tenant's Board of Directors or a change in the majority of members

- of the Tenant's Board of Directors from those holding office on the Lease Commencement Date without the prior approval of Landlord having been obtained.
- (f) In the event that a Change in Control of the Educational Management Company used by Tenant to operate the public school academy which is operating the building and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean any of the following: (1) a change in the President of the Board of Directors or Managing Member of the Educational Management Company; (2) a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date; or (3) change in the Chief Executive Officer (or similar title); or (4) any change of the actual person in primary control of the operation of the respective school on behalf of the Educational Management Company.
- (g) The failure of Tenant to establish policies required by the Charter School Contract when and as required by the Charter School Contract.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend the Charter School Contract, for any reason or no reason, unless Charter School Contract is otherwise replaced by new Authorizer prior to the commencement of the next School Year. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under any current Leases (or subleases) between Tenant, or any entity related to Tenant, and any subsidiary or related entity to Thompson Educational Foundation which may include, but are not limited to, TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-SIX, LLC, and, TEF-EIGHT, LLC, that is not cured within the time specified in such Lease.
- (j) Tenant fails to meet any one or more of the performance standards set forth on Exhibit B (collectively, the "Performance Standards").
- (k) The failure of Tenant to comply with any Reporting Requirement set forth in Section 19 of this Lease.
- (1) The failure of Tenant to comply with the restrictions on the use of the Demised Premises set forth in Section 8.1 of this Lease.
- (m) In the event that there shall be a change in the Contract Administrator in place at the time of Lease Commencement Date without the prior written approval of Landlord having been obtained.
- (n) Tenant not operating the University Prep Science & Math High School at the Demised Premises in accordance with the Charter School Contract.

18.2 Landlord's Remedies Upon Default

- Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(e), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to reenter the Demised Premises in accordance with applicable law to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry, or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.
- (b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if the Landlord prevails, the Tenant shall pay the Landlord for expenses incurred in the action, including reasonable attorney's fees. Such expenses shall be deemed to have an incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorney fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 REPORTING

19.1 School Reports

During the Lease Term, as soon as available, but in no event after the period set forth herein, Tenant shall furnish, upon written request and to the extent not otherwise prohibited

by law, or, where information is maintained on government online databases or formats, make available to Landlord the following documents with respect to the School:

- a) within sixty (60) calendar days after the beginning of each fiscal year of Tenant, annual enrollment for the School, including, without limitation, federal free and reduced- price lunch eligibility and special education and ethnicity enrollment;
- b) within thirty (30) calendar days of Tenant's receipt as to the School and to the extent not otherwise prohibited by applicable law: (i) "Annual School Report Card" required by the Every Student Succeeds Act, and the following additional information if not included in the Annual School Report Card: performance on mandated state educational tests and internally-administered tests; (ii) all programmatic quality reporting, including reports to the charter authorizer; and (iii) all material correspondence from the charter authorizer; and
- c) promptly after request, Tenant shall furnish to Landlord such additional information, reports, statements, and certificates with respect to the School as Landlord may from time to time reasonably request, in form and content reasonably satisfactory to the Landlord.
- Tenant acknowledges and agrees that Landlord is subject to certain reporting requirements (the "Reporting Requirements") set forth in Community Benefits Agreement dated as of the date hereof by and among Landlord, Thompson Educational Foundation and the Lender (as defined below). Tenant has received a copy of the Reporting Requirements and agrees to provide such information to Landlord within fifteen (15) days of request in order to enable Landlord to comply with the Reporting Requirements, including but not limited to completion of the Charter Impacts Form attached hereto as Exhibit C.
- e) Tenant and Landlord acknowledge and agree that, notwithstanding anything to the contrary, certain student-identifying information (including, without limitation, names and social security numbers) may be redacted from documents provided to Landlord pursuant to this 19.1 to protect the privacy of students of the School prior to such documents being delivered to Landlord.

19.2 Financial Reports and Covenants

- a) Tenant shall maintain a minimum Lease Payment Coverage Ratio of not less than 1.10 to 1.00, measured as of the end of each of Tenant's fiscal years, commencing with Tenant's fiscal year beginning on July 1, 2018 and ending with Tenant's fiscal year beginning July 1, 2023. For the purposes hereof, the "Lease Payment Coverage Ratio" shall be determined by dividing, with respect to Tenant's operation of the School, (i) Tenant's Earnings Before Interest, Taxes, Depreciation, Amortization and Tenant's Rent obligations under the Lease by (ii) the sum of Tenant's interest expense. Tenant's rent obligations under the Lease, and Tenant's Current Portion of Long-Term Debt for the prior period.
- b) Tenant shall deliver to Landlord (i) within one hundred twenty (120) days of the UPSM High School Lease

end of Tenant's fiscal year, financial statements for Tenant (including, at a minimum, a balance sheet, an income statement showing breakeven or better financial performance, and a statement of cash flow), which financial statements include specific details for Tenant Business and are certified as true and correct by an authorized officer of Tenant, in a form reasonably satisfactory to Landlord in all respects and audited by an independent certified public accountant reasonably approved by Landlord. All financial statements shall be prepared in accordance with generally accepted accounting practices for public school accounting in the State of Michigan. Tenant shall deliver to Landlord such other financial information with respect to Tenant and the Demised Premises as Landlord may reasonably request from time to time.

SECTION 20 OUIET ENJOYMENT

Landlord covenants that so long as no Tenant Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 21 MORTGAGE, SALE OR TRANSFER

21.1 Mortgage

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust, or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the Demised Premises so long as Tenant is not otherwise in Default beyond any applicable cure period in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SDNA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

21.2 Sale or Transfer

Landlord shall have the right to sell, transfer, or assign the Demised Premises ("Conveyance"). In the event of a Conveyance, Tenant shall attorn to the purchaser, transferee, or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease, and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease provided such obligations are assumed in writing by such Transferee and a cop thereof is provided to Tenant.

SECTION 22 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 23 OPTION TO EXTEND

23.1 Option to Extend Lease Term

So long as no Tenant Default has occurred and is continuing, Tenant shall have the option to extend the Lease Term for one additional five (5) year term on the same terms and conditions set forth herein (each an "Option to Extend"). The Base Rent for each Lease Year of such extended term(s) shall be as set forth above in Section 1. Each Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

23.2 Exercise of Option

Tenant may exercise an Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the then current five (5) year Lease Term.

SECTION 24 MISCELLANEOUS

24.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises and the buildings and improvements to be constructed thereon. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

24.2 Modification

This Lease shall not be modified or amended unless by a writing signed by Landlord and Tenant.

24.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to the party at the address set forth Section 1, except that after the Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided

in writing by such party and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery, prepaid, to such courier service.

24.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

24.5 Captions and Section Numbers

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

24.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

24.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

24.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

24.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Remainder of Page Intentionally Blank]

UPSM High School Lease IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first written above.

LANDLORD:

TEF-Franklin, LLC. a Michigan limited liability company

Robert M. Thompson

President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

Joseph A. Aristeo

President

EXHIBIT A LEGAL DESCRIPTION

That parcel of land in the City of Detroit, Wayne County, Michigan, more particularly described as follows:

As Surveyed:

S Franklin 2, 1E 11.96 ft 14, 15, 16 and vacated alley adjacent Fraser's Section of Chene Farm L1 P229 plats, WCR 11/7 E, F plat of pt of Chene Farm L1 P240 plats, WCR 11/11 W 19.5 ft 9, 10, 11, 12, W 2.48 ft 13 and vacated alley adjacent BLK 6 Matilda V. Chapotons Sub L1 P201 Plats, WCR 11/18

Also described As:

The East 105 feet of Lot E. Plat of Part of Chene Farm, as recorded in Liber 1, Page 240 of Plats. Wayne County Records. (Formerly Tax Parcel No.: Ward 11, Item No. 000058)

and

The West 75 feet of Lot E, and the East 15 feet of Lot F, Plat of Part of Chene Farm, as recorded in Liber 1, Page 240 of Plats, Wayne County Records. (Formerly Tax Parcel No.: Ward 11, Item No. 000059)

and

Lots 11, 12, and the West 2.48 feet of Lot 13, Block 6. Matilda V. Chapotons Subdivision, as recorded in Libor 1, Page 201 of Plats, Wayne County Records. (Formerly Tax Parcel No.: Ward 11, Item No. 000024-7)

and

Lot 10 and West 19.50 feet of Lot 9, Block 6, Matilda V. Chapotons Subdivision, as recorded in Liber 1, Page 201 of Plats. Wayne County Records. (Formerly part of Tax Parcel No.: Ward 11, Item No. 000048-57)

and

The West 105 feet of Lot F. Plat of part of Chene Farm, as recorded in Liber 1, Page 240 of Plats, Wayne County Records. Also, the East 20 feet of Lot 16, and the East 20 feet of Lot 1, and vacated alley lying between Fraser's section of Chene Farm, as recorded in Liber 1, Page 229 of Plats, Wayne County Records. (Formerly Tax Parcel No.: Ward 11, Item No. 000060-3)

Lot 2 and the West 19.28 feet on the North line being the West 13 feet on the South line of Lot 1, and the East 11.96 feet of Lot 14 and all of Lot 15, and the West 15 feet on the North line being the West 8.72 feet on the South line of Lot 16, and vacated alley adjacent to Fraser's section of part of Chene Farm, as recorded in Liber 1, Page 229 of Plats, Wayne County Records. (Formerly Tax Parcel No.: Ward 11, Item No. 000023)

Assessed As:

S FRANKLIN 2,1, E 11.96FT 14,15,16 & VAC ALLEY ADJ FRASERS SEC OF CHENE FARM L1 P229 PLATS, W C R 11/7 E,F PLAT OF PT OF CHENE FARM L1 P240 PLATS, W C R 11/11 W 19.5FT 9, 10,11,12, W 2.48FT 13 & VAC ALLEY ADJ BLK 6 MATILDA V CHAPOTONS SUB L1 P201 PLATS, WCR

Commonly known as: 2664 Franklin Street, Detroit, MI 48226

EXHIBIT B

Performance Standards

- 2

Performance Metrics for Independent Contractor Agreement for the University Preparatory Science and Math (UPSM) District

High School Level

1. Student Growth

- a. The median growth percentile for all students shall be at least 60 for ELA and 60 for math.
- b. If a school has reached its proficiency target before 2024, the median growth percentile for all students shall be at least 50.

2. Student Mastery

a. 85% of students will be on track for on-time graduation at the end of each year.

3, School and Student Culture

- a. Average district daily attendance rate for students shall be at least 90% each school year.
- b. 85% of students will have at least a 90% attendance rate every year.
- c. 90% of parents shall attend learning team meetings and/or student led conferences/passages.
- d. The School must score at adequate or higher every year as measured by the culture rubric for the UPSM district.

4. Recruitment and Graduation

- a. 90% of the freshman high school class entering the high schools each year shall graduate within four years as measured by the Michigan Department of Education graduation rate formula.
- b. 90% of the students who graduate each year shall be enrolled at a four year college, two year college, enlist in the military or be enrolled to other post-secondary studies.

5. Reporting

a. Annually, the PSAD board will be provided a year end review report detailing the high school's performance in these areas, in addition to the datadashboards.

EXHIBIT C

Form of Charter Impacts Report

Exhibit C
Form of Charter Impacts Report

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CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Building Permit: B028673
University Preparatory Academy
2664 Franklin Street
Detroit, 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

August 4, 2010

UPSM Middle School Sublease

(TEF-Five)

Schedule 8-9, Exhibit B

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-FIVE, LLC, a Michigan limited liability company, owner and Landlord of the property located at 5100 John R., Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at 5100 John R., Detroit, MI 48202

RECITALS:

- A. WHEREAS. Landlord and Tenant are parties to that certain Lease Agreement, dated July 1, 2012 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the Lease to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

LANDLORD:

TENANT:

TEF-FIVE, LLC.

a Michigan nonprofit limited liability company

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Robert M. Thompson

Bv

Joseph Aristeo

President

BLOOMFIELD 38030-1 2391511v2

TO LANDLORD: TEF-FIVE, LLC, a Michigan limited liability company,

Robert M. Thompson President

NOTICE OF EXERCISE OF THE OPTION TO EXTEND

Public School Academies of Detroit, a Michigan nonprofit corporation, and Tenant of the property located at 5100 John R., Detroit, Michigan 48202, under that certain Sublease Agreement dated July 1, 2012, with **TEF-FIVE**, **LLC**, a Michigan limited liability company, as the owner and landlord, elects to exercise its right under Section 21 of the Sublease Agreement to extend the lease term for an additional five (5) years from July 1, 2014 to June 30, 2019 (the "Extended Term") upon the same terms and conditions set forth in the Sublease.

This notice of exercise of the option is given to the Landlord by kand delivery on June 25, 2013. overnight

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By:

Edward Parks

President

SUBLEASE

Between

LANDLORD: TEF-FIVE, LLC, a Michigan limited liability company,

And

TENANT: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated: July 1, 2012

SUBLEASE (hereinafter referred to as "Lease")

SECTION 1 SCHEDULE

LANDLORD: NAME: TEF-FIVE, LLC

ADDRESS: P.O. Box 6349

Plymouth, MI 48170

TENANT: NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

600 Antoinette Detroit, MI 48202

DEMISED PREMISES: Land located in the City of Detroit, Wayne County,

Michigan at 5100 John R., Detroit, Michigan 48202, as described in the legal description attached as **Exhibit B** ("Site" or "Demised Premises"), together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment, parking areas and related site improvements – The University Prep Science & Math

Middle School.

LEASE TERM: July 1, 2012 until June 30, 2014 unless terminated sooner

pursuant to Section 2.2.

LEASE COMMENCEMENT

DATE:

This Lease shall commence and is effective on July 1,

2012.

RENT COMMENCEMENT DATE: July 1, 2012

SCHOOL YEAR July 1 to June 30

TERMINATION DATE: June 30, 2014.

BASE RENT: The Annual Base Rent shall be \$1.00.

EXHIBITS ATTACHED: "A" - Ground Lease and Joint Use Agreement

"B" - Legal Description of Demised Premises.

"C" - Performance Standards.

"D" - Schedule of Annual Cap Ex Amounts

SECTION 2 GRANT AND TERM

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in the Ground Lease and Joint Use Agreement attached hereto and marked as Exhibit A and referenced in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term commencing on the Lease Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated December 14, 2007, as amended, by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Landlord shall deliver actual possession of the Demised Premises to Tenant on the Lease Commencement Date specified in Section 1. On the Lease Commencement Date, Tenant will be deemed to have accepted the Demised Premises. The Rent, as defined herein, due under this Lease and the term of this Lease shall commence on the Rent Commencement Date.

4.2 Landlord Not Liable For Delays

Under no circumstances shall Landlord be liable for any delays in the delivery of possession to Tenant on the Rent Commencement Date. Tenant's sole and exclusive remedy shall be the abatement of Rent until the Demised Premises are ready for occupancy and possession is delivered to Tenant.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated in Section 1, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in one annual payment in

advance on the Rent Commencement Date and the first day of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that the Annual Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as Utilities (as defined below), maintenance, etc.), if provided direct to Tenant, excluding Annual Base Rent, including, without limitation, Utilities, Taxes (as defined below), maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any Additional Rent, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay the Annual Base Rent (the Annual Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to Tax, Utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

Lease Year shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2012 and ending on June 30, 2013. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of Landlord's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the Lease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Lease Years.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for (a) the purpose of establishing, managing, and operating an urban high school academy and attendant office use, for uses authorized under the Charter School Contract, and for no other purpose

without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion. Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Lease Commencement Date. Tenant shall comply strictly with each and every term, condition, and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in a substantially similar condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

8.4 Incorporation by Reference of Ground Lease and Joint Use Agreement

Tenant hereby acknowledges that the provisions of the Ground Lease and Joint Use Agreement marked as **Exhibit A** are incorporated hereby by reference and that, with the exception of any obligations relating to initial construction contained such Exhibit, Tenant hereby assumes the obligations and duties of Landlord and agrees to be bound thereby and further agrees that all restrictions in the Exhibit shall likewise be restrictions upon the operations of Tenant. The breach by Tenant of any provision of **Exhibit** A shall constitute a breach of this Lease.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon,

incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Landlord as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Landlord. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Landlord. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Landlord prior to Tenant taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Subject to any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord's Improvements, all of which maintenance Landlord shall be responsible to cause to be

performed at Landlord's cost, Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided however, that Tenant shall not be responsible for latent defects at the Demised Premises. The plumbing system, including the sewage facility serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency and except custodial) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

Tenant hereby agrees to appropriate an annual amount ("Annual Cap Ex Amount") per Lease Year for the remaining Lease Term and any exercised Option Period for fixtures, furnishings and equipment (collectively, the "FF&E") mechanical, HVAC, plumbing, sewer, electrical, and other building system (collectively, the "Building Systems") repairs and replacement at the Demised Premises. The repair and/or replacement FF&E and Building Systems shall become the property of Landlord upon installation caused by Tenant and shall remain at the Demised Premises after termination and/or expiration of this Lease. FF&E and Building Systems expenditures shall be made prior to the commencement of the School Year during such Lease Year and if the Annual Cap Ex Amount is not expended by the start of the School Year, the remaining amount shall be placed in an escrow account or capital reserve budget line item ("Escrow Account") before the start of the School Year with a federally insured bank with withdrawal privileges requiring the signatures of both Landlord and Tenant for withdrawals in excess of \$10,000. Tenant's failure to expend the Annual Cap Ex Amount in each Lease Year and/or escrow the shortfall or full amount thereof after the fourth Lease Year and for each and every year thereafter, including any Option Period (if exercised), in a timely fashion as outlined herein shall constitute a Default under this Lease.

Tenant agrees the Cap Ex Amount currently held in an Escrow Account under the lease in place at the time of, and replaced by, the execution of this Lease shall continue to be held in such Escrow Account until June 30, 2013. Such Cap Ex Amount requirement shall expire on June 30, 2013. On or before June 30, 2013, Landlord and Tenant shall negotiate in good faith to determine through a comprehensive building evaluation, the Annual Cap Ex Amount and include a schedule of Annual Cap Ex Amounts as an additional **Exhibit D** to this Lease.

10.2 Compliance With Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of

the nature thereof, which are required by any Laws or Restrictions or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense, keep the Demised Premises and all Landlord owned FF&E insured for the benefit of Landlord:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Landlord from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Landlord in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Landlord owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of the actual taking. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be prorated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, and diminution in value of the leasehold interest only and loss of business.

13.2 Landlord's and Tenant's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Landlord.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All FF&E installed by Landlord shall remain the property of Landlord at the termination of this Lease. If Tenant installs any FF&E during the Lease Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Landlord upon installation and shall not be removed without Landlord's prior written consent, which may be granted or withheld in Landlord's sole and absolute discretion. All FF&E installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.

If Tenant installs any FF&E during the Lease Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Tenant may remove such FF&E at the termination of this Lease.

Annually, on or about April 15 of each calendar year, Tenant shall provide Landlord with an accounting as to any FF&E of Landlord which have been replaced or otherwise disposed of by Tenant. Except for any such items which have become damaged or unusable, Tenant shall offer Landlord the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Tenant. If Landlord does not exercise its right to claim such items, they may be disposed of by Tenant in such fashion as Tenant may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant (collectively, a "Transfer"), without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the Demised Premises, so long as Tenant is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

17.2 Sale or Transfer

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of a Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due;
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent, and such failure remains uncured for thirty (30) days following written notice thereof given by Landlord to Tenant;
- (c) Tenant files bankruptcy or Tenant becomes insolvent;
- (d) Tenant has abandoned for longer than thirty (30) days, except for the period from June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises;
- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in Board President of the Tenant's Board of Directors, or a change in the majority of members of the Tenant's Board of Directors from those holding office on the Lease Commencement Date, without the prior approval of Landlord having been obtained.
- (f) In the event that a Change in Control of the Educational Management Company used by Tenant to operate the urban high school academy school district which is operating the building

and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean any of the following: (1) a change in the President of the Board of Directors or Managing Member of the Educational Management Company; (2) a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date; or (3) change in the Chief Executive Officer (or similar title); or (4) any change of the actual person in primary control of the operation of the respective school on behalf of the Educational Management Company.

- (g) The failure of Tenant to establish policies required by the Charter School Contract in a timely manner, as required by the Charter School Contract.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend such Charter School Contract for any reason or no reason, unless replaced as provided in Section 2.2 prior to the commencement of the next School Year. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under any current Leases (or subleases) between Tenant, or any entity related to Tenant, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to TEF-ONE, LLC, TEF-FOUR, LLC, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such Lease.
- (j) Failure by Tenant to provide all information reasonably requested by Landlord to permit Landlord to confirm compliance with the terms of any tax credit arrangements relating to the Demised Premises and any Mortgage.
- (k) Tenant fails to meet any one or more of the performance standards set forth on **Exhibit C** (collectively, the "Performance Standards").
- (l) In the event that there shall be a change in the Contract Administrator in place at the time of Lease Commencement Date, without the prior written approval of Landlord having been obtained.

18.2 Landlord's Remedies Upon Default

(a) Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(e), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to re-enter the Demised Premises, in accordance with applicable law, to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.

(b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if Landlord prevails, Tenant shall pay Landlord for expenses incurred in such action, including reasonable attorney's fees. Such expenses shall be deemed to have been incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorneys' fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 QUIET ENJOYMENT

Landlord covenants that so long no Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 20 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 21 OPTION TO EXTEND

21.1 Option to Extend Lease Term

So long as no Default has occurred and is continuing, and Landlord and Tenant shall have agreed upon the terms of a revised, updated and replacement **Exhibit B** setting forth the Performance Standards for the Option Period (as defined below) (the "Replacement Exhibit B"), Tenant shall have one (1) option to extend the Lease Term on the same terms and conditions set forth herein but including the Replacement Exhibit B for a period of five (5) years (the "Option Period") in accordance with the terms of this Section 21 (the "Option to Extend"). The Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

21.2 Exercise of Option

If this Lease is in full force and effect, and Tenant complies with Section 21.1, Tenant may exercise the Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the initial Lease Term, provided Tenant is in compliance with the Performance Standards, and the Replacement Exhibit B has been incorporated into the Lease and is applicable for the Option Period.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Lease shall not be modified or amended unless in writing signed by Landlord and Tenant.

22.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to each party at the address set forth Section 1, except that after the Rent Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided in writing by Tenant and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile, e-mail or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery to such courier service.

22.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease.

22.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

22.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year first above written.

LANDLORD:

TEF-FIVE, LLC, a Michigan limited liability company

By: Thompson Educational Foundation, its sole member

By:

Robert M. Thompson, President

TENA	ANT:
DETR	PUBLIC SCHOOL ACADEMIES OF OIT,
Ву:	COMP and
	Edward Parks
Its:	
	President

Exhibit A Ground Lease and Joint Use Agreement

GROUND LEASE AND JOINT USE AGREEMENT

THIS GROUND LEASE AND JOINT USE AGREEMENT (this "Lease"), is made as of this 12th day of December, 2007, between the DETROIT SCIENCE CENTER, a Michigan non-profit corporation, whose address is 5020 John R. Street, Detroit, MI 48202 (hereinafter referred to as the "Landlord") and TEF-FIVE, LLC, a Michigan limited liability company, whose address is P.O. Box 6349, Plymouth, Michigan, 48170 (hereinafter referred to as "Tenant"). Landlord and Tenant are sometimes individually referred to in this Lease as a "Party" and collectively as the "Parties".

Section 1 LEASE OF PREMISES

Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant does hereby lease from Landlord, all of the Landlord's interest in that certain piece of land situated in the City of Detroit, County of Wayne and State of Michigan as indicated and more particularly described in the survey attached hereto as Exhibit A (this survey, as updated by Tenant, shall be defined as the "Survey") and made a part hereof (the "Demised Premises"), subject to all zoning and building ordinances and all easements and restrictions of record, if any. Landlord shall deliver the Demised Premises to Tenant with any and all liens thereupon subject to the interests of Tenant and with an agreement acceptable to Tenant assuring that so long as Tenant is not in breach hereof, the holders of such interests will not disturb or otherwise interfere with the rights and interests of Tenant as created hereunder. Tenant shall have the right to impose liens upon its leasehold interest only.

In addition to the demised premises, Tenant shall have the use of one classroom located in the Landlord's adjacent premises (Science Center Premises as hereinafter defined) as well as the parking and drive areas hereinafter discussed.

The Demised Premises are located adjacent to a parcel of land owned by Landlord as indicated and more particularly described in the Survey (the "Science Center Premises"). For purposes of this Lease, the Demised Premises are not included in the term "Science Center Premises". There currently exists an approximately one hundred ten thousand (110,000) square foot building upon the Science Center Premises. This existing building and any and all subsequent additions, improvements and replacements thereto and thereof are collectively referred to herein as the "Science Center Building". The Science Center Premises and Science Center Building are sometimes collectively referred to herein as the "Science Center Property".

Tenant acknowledges that as of the date of this Lease it has inspected, analyzed, reviewed and evaluated the Demised Premises and that it is thoroughly aware of the condition of the Demised Premises. EXCEPT AS MAY BE OTHERWISE PROVIDED IN THIS LEASE, THE DEMISED PREMISES ARE LEASED HEREUNDER TO TENANT "AS IS, WHERE IS" BASIS WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EITHER

EXPRESS OR IMPLIED AND WITH ALL FAULTS AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY NATURE WHATSOEVER, EXPRESS OR IMPLIED, ORAL OR WRITTEN, AND IN PARTICULAR, WITHOUT ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND, LANDLORD DISCLAIMS AND TENANT HEREBY WAIVES ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR DEMAND IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE WITH RESPECT TO THE DEMISED PREMISES. Without limiting the generality of the foregoing, Tenant acknowledges and agrees that Landlord neither represents nor warrants that the Demised Premises or any part thereof will serve any purpose satisfactorily; Landlord shall have no liability or responsibility for the condition and/or operation of the Demised Premises; and Tenant is leasing the Demised Premises based solely upon its own inspection, evaluation, review and analysis, and Tenant assumes the entire risk associated therewith.

Section 2 TERM

- (a) The initial term of this Lease shall commence on the date on the "Effective Date" hereto and shall continue and shall end ninety-nine (99) years later. The "Effective Date" hereof shall be the date upon which all contingencies have been removed or June 1, 2008 whichever is later.
- (b) For the purposes of Subparagraph (a) above, the contingencies which must be removed include the following:
- (i) Granting of any necessary variances by the Detroit Board of Zoning Appeals;
- (ii) Execution by Landlord's financing institutions of mutually acceptable Subordination and Non-Disturbance Agreements (This Agreement must be acceptable to both Landlord and Tenant as well as Landlord's financing institutions.);
 - (iii) Securing by Tenant of acceptable and adequate offsite parking;
- (iv) All other necessary approvals by the City of Detroit, Wayne County and the State of Michigan for the contemplated construction;
 - (v) Issuance of Building Permit;
- (vi) Securing by Tenant of Contractor willing to construct facility upon terms and conditions acceptable to Tenant;
- (vii) Subtenant securing any Charter necessary for operation of the anticipated school;
- (c) In the event that the contingencies set forth above have not been removed or waived by Tenant on or before June 1, 2008, then this Ground Lease and Joint Use Agreement shall be deemed null and void.
- (d) This Ground Lease will not be effective unless or until Detroit Science Center obtains a mutually satisfactory consent letter from its lender group. If such letter is not received on or before December 31, 2007 (which date may be extended by mutual consent of the parties),

the Ground Lease and Joint Use Agreement will be null and void.

(d) Absent a separate agreement to the contrary between the parties hereto, commencement of construction shall not occur until all contingencies have been removed.

Section 3 RENT

Tenant shall pay rent to Landlord for the leasing of the Demised Premises at the office of Landlord, or at such place or places as Landlord shall designate from time to time in writing during the continuance of the Term, in the amount of \$1.00 per year ("Base Rent") without any offset, abatement or deduction whatsoever, and without previous demand therefore. The purpose and intent of this Lease is that the Base Rent provided for in this Section shall be, except as may otherwise be provided in this Lease, an absolutely net return to Landlord and shall continue unreduced and unabated throughout the entire Term and shall be absolutely net of all costs, expenses, taxes (real and personal), assessments and charges of every kind and nature whatsoever relating to the ownership, occupancy, use, maintenance, upkeep and preservation of the Demised Premises, except as otherwise provided herein, which shall be borne and paid by Tenant so that the Base Rent constitutes the minimum income realized by Landlord from the Demised Premises. Tenant will indemnify and hold harmless Landlord from and against such costs, expenses, taxes, assessments and charges. The base rental rate shall cover the Tenant's right to use one classroom in the Science Center Premises as well as the four parking spaces and the drive area of the Science Center Premises.

Section 4 USE OF DEMISED PREMISES

- (a) The Demised Premises shall be used exclusively for the purpose of constructing, maintaining and operating a high performance educational facility upon the Demised Premises and no other purpose or use whatsoever except as may otherwise be provided in this Section 4. A change in structure from a high performance educational facility shall be considered a Material Change and subject to 4(b) below.
- Landlord's prior written consent. For purposes hereof, the term "Material Change" shall mean any change that would meaningfully, materially or substantially change the Use so that the use of the Demised Premises would no longer reflect the ideals, mission and purpose of the Use in a meaningful, material or substantial manner or way. If Landlord's consent is sought in connection with a proposed use of the Demised Premises for another school or learning institution, Landlord's construction of the term "Material Change" shall be reasonable and Landlord's consent thereto shall not be unreasonably withheld. In every other instance however, Landlord may withhold its consent in its sole and unfettered discretion. A change in subtenant or Operator of the school alone shall not constitute a Material Change.

If Landlord shall consent to a single Material Change, that shall not be deemed to constitute a consent of any subsequent change in Use that is or may be identical or similar to the change that Landlord previously consented to. Moreover, any and all changes in Use shall be

subject to the provisions of this Section 4 and the process provided by this Section 4 shall be repeated each and every time a change in Use is proposed by Tenant.

- (c) If a Material Change is proposed, Tenant shall submit a written request to Landlord for Landlord's consent describing the proposed change in Use, accompanied by a copy of the sublease agreement and lease agreement pursuant to which the Demised Premises and Improvements would be leased. Landlord shall thereafter have thirty (30) days to consider such request and during such period:
- (i) Landlord may provide its consent whereupon this Lease shall continue subject to the terms and conditions hereof; or
- Landlord may withhold its consent whereupon (a) this Lease shall (iii) continue subject to the terms and conditions hereof and (b) if Tenant shall fail to conform to the requirements of Section 4(a) concerning the Use within the following ninety (90) days, Landlord shall then have the option to purchase the Improvements at the Fair Market Value (as hereinafter defined) within the next one hundred eighty (180) days. To effect such option Landlord shall give written notice to Tenant during the first 30 days of such period. Within 30 days of such notice the three appraisers referenced below in this paragraph shall be retained. Within 30 days of receipt of the three appraisals the Landlord shall confirm in writing to the Tenant its intent to purchase the property at the "Fair Market Value". If the Landlord fails to confirm its intent to purchase the property its option shall expire. The resulting sale and purchase shall be consummated on the first (1st) business day of August of the next year following the year such option is exercised and upon the consummation of such sale and purchase, this Lease shall terminate. If Landlord elects not to purchase the Improvements, Tenant shall be entitled to sell or lease the improvements for any permitted zoning use, which would allow for the highest and best permitted use. For purposes hereof, the term "Fair Market Value" shall mean (unless the Parties agree otherwise) the average of three (3) appraisals conducted by three (3) appraisers, one (1) appraiser chosen by each Party and the third appraiser being chosen by the other two (2) appraisers.

Section 5 CONSTRUCTION OF IMPROVEMENTS

- (a) The Demised Premises shall be divided into three areas. The first area shall be the "School Area". The School Area shall be constructed by Tenant. The second area shall be the "Shared Space Area". The Shared Space Area shall be constructed by the Tenant. The third area shall be the "DSC Space". The Tenant shall construct the basic structure for the DSC Space. All subsequent construction including the extension of various utilities shall be the sole responsibility of the Landlord. The Plans attached hereto as Exhibit C.3 shall define each area.
- (b) Tenant shall, at its sole cost and expense, remove any existing improvements upon the Demised Premises and provide all work and materials of whatsoever nature in order to construct the Improvements consisting of a school building of not less than seventy-five thousand (75,000) gross square feet and not more than eighty-five thousand (85,000) gross square feet, together with site preparation, utilities, restoration of existing landscaping, and

irrigation, and all other improvements whatsoever in connection therewith, as approximately set forth on the preliminary design attached hereto Exhibit C.1 and C.2 (the school building and all other such improvements are herein collectively referred to as "Improvements", as further detailed in Exhibits C.1 and C2). Tenant shall also, at its sole cost and expense, connect and integrate the Improvements to the Science Center Building in accordance with Exhibit C.1 and C.2, and in a manner that shall not adversely affect or impair the structure, components, systems or use of the Science Center Property. Tenant shall, at its sole cost and expense, furnish the Tenant Space with all necessary and desired equipment. The furnishing of all desired equipment furniture and fixtures for the DSC Space shall be completed at the sole cost and expense of Landlord.

- Landlord hereby approves the preliminary design plans attached as Exhibit C.2 Schematic Design. Minor changes and deviations in such preliminary plans are fine. However, any subsequent material change to the Improvements shall be subject to Landlord's prior written approval. Landlord shall use its best efforts to respond timely to any request for Landlord's approval under this subsection (c) so as to not impede the progress of construction and in any case, such approval shall not be unreasonably withheld. Tenant shall submit final construction drawings, plans and specifications (together with all supporting documentation and information necessary for Landlord to review the plans) to Landlord for Landlord's written approval, before submitting for building permits and shall not construct any improvements unless and until Landlord has approved the same in writing. In the event that Landlord rejects the plans or requests additional information to complete its review, Tenant shall revise the plans or submit such additional information as reasonably required by Landlord in order to obtain Landlord's approval. Landlord shall review such plans, as revised from time to time, and advise Tenant of any changes required by Landlord. (d) Tenant shall, at its sole cost and expense obtain any and all requisite building, construction, zoning and other licenses, variances, permits and approvals relating to the construction of the Improvements.
- (e) Upon issuance of such building permits, Tenant shall promptly undertake the construction and diligently prosecute such construction to completion. All construction shall be performed in accordance with the Plans relating thereto as approved by Landlord. The following provisions shall govern the construction:
- (i) During construction, Tenant shall pay for all electricity, water and other utilities consumed in performing such construction. Tenant shall be responsible for the removal of all construction debris and trash relating to the construction of the Improvements.
- (ii) All such work shall conform to applicable statutes, ordinances, laws, codes and governmental regulations. Tenant shall obtain and convey copies to Landlord of all applicable permits and all approvals as may be required by local or state authorities and utility companies. Meter cost fees, tapping, use and capital charges incurred by reason of supplying utilities shall be paid by Tenant except for any separate metering required to supply metering service to Landlord kitchen area, which costs shall be paid by Landlord.

- (iii) All of the contractors and subcontractors performing any such work shall be capable of performing quality workmanship.
- (iv) All of such work shall be performed in a first-class, workmanlike manner and shall be in good and usable condition at the date of completion.
- (v) Tenant shall take all reasonably necessary measures to minimize any damage, disruption or inconvenience in the area of the Demised Premises and/or Science Center Property caused by such construction, and make adequate provision for the safety and convenience of all persons affected thereby. Dust, noise and other effects of such construction shall be controlled using accepted methods customarily utilized in order to control such conditions. Tenant shall not permit the accumulation outside of dirt, debris, trash or the like.
- (vi) After completion of the improvements, and upon receipt by Tenant, Tenant shall supply Landlord with a copy of the certificate of occupancy from the local or state building department and one (1) set of "as-built" drawings for record purposes.
- (vii) Upon commencement of construction the Limited Guaranty of Completion in the form attached hereto and made a part hereof as Exhibit B shall be executed by The Thompson Educational Foundation.
- (viii) Construction shall commence upon issuance of all necessary building permits and shall be substantially completed within 18 months after issuance of such permits, For purposes of this provision, "commencement" shall mean the beginning of installation of the foundation for the Improvements. Once commenced, Tenant shall diligently proceed with construction. For purposes of this provision, "completed" shall mean the earlier of (a) use and occupancy of the Improvements by the Operator, or (b) issuance of a final certificate of occupancy for the Improvements.
- (ix) Tenant shall have access to and shall be permitted to use the adjacent parking area for construction staging purposes.
- (x) Upon completion of the Improvements, Tenant shall at its sole cost and expense, repair or replace if necessary, any and all parking, landscaping and other areas impacted by the construction of the Improvements in accordance with the approved plans and specifications.
- Improvements, including fixtures, shall vest in and become the property of Landlord without, except as otherwise provided in this Lease, any additional compensation or further instrument of conveyance. Tenant shall, if so requested, deliver, at no cost or expense to Landlord, a confirmatory deed or other document requested by Landlord of the foregoing. The Improvements shall be surrendered and transferred to Landlord free and clear of all liens or claims to or against them by Tenant or any third persons, and Tenant shall defend and indemnify Landlord against all liability or loss arising from such liens or claims. Tenant shall not waste or

destroy the Improvements and the Improvements shall not be removed or severed from the Demised Promises.

them that the Improvements are real property. It is the intent of the Parties that the separation of title to the Improvements and the Demised Premises is not to change the character of the Improvements as real property. It is also the intention and agreement of the Parties that the ownership of Tenant's leasehold estate and all of Tenant's right, title and interest in and to the Improvements shall be non-separable and that any attempt to transfer such right, title and interest in the Improvements shall be void and inteffective unless accompanied by a complete transfer of Tenant's leasehold estate in accordance with the terms hereof. This shall not however, limit or restrict the right if any, otherwise provided Tenant under this Lease, to assign and transfer its rights in and to this Lease and the leasehold interests created hereby.

Section 6 JOINT USE OF FACILITIES

- (including, meeting rooms and exhibit areas) without the payment of any additional Base Rent for any appropriate educational purposes, subject to availability and also subject to the prior consent of Landlord, which consent shall not be unreasonably withheld. Tenant may however, be required to pay the direct costs incurred by Landlord for using such facilities (For example, Imax license Fees). Tenant's use of such additional facilities shall not however, interfere with the use and operation of such facilities by Landlord and/or the use and enjoyment thereof by Landlord's invitees and guests. Tenant and Landlord shall cooperate in scheduling Tenant's use of such facilities. Tenant shall provide Landlord written notice of its desire to use the Science Center Building reasonably in advance of the date of each such proposed use, which notice shall specify the precise areas to be used, the duration of the use, and the number of people Tenant expects to use such areas. Tenant's use shall be at Tenant's risk of loss except in the case of Landlord's gross negligence or intentional acts.
- (b) Landlord shall be permitted to use all or any portion of the Improvements, except private office and lounge areas, outside of school semesters, during evenings and weekends and during other non-school hours, subject to availability. Landlord's use of such Tenant areas shall not however, interfere with the use and operation of such facilities by Tenant and/or the use and enjoyment thereof by Tenant's invitees and guests. Landlord and Tenant shall cooperate in scheduling Landlord's use of such facilities. Landlord shall provide Tenant written notice of its desire to use such Tenant areas reasonably in advance of the date of each such proposed use, which notice shall specify the precise areas to be used, the duration of the use, and the number of people Landlord expects to use such areas. Landlord use shall be at Landlord's risk of loss except in the case of the Tenant's gross negligence or intentional acts, however, Landlord shall not otherwise be required to pay any rental or other charges for the use of such Tenant areas.
- (c) Landlord and Tenant (and their respective employees, invitees, guest and students) shall be entitled to use the Shared Space (as hereinafter defined) in common and in cooperation with each other but, in a manner so as to not adversely affect the other Party's use

thereof. "Shared Space" shall mean the areas and space designated as "Common Areas" on the preliminary plans attached hereto as Exhibit C.3 and thereafter, on the permitted plans and specifications, their replacements and such other areas, which may be designated by Landlord for the general use in common of all of the users of the Science Center Building and Improvements. The Shared Space (including, building access) shall be kept open and made available to Landlord and its invitees and guests during such hours and on such days that Landlord is open or has a function and after such hours and on such other days if Landlord and its invitees and guests adhere to security rules and regulations established by Landlord and Tenant. Landlord and its employees, invitees and guests shall have the right and license to use the Science Center Space (as hereinafter defined). "Science Center Space" shall mean the areas and space designated as "DSC Space" on the preliminary plans attached hereto as Exhibit C.3 and thereafter, on the permitted plans and specifications, their replacements and such other areas Landlord and Tenant may hereafter designate for the use of Landlord and its employees, invitees and guests. Landlord shall maintain the Science Center Space at its sole cost and expense except as otherwise provided in this Lease.

Without the consent of the Parties (which consent shall not be unreasonably withheld), the Shared Space shall not be changed or altered in any manner which would materially change or alter the Shared Space's useable square feet or location or adversely affect a Party's use, operation, accessibility or availability so as to effectively deprive such Party with the use thereof.

Throughout the Term, Tenant shall be solely responsible for maintaining the Shared Space in first class condition and repair. Tenant shall pay to Landlord its Proportionate Share (as hereinafter defined on Exhibit E), of the Operating Expenses for the Shared Space in the manner hereinafter set forth. Throughout the Term, Landlord shall determine such Operating Expenses on a monthly basis, in arrears and shall provide the details and calculation thereof to Tenant. Within thirty (30) days of receipt of such detail, Tenant shall pay to Landlord amount then due promptly following such determination. Tenant shall be entitled to review Landlord's determination on request, including the method of determination and the data relied on in making the determination.

Landlord and Tenant "Proportionate Share of Operating Expenses" shall be apportioned in accordance with Exhibit E. "Operating Expenses" shall mean the actual, reasonable and direct costs incurred by the Landlord and or Tenant with respect to the operation, maintenance, repair and replacement of the Shared Space (excluding loss of rental income insurance) as set forth in Section 17 hereof; which, under generally accepted accounting principles, would be regarded as maintenance and operating expenses. Operating Expenses shall not include: (a) depreciation on the Improvements (b) costs of services, repairs, replacements and maintenance which are paid for by proceeds of insurance, by other tenants (in a manner other than as provided in this subsection) or third parties; (c) tenant improvements, real estate brokers' commissions, interest and capital items other than those referred to above; (d) capital expenditures of any kind or nature; (e) any costs associated with the operation or maintenance of the cafeteria(s); (f) any expenses incurred by Tenant which are not increased and/or necessitated by Landlord's operations; and/or (g) Tenant's general, administrative or overhead expenses, including, wages and other costs associated with Tenant's operations and personnel (except as otherwise provided

herein). The utilities provided to the cafeteria area shall be separately metered and shall be charged to Landlord. Such utilities expenses for the kitchen shall not be included in Operating Expenses which are shared but, shall be paid entirely by Landlord. The Landlord shall provide Tenant support for such determination. In accordance with Exhibit E the Tenant shall invoice the Landlord and provide support for such invoice to the extent the Tenant is billed for a shared expenditure. Any invoice therefore shall be paid by respective party within thirty (30) days of receipt of such invoice and support.

As used herein, "School Year" shall mean the twelve (12) month period commencing July 1st, and ending June 30th and each succeeding twelve (12) month period thereafter during the Term. "School Year 1" is the school year is intended to commence July 1, 2009 and ending June 30, 2010.

- (d) Tenant hereby irrevocably grants Landlord or its designee, the exclusive right and license to elect to manage and operate the cafeteria(s), the ticket booth and/or security counter, and gift shop(s) located within the DSC Space. The Landlord shall also have the right to sublease the cafeteria area within the DSC Space to an operator thereof, upon the written consent of the Tenant, which consent shall not be unreasonably withheld. Landlord acknowledges that Tenant may have a food warming center in the Tenant Space adjacent to the gymnasium and may use the gymnasium indicated on the Plans for its own food service.
- (e) The Parties shall each have the right and license to procure vending machines within their respective areas.
 - (f) [Intentionally omitted.]
- (g) Each Party shall have a nonexclusive right and license to use the driveways identified on the preliminary plans attached hereto as Exhibit C.1 and thereafter, on the plans.

Section 7 PARKING; DROP OFF AREAS

The existing parking area and public drop off area will be reconfigured as depicted in the preliminary plans attached as Exhibit C.1 and thereafter, on the plans. Landlord and Tenant shall have joint use of the public drop off area. Landlord shall exclusively and solely, own, control and operate any and all adjacent parking areas around and about the Demised Premises and Science Center Property and shall exclusively and solely retain any and all charges, fees and revenue of any kind from such parking areas.

Landlord shall maintain such parking and drop off areas free and clear and in good condition and repair and Landlord and Tenant shall equally share the costs of the driveways and drop off areas in accordance with Exhibit E. Tenant shall pay its proportionate share of the parking area maintenance and repair expense in accordance with Exhibit E. Tenant shall pay Landlord its share thereof within thirty (30) days of being invoiced therefor.



Tenant shall have the right to use four (4) designated parking spaces in the parking area. No other employee, of Tenant shall be permitted to park in any parking area without the prior written consent of Landlord.

All vehicles parked in the parking area shall be parked at the sole risk of the operator or owner, as the case may be, and the Tenant and Landlord shall not be liable or responsible for the protection or security of such vehicles (and contents) or any damage, loss or theft thereof.

Landlord shall have the right to establish reasonable rules and regulations (and to alter them from time to time) governing the use of the parking lot. The Landlord and Tenant shall, from time to time, mutually agree on rules and regulations governing the use and operation of the drop off areas.

Section 8 TAXES AND UTILITIES

- (a) Landlord is now tax exempt. The Operator (as hereinafter defined) will be tax exempt as well. If the State of Michigan, any political subdivision thereof (including Wayne County, the City of Detroit and the Wayne County Community College District) or any other governmental authority having jurisdiction thereof, imposes an assessment, surcharge or tax of any kind or nature upon, against or with respect to the Demised Premises and/or Improvements (and any personal property within or comprising the Improvements), Tenant shall, during the Term, pay and punctually discharge the same as and when the same shall become due and payable.
- (b) Except as set forth in this Agreement, Tenant shall, during the Term pay and punctually discharge any and all charges for any and all services and utilities to or for the Demised Premises and Improvements of whatsoever nature as and when the same shall become due and payable including, any and all charges for water, sewer, and trash removal.

Section 9 EXTERIOR

Each party shall provide, install and maintain their respective mutually approved signs as may be agreed upon between the parties from time to time. Any and all signs which the parties may from time to time desire to install are subject to their mutual approval which will not be unreasonably withheld and applicable ordinances. Any and all exterior signs shall be in keeping with those currently located on the Science Center Building.

Landlord expressly reserves the right to name the Science Center Property including the demised premises and the improvements. Landlord may install such decorations, exterior lights, exhibits, markings, media, identification, paintings or signs as it desires in its sole and exclusive discretion, on, in, upon or about the above mentioned property.

Section 10 REPAIRS; ALTERATIONS

- (a) Repairs, replacements or alternations shall be made in accordance with Exhibit E. The cost of repairs, replacement or improvements to the Shared Space shall be apportioned between the parties as provided in Exhibit E.
- (b) Each party shall, at the designated Party(ies) cost and expense keep and maintain in first class appearance, in a condition consistent with the adjacent Science Center Property, both the Demised Premises and Improvements (including, all repairs, replacements and further improvements thereto) and Tenant shall, upon the expiration of the Term, yield and deliver up the Demised Premises and such Improvements in good order, condition and repair, reasonable use and wear excepted.
- (c) In the event that Tenant shall deem it necessary or be required by any governmental authority or applicable law to repair, alter, remove, reconstruct or improve any part of the Improvements, Tenant shall first obtain Landlord's consent thereto, which consent shall not be unreasonably withheld. Any and all such repairs, removals, reconstruction or improvements shall be governed by the provisions of Section 5 in the same manner such provisions governed the original construction of the Improvements. Should the making of such repairs, alterations, removals, reconstructions or improvements cause any interference with Landlord's use of the Shared Space, such interference shall not relieve Landlord from the performance of its obligations hereunder nor shall such interference be deemed an actual or constructive eviction or partial eviction or result in an abatement of rent.

Section 11 DAMAGE AND DESTRUCTION

In the event the Improvements are damaged or destroyed in whole or in part by fire or other casualty during the Term hereof, Tenant shall, at its own cost and expense, repair, replace and restore the Improvements to the same condition such Improvements were in before such casualty. Any and all such repairs, replacements and restorations shall be governed by the provisions of Section 5 in the same manner such provisions governed the original construction of the Improvements. In the event the Science Center Property is damaged or destroyed in whole or in part by fire or other casualty during the Term hereof, Detroit Science Center may, at its own cost and expense, repair, replace and restore the Science Center Property.

In the event that Landlord elects not to repair, replace or restore the Science Center Property, it shall be Landlord's obligation to design and reconstruct the Shared Space and the School Area in a manner approved by Tenant that will restore use thereof to Tenant.

In the event that Tenant elects not to repair, replace or restore the Tenant Space, it shall be Tenant's obligation to design and reconstruct the Shared Space and the DSC Space in a manner approved by Landlord that will restore use thereof to Landlord.

The proportionate share of Operating Expenses paid by Landlord shall be adjusted so as to reflect the actual increase or decrease in the proportion of services provided to Landlord by Tenant until such time as the Improvements are restored to such condition. Landlord shall, at its own cost and expense, remove such of its furniture and other belongings from the Detroit



Science Center Space as the Tenant shall require in order to repair and restore the Improvements. During any reconstruction period, Landlord shall use its reasonable efforts to provide Tenant with alternative space if such space is available.

Section 12 EMINENT DOMAIN

If all of the Demised Premises shall be taken as a result of the exercise of the power of eminent domain (including any private sale in lieu thereof), this Lease shall terminate. In the event that a partial or total taking or sale in lieu thereof renders Tenant's continued operation of the Improvements impractical or impossible, then either Party shall be entitled to terminate this Lease on thirty (30) days prior written notice to the other Party thereto. Any partial taking that affects the continued operations of either Party shall constitute a total taking.

In the event of a partial taking of the Demised Premises which does not result in a termination of this Lease, the Base Rent thereafter to be paid shall be reduced pro-rata in proportion to the square footage of the Demised Premises so taken, and all other charges payable by Landlord for the Shared Space hereunder shall be adjusted pro-rata in proportion to the portion of the Shared Space so taken.

In the event of any taking of any Improvements, Tenant shall be entitled to any and all compensation, damages, income, rent, awards or any interest therein whatsoever which may be paid or made in connection with such taking. Moreover, Landlord shall be entitled to any and all compensation, damages, awards, or any interest therein whatsoever which may be paid or made in connection with any taking of the land comprising the Demised Premises (separate from the Improvements constructed by Tenant thereon), and Tenant shall have no claim against Landlord or the condemning authority for the value of the land. Provided further, that neither Party shall be entitled to any portion of any award made to the other Party for loss of the other Party's business or taking of the other Party's personal property or equipment, or costs of removal and/or relocation of the same and such other Party's attorneys' fees.

Section 13 HAZARDOUS MATERIALS

Tenant shall not use, generate, store, or dispose of, or permit the use, generation, storage or disposal of Hazardous Materials on or about the Demised Premises except in a manner and quantity necessary for the ordinary performance of Tenant's operations and instructional purposes, and then in compliance with all applicable laws, rules, regulations and guidelines. If Tenant breaches its obligations under this Section 13, Landlord may immediately take any and all action reasonably appropriate to remedy the same, including taking all appropriate action to clean up or remediate any contamination resulting from Tenant's use, generation, storage or disposal of Hazardous Materials. Notwithstanding any other provision contained in this Lease to the contrary. Tenant shall defend, indemnify, and hold harmless Landlord and its representatives and agents from and against any and all claims, demands, liabilities, causes of action, suits, judgments, damages and expenses (including reasonable attorneys' fees and cost of clean up and remediation) arising from Tenant's failure to comply with the provisions of this Section 13. This indemnity provision shall survive termination or expiration of this Lease.

The term "Hazardous Materials" means any substance, material, or waste which is now or hereafter classified or considered to be hazardous, toxic, or dangerous under any federal, state or local law, rule, regulation or guideline relating to pollution or the protection or regulation of human health, natural resources or the environment, or poses or threatens to pose a hazard to the health or safety of persons on the Demised Premises.

Section 14 OPTIONS TO PURCHASE; ACQUISITION OF IMPROVEMENTS

- (a) The Science Center Property is currently subject to the lien of a mortgage held by a consortium of banks. Such mortgage was recorded on January 31, 2000 in Liber 33153, beginning on Page 1298, Wayne County Register of Deeds (the "Mortgage"). If the Mortgage is foreclosed upon, Landlord shall provide Tenant with notice thereof. If Landlord shall have the right to redeem the Science Center Property from such foreclosure for a period of time (the "Redemption Period"), Tenant shall have, during the last fifteen (15) days of the Redemption Period, an option to purchase Landlord's right of redemption for One (\$1.00) Dollar and 00/100, provided Landlord has not previously elected to exercise the right of redemption itself. Any such sale of such right of redemption shall be made by a quitclaim deed, without any representation or warranty by Landlord whatsoever.
- (b) If Landlord sells the Science Center Building and Tenant determines, in its discretion, that the use of the Science Center Building is incompatible with the operation of a high performance educational facility, then Tenant reserves the right to relocate, at its sole cost and expense, the entrance location in such a fashion as to create separate entrances for Tenant and the Successor Landlord and to redesign the Shared Space in accordance with Exhibit C.4. The Tenant shall contract for the architectural design incorporating at a minimum construction plans for the separation wall on the First Floor, rework of the fire protection piping with corresponding annunciator, rework of HVAC duct work with appropriate fire dampers, electrical power, lighting, domestic water and gas supplies to HVAC units supporting the Lower Level and First Floor. Upon such occurrence, the proportionate share of Operating Expenses paid by Landlord and Tenant shall be adjusted so as to reflect the actual increase or decrease in the proportion of services consumed by each and the scope of the Tenant Space, Shared Space and DSC Space shall be redefined accordingly.
- (c) If Landlord desires to sell the Science Center Building, Tenant shall have the first option to purchase the Science Center Building at Fair Market Value as provided by Section 4(c) above.

Section 15 ENTRY BY LANDLORD DURING TERM

Landlord and it agents may enter the Improvements at (a) reasonable hours to (i) inspect the same, (ii) determine whether Tenant is complying with all of its obligations hereunder, (iii) supply any services to be provided by Landlord to Tenant hereunder, and (iv) make repairs, alterations or improvements to any portion of the Science Center Building; provided, however,

that all such work shall be done as promptly as reasonably possible and without unreasonably interfering with operations; and (b) immediately, in the case of any emergency or urgency.

Prior to commencement of the Term, Landlord shall provide Tenant with a written list of all persons to whom Landlord has provided keys and/or access to Improvements, and shall update such list as necessary from time to time and re-certify the accuracy of such list. Landlord shall at all times have and retain a key or access card with which to unlock all of the doors in, on or about Improvements; and Landlord shall have the right to use and any and all means which Landlord may deem proper to open said doors in an emergency or urgency in order to obtain entry to Improvements, and any entry to Improvements obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into or a detainer of Improvements or an eviction, actual or constructive, of Tenant from the Improvements, or any portion thereof. Notwithstanding the foregoing, Landlord shall have no access whatsoever (except in the case of emergency or urgency) to designated file cabinets, file drawers or other areas containing student records and health records pertaining to Tenant students.

Landlord, Tenant and Operator (as hereinafter defined) shall, from time to time, establish reasonable rules and regulations concerning access.

Section 16 ASSIGNMENT; SUBLETTING

It is further anticipated that Tenant will sublease the Demisod Premises and lease the Improvements to one or more operating entities who, from time to time during the Term, shall actually operate the high performance educational facility ("Operator"). The form of such a Lease is attached hereto as Exhibit D and made a part hereof. Landlord hereby consents to such action and the execution and delivery of such Lease or a Lease such as this in all material respects and subject to the terms and conditions of this Section 16, such action shall not require any further consent of Landlord.

As a condition to subleasing the Demised Premises and leasing the Improvements to an Operator, at least thirty (30) days prior thereto, Tenant shall introduce Landlord to the proposed Operator. As a further condition, the proposed Operator shall expressly agree in writing, in a form provided by Landlord for that purpose, to take subject to, and to jointly with Tenant, be bound by and to observe and perform, all of the provisions of this Lease on the part of Tenant to be observed and performed.

Tenant may also freely assign and transfer this Lease, directly or indirectly, to a foundation or charitable organization.

Any other subleasing, assignment or transfer of this Lease of the Demised Premises and/or Improvements or any part thereof without the prior written consent of Landlord, which shall not unreasonably be withheld, is hereby prohibited.

Section 17 INSURANCE AND INDEMNIFICATION

- (a) Tenant shall, at its sole cost and expense, during the entire Term of this Lease, procure, pay for and keep in full force and effect or cause the same to be procured, paid for and kept in full force and effect: (i) an occurrence form commercial general liability policy, including insurance against assumed or contractual liability under this Lease with respect to the Demised Premises and the operations of Tenant and any person or entity conducting activities in, on or about the Demised Premises in which the limits with respect to personal liability and property damage in a commercially reasonable amount not less than Ten Million Dollars (\$10,000,000) combined single limit for bodily injury and property damage per occurrence; (ii) special causes of loss property insurance for the full replacement value (without any deductions for depreciation or otherwise) of the Improvements, including business interruption insurance for a period of at least one (1) year, (iii) special extended coverage property insurance, including theft and, if applicable, boiler and machinery coverage, written at a replacement cost value in an adequate amount to avoid coinsurance and a replacement cost endorsement insuring Tenant's trade fixtures, furnishings, equipment, plate glass, signs and personal property of Tenant; (iv) workers' compensation coverage as required by law; and (v) with respect to the construction of Improvements, alterations, improvements and the like required or permitted to be made by Tenant hereunder, contractor's protective liability and builder's risk insurance, in amounts satisfactory to Landlord.
- (b) From time to time during the Term of this Lease, at Landlord's request, Tenant shall at its sole cost and expense, (i) procure, pay for and keep in full force and effect such other insurance as Landlord shall reasonably require, and (ii) increase the limits of such insurance as Landlord shall reasonably require. Any such request by the Landlord to increase the limits of insurance shall be consistent with generally accepted market limits.
- (c) Prior to commencement of the construction of the Improvements and until full completion thereof, Tenant shall secure, pay for and maintain or cause its contractor to secure, pay for and maintain, as the case may be, during construction, the following additional forms of insurance coverage:
 - (i) Workmen's Compensation Insurance statutory limits;
- (ii) Commercial General Liability Insurance (including Contractor's Protective Liability, Completed Operations, Contractual Liability, Explosion and Collapse coverage), with a commercially combined single limit of Ten Million Dollars (\$10,000,000) each occurrence with respect to bodily injury and/or property damage (which coverage may be achieved by using an umbrella liability policy in combination with Tenant's primary liability policy); and
- (iii) Comprehensive Automobile Liability Coverage (including coverage for owned, hired and non-owned automotive equipment) with a reasonable combined single limit of Ten Million Dollars (\$10,000,000) per occurrence for bodily injury and property damage (which coverage may be achieved by using an umbrella liability policy in combination with Tenant's primary liability policy);

(iv). Tenant shall provide a Completed Value Form "All Physical Loss" Builders Risk Policy, as it relates to the Building, naming the interests of Landlord and its agents as additional insured.

All insurance policies referenced in this subsection (c) shall name Landlord and such other parties as reasonably requested by Landlord as additional insured under the policies. Tenant or Tenant's contractor shall deliver the necessary insurance certificates to Landlord prior to commencing work. Further, Tenant agrees to hold and save Landlord from any and all liability, claims and damages arising out of the construction of the Improvements.

- (d) All policies of insurance required to be carried by Tenant pursuant to this Section shall be written by responsible insurance companies licensed to do business in the State of Michigan and with a Best rating of at least A-X. A copy of each paid-up policy evidencing such insurance or a certificate of the insurer, certifying that such policy has been issued, providing the coverage required by this Section and containing provisions specified herein, shall be delivered to Landlord prior to the commencement of the Term and, upon renewals, not less than thirty (30) days prior to the expiration of such coverage (except for notice of ten (10) days for cancellation due to non-payment of the premium). Landlord may, at any time and from time to time, inspect and/or copy any and all insurance policies required to be procured by Tenant hereunder.
- (e) Each policy evidencing insurance required to be carried by Tenant pursuant to this Section shall contain the following provisions and/or clauses: (i) a cross-liability, severability or substantially similar clause; (ii) a provision that such policy and the coverage evidenced thereby shall be primary and noncontributing with respect to any policies carried by Landlord and that any coverage carried by Landlord shall be excess insurance; (iii) a provision including Landlord and such other parties as reasonably requested by Landlord as an additional insured (except with respect to workers' compensation insurance); and (iv) a provision that the insurer will not cancel, materially change or fail to renew the coverage provided by such policy without first giving Landlord thirty (30) days' prior written notice.
- (f) Landlord and Tenant hereby release each other from any liability (by way of subrogation or otherwise) for any injury or death of any person or loss or damage to any building, structure or other tangible property, or any resulting loss of income, or losses under workers' compensation laws and benefits, resulting from damage by casualty (irrespective of the cause of such casualty) to the extent that such injury, death, loss or damage is insured or required to be insured by such Landlord or Tenant, as the case may be, under this Lease. Upon or before the execution of this Lease, each Party shall obtain an express waiver of subrogation from their respective insurers.
- (g) Throughout the Term, Landlord shall maintain insurance against public liability for injury to person (including death) or damage to property arising out of the use of the Science Center Property. Throughout the Term, Landlord also agrees to keep in effect on the Science Center Property, property physical damage insurance in an amount not less than the replacement cost of the Science Center Building. Landlord may, at its option, also carry special

endorsements, including, but not limited to, endorsements relating to power surges from any source whatsoever. All costs for such insurance shall be the sole responsibility of Landlord. Tenant shall be an additional named insured upon all such policies maintained by Landlord. Upon request, Landlord will furnish Tenant with copies of all such policies and certificates of insurance evidencing that such policies remain in full force and effect.

- (h) Subject to subsection (f) above, Tenant shall defend, indemnify and hold harmless, Landlord and it's agents, directors, employees, officers, trustees, employees and representatives from and against all claims, demands, liabilities, causes of action, suits, judgments, damages and expenses (including reasonable attorneys fees) arising from any injury to or death of any person or any damage to or theft, destruction, loss or loss of use of any property (a) occurring on, about or within the Demised Premises or Improvements; (b) occurring on, about or within the Science Center Property to the extent caused by the negligence or willful misconduct of Tenant or Operator or their agents, contractors, employees, licensees, guests, invitees, patrons, students, suppliers and any other person claiming under Tenant or Operator; (c) relating in any way to the Demised Premises or Improvements; or (d) arising from any breach or default of any obligation of Tenant or Operator under this Lease. The provisions of this subsection shall survive the expiration or termination of this Lease.
- (i) Subject to subsection (f) above, Landlord shall defend, indemnify and hold harmless, Tenant and Operator and their respective agents, directors, employees, officers, trustees, employees and representatives from and against all claims, demands, liabilities, causes of action, suits, judgments, damages and expenses (including reasonable attorneys fees) arising from any injury to or death of any person or any damage to or theft, destruction, loss or loss of use of any property (a) occurring on, about or within the Science Center Property; (b) occurring on, about or within the Demised Premises or Improvements to the extent caused by the negligence or willful misconduct of Landlord or it's agents, contractors, employees, licensees, guests, invitees, patrons, students, suppliers and any other person claiming under Landlord; (c) relating in any way to the Science Center Property; or (d) arising from any breach or default of any obligation of Tenant or Operator under this Lease. The provisions of this subsection shall survive the expiration or termination of this Lease.

Section 18 EVENTS OF DEFAULT

The occurrence of any one or more of the following events (each hereinafter referred to as an "Event of Default") shall constitute a breach of this Lease by Tenant: (a) if Tenant shall fail to pay the Base Rent or any other sum when and as the same becomes due and payable and such failure shall continue for more than thirty (30) days after written notice thereof is given by Landlord; (b) if Tenant shall be in breach or default of any other provision of this Lease and any such breach or default for more than thirty (30) days after written notice thereof is given by Landlord; or (c) if the Improvements are abandoned, vacated or not used as a high performance educational facility for a period of more than forty-eight (48) continuous months.

In the event that Landlord gives notice of a breach or default of such a nature that it cannot be cured by Tenant within such thirty (30) day period for reasons beyond Tenant's control, then such breach or default shall not be deemed to continue so long as Tenant, immediately after receiving such notice, proceeds to cure the breach or default within such thirty (30) day period and thereafter, continues to diligently take all steps necessary to cure such breach or default within a period of time which, under all prevailing circumstances, shall be reasonable.

Section 19 REMEDIES

If any Event of Default shall occur and not be cured during any applicable cure period, Landlord, as its sole remedy, may elect, in the sole and unfettered discretion of Landlord, to purchase the Improvements at Fair Market Value, as provided by Section 4(c) above.

Notwithstanding anything to the contrary contained in this Lease, it is understood and agreed that the remedies set forth in this Section shall be Landlord's sole remedies upon an Event of Default by Tenant, and in no event shall Tenant be liable in damages to Landlord (except for the payment of amounts otherwise required to be paid by Tenant to Landlord hereunder).

In the event of a default by Landlord of its obligations hereunder, the sole remedies of I cannot shall be to terminate this Lease and /or, in the case of the covenant set forth in Section 22 hereof, to seek specific performance thereof, and in no event shall Landlord be liable in damages to Tenant (except for the payment of amounts otherwise required to be paid by Landlord to or on behalf of Tenant hereunder).

Section 20 ESTOPPEL CERTIFICATE; NON-DISTURBANCE

At any time and from time to time on not less than thirty (30) days prior written request by Landlord, Tenant will execute, acknowledge or deliver to Landlord a certificate indicating (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (b) the date, if any, to which Base Rent and other sums payable hereunder have been paid, (c) that no notice has been received by Tenant of any default which has not been cured, except as to defaults specified in said certificate, and (d) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by any prospective mortgagee or transferee of Landlord's interest in the Demised Premises or the Science Center Property. Notwithstanding the foregoing, Tenant may condition such estoppel certificate upon receipt of a non-disturbance and attornment agreement from such mortgagee or transferee, in which such mortgagee or transferee shall agree in writing to recognize this Lease and to assure that Tenant's peaceable possession of the Demised Premises and its rights under this Lease shall not be diminished and that so long as the Tenant is not in breach hereof, the holders of such interests will not disturb or otherwise interfere with the rights and interests of Tenant as created hereby until termination of this Ground Lease and Joint Use Agreement.

Section 21 LANDLORD'S TRANSFER

Landlord may sell or transfer any or all of the right title and interest of Landlord in the Demised Premises, this Lease and/or the Science Center Property (subject to this Lease) and upon doing, Landlord shall be released from any further liability under this Lease.

Section 22 COVENANT OF QUIET ENJOYMENT

Providing that Tenant performs its obligations under this Lease, Tenant may peacefully and quietly enjoy the Demised Premises during the Term of this Lease without disturbance or molestation by Landlord or anyone claiming through or under Landlord, subject to the terms of this Lease.

Section 23 RECORDING MEMORANDUM OF LEASE

At the request of Tenant, and at no cost to Landlord, Landlord shall execute a memorandum of lease, in recordable form, for purposes of making Tenant's leasehold interest hereunder a matter of public record.

Section 24 NO MERGER

There shall be no merger of the leasehold estate hereby created with the fee estate in the Demised Premises or any part thereof if the same person acquires or holds, directly or indirectly, this Lease or any interest in this Lease and the fee estate in the Demised Premises or any interest in such fee estate.

Section 25 LIABILITY OF LANDLORD

If Landlord fails to perform any covenant, term or condition of this Lease upon Landlord's, part to be performed, and if as a consequence of such default Tenant recovers a money judgment against Landlord, such judgment shall attach to and be satisfied only from the right, title and interest of Landlord in the Demised Premises.

Section 26 LANDLORD'S FEES

Whenever Tenant requests Landlord to take any action not required of it hereunder or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for Landlord's reasonable, out-of-pocket costs payable to third parties and incurred by Landlord in reviewing the proposed action or consent, including reasonable attorneys', engineers' or architects' fees, within ten (10) days after Landlord's delivery to Tenant of a statement of such costs. Tenant shall be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action.

Section 27 ATTORNEYS' FEES

If as a result of any breach or default in the performance of any of the provisions of this Lease by either Party, the other Party uses the services of any attorney in order to: (a) secure compliance with such provisions or recover damages therefor; (b) recover the amounts required under this Lease; or (c) terminate this Lease; the Party against whom such action is taken shall reimburse the other Party upon demand for any and all reasonable attorneys' fees and expenses so incurred by such other Party.

Section 28 BROKERAGE

Neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Lease. Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, liens and other liability for commissions or other compensation claimed by any broker or agent claiming the same by, through, or under the indemnifying party.

Section 29 NOTICES

All notices, consents, requests, demands, designations or other communications which may be or are required to be given by either Party to the other hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, sent by a recognized overnight delivery service or when deposited in the United States mail, certified or registered, postage prepaid, and addressed as follows: (a) to Tenant at the address set forth in the first paragraph of this Lease, or to such other place as Tenant may from time to time designate in a written notice to Landlord; or (b) to Landlord at the address set forth in the first paragraph of this Lease, or to such other place as Landlord may from time to time designate in a written notice to Tenant.

Section 30 WAIVER

The waiver by Landlord or Tenant of any agreement, condition or provision herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision herein contained, nor shall any custom or practice between the Parties in the administration of the terms hereof be construed to waive or to lessen the right of either Party to insist upon the performance by the other of the terms hereof in strict accordance with said terms.

Section 31 INABILITY TO PERFORM

Other than for Tenant's obligations under this Lease that can be performed by the payment of money, whenever a period of time is herein prescribed for action to be taken by either Party hereto, such Party shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, terrorist acts or activities, governmental laws, regulations, or restrictions, or any other causes of any kind whatsoever which are beyond the control of such Party.

Section 32 CORPORATE AUTHORITY

Each Party executing this Lease does hereby covenant and warrant that such Party is a duly authorized and existing Michigan non-profit corporation and that such corporation has full right and authority to enter into this Lease and perform the obligations of such corporation hereunder, and that each and all persons signing on behalf such corporation is authorized to do so.

Section 33 PARTIAL INVALIDITY

If any provisions of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provisions of this Lease and all such other provisions shall remain in full force and effect.

Section 34 ENTIRE AGREEMENT

This Lease and the exhibits hereto represent the entire agreement between the Parties with respect to the subject matter hereof. There are no oral agreements between Landlord and l'enant affecting this Lease, and this Lease supersedes and cancels any and all previous agreements, arrangements, negotiations, proposals, term sheets and understandings, if any, between Landlord and Tenant with respect to the subject matter of this Lease. There are no representations or warranties between Landlord and Tenant other than those contained in this Lease, if any, and all reliance with respect to any representations or warranties is solely upon such representations. This Lease may not be amended except in a written instrument signed by both Landlord and Tenant.

Section 35 CAPTIONS

The captions set forth herein are for convenience only, and do not represent or constitute matter to be construed.

Section 36 SUCCESSORS AND ASSIGNS

The agreements, conditions and provisions herein contained shall, subject to the provisions as to assignment, set forth in Section 16 hereof, apply to and bind the heirs, executors, administrators, successors and permitted assigns of the Parties hereto.

Section 37 LAWS OF MICHIGAN

This Lease shall be governed by and construed pursuant to the laws of the State of Michigan without regard to choice of law principles that would require application of the laws of any other jurisdiction.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease on the 12th day of December, 2007.

WITNESSES:	LANDLORD:
	THE DETROIT SCIENCE CENTER, a Michigan non-profit corporation
filter f. Josephani	Ву:
Pall Lie	Its: PRESIDENT & CEO
	TENANT:
	THE CHIEF AT C
	TEF-FIVE, LLC, a Michigan limited liability company
Robins J. Szeprzes	By: Och & Cleary
O line con recons	Its: V.P- Finance & Real Estate

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EXHIBIT A

SURVEY

CERTIFIED SURVEY PREPARED IN ACCORDANCE WITH THE REQUIREMENTS OF ACT 132 OF 1970, AS AMENDED GEORGE JEROME CONSULTING NUMICIPAL & CIVIL ENGINEERS + SURVEYORS + 28304 HAYES + ROSEVILLE, NE 48086 + (588)774-3000 FOR LEGAL DESCRIPTION, PLEASE SEE PAGES 3 THROUGH & PAGE 1 OF 2 BUILDING FOOTPFINT DESCRIPTION GRAPHIC SCALE (IN FEET) 1 NCH -50 FT. 80' WD LOT 10 LOT LUT 94 LU ,00.122 3 .00,90.03 LOT LOT 101 ₹ LOT 108 LOT N 2836'34" W 517.48 A STREET JOHN R STREET 60'

ASPECTATIONS CONT. LUSSING BUILDS PR

CERTIFICATION: WE HEREBY CERTIFY TO TEF-FIVE, LLC THAT WE HAVE SURVEYED AND MAPPED THE LAND ABOVE PLATTED AND/OR DESCRIBED ON 08-07, AND THAT ALL OF THE REQUIREMENTS OF P.A. 132 OF 1970, AS AMENDED HAVE BEEN MET, AND THAT THE ERROR OF CLOSURE IS < 1.10,000.

SURVEY SY ALL

DRAWN BY S.D.M.

SCALE 1"- 50"

GEORGE G. JEROME, JR., P.S. P.E. NO. 18672

JOS NO. 25-006 DATE 09-11-07

FIELD BOOK NO.

PREPARED IN ACCORDANCE WITH THE REDURBEMENTS OF ACT 132 OF 1970, AS AMERICAD

CORSULTING MUNICIPAL & CIVE ENGINEERS - SURVEYORS - 28304 HAYES - ROSEVILLE, HE 48066 - (586)774-3000 www.George.informs.com

LEGAL DESCRIPTION OF PROPERTY

PAGE 2 OF 2

SULDING FOOTPRINT DESCRIPTION

A percel of land being part of Lote 95 through 98 and the vocated alley at the rear thereof. Foresworth's Subdivision of Park Lote 38 and 38°, as recorded in Liber 1, Page 16, of Wayne County Records, and also being a part of Lote 5, 6, 7 and 8 and vocated Theodors Avanue adjacent thereto of 'Elles L. Walsoe's Subdivision of part of the south half of Park Lot 38°, as recorded in Liber 8, Page 54 of Wayne County Records, at of the above being in the City of Detroit, Wayne County, Michiges, and being more particularly described as follows:

Commercing at the northwesterly corner of Lot 102 of said Farneworth's Subdivision, said point case being the intersection of the southerly line of farneworth Avenue, 50 feet wide, with the castarty line of John R. Street, 50 feet wide, thence North 50 degrees 06 minutes 00 seconds this Parcel; the southerly line of said Farneworth Avenue to the Point of Beginning of

Theree continuing North 60 degrees D6 minutes D0 seconds East 63.43 feet along the southerly line of sold Fornsworth Avenues

Thence South 29 degrees 54 minutes 00 seconds East 19.42 feets

Thence Morth 60 degrees 06 minutes 00 seconds East 19.50 feet;

Thence South 29 degrees 54 minutes 00 seconds East 236.87 feet;

Thence South 60 degrees 06 minutes 00 seconds West 2.33 feets

Theres South 29 degrees 54 minutes 00 seconds East 11,26 feet to a point on the northerly line of the existing Detroit Science Center Buildings

Therce along sold building line South 63 degrees 37 minutes 08 seconds West 62.46 feets

Thence North 29 degrees 53 minutes 25 seconds West 15.86 feet;

Thence South 76 degrees 05 minutes 46 seconds West 13.85 feet;

Thence South 67 degrees 06 minutes 00 seconds West 6.23 feet:

Thence North 22 degrees 54 minutes 00 seconds West 67.00 feet;

Thence Herth 67 degrees 06 minutes 00 seconds East 2.58 feet;

Thence North 22 degrees 38 minutes 59 seconds West 7.06 feet;

Thence South 76 degrees 05 minutes 48 seconds West 5.63 feet;

Theres South 67 degrees 06 minutes 00 seconds West 6.26 feet;

Therica North 22 degrees 54 minutes 00 seconds West 29.79 feet; Therica Souts 45 degrees 08 minutes 00 seconds West 3.75 feet;

Theree South 67 degrees 06 minutes 00 seconds West 7.58 feet;

Theres North 22 degrees 54 minutes 00 seconds West 92.87 feet;

Thance North 67 degrees 06 minutes 00 seconds East 1.86 feet;

Thence North 22 degrees 54 minutes 00 seconds West 20.68 feet;

Thence North 67 degrees 06 minutes 00 seconds East 9.66 feets

Thence North 22 degrees 38 minutes 55 seconds West 25.96 feet to the Point of Beginning of this description.

Containing 0.594 acres, more or less,

SURVEY BY A.T.

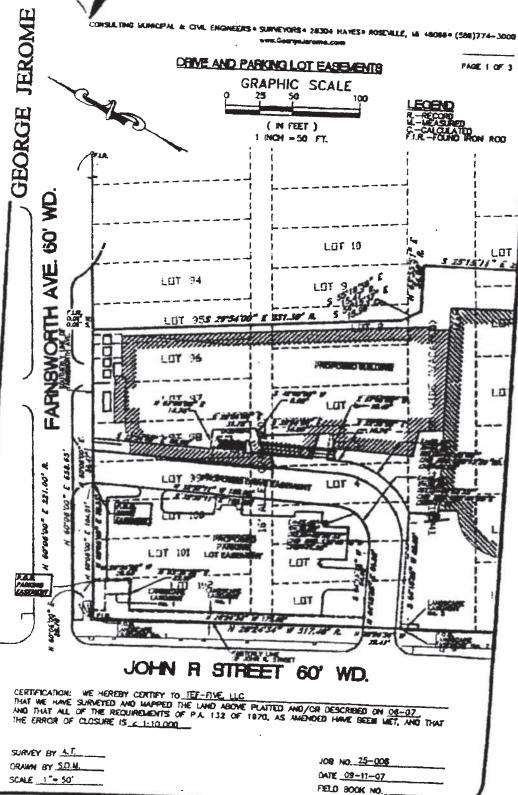
ORAWN BY S.O.M.

SCALE 1'= 50'

JOB NO. 25-006 CATE 09-11-07 FIELD BOOK NO.

Notes taken men, grown pakkatenen plakes ment statuen en statue. Lastes and

PREPARED IN ACCORDANCE WITH THE REDUREMENTS OF ACT 132 OF 1970, AS AMENDED





PREPARED IN ACCORDANCE WITH THE REGUMEMENTS OF ACT 132 OF 1970, AS AMENDED

CONSULTING HUMOPAL & CIVIL ENGINEERS * SURVEYORS * 28304 HAYES * ROSEVILLE, M. 48066 * (586)774-3000

LEGAL DESCRIPTION OF PROPERTY

PAGE 2 OF 3

DRIVE FASEMENT

A percet of land being part of Lote 98 through 100 and the vacatast alley at the rear thereof, Fornsworth's Subdivision of Park Lote 38 and 39°, as recorded in Liber 1, Page 16, of Mayne County Records, and also being a part of Lote 1 through 5 and vacated Theselane Avenue adjacent thereto of Elies L. Wallace's Subdivision of part of the south half of Park Lot 36°, as recorded in Liber 8, Page 54 of Mayne County Records, all of the abuse being in the City of Detroit, Weyne County, Mahigan, and being more particularly described as follows:

Commencing et the northweeterly comer of Lot 102 of said Fornsworth's Subdivision, sold point doe being the intersection of the southerly line of Forneworth Avenue, 60 feet wide, with the ossterly line of John R. Street, 60 feet wide, thence North 60 degrees 06 minutes 00 seconds East 104.01 feet clong the southerly line of sold Forneworth Avenue to the Point of Beginning of this Essensent.

There continuing North 60 degrees 06 minutes 00 seconds East 34.47 feet along the southerly line of said Fornsworth Avenue;

Thence along the proposed westerly building face and it's extension, the following five courses, South 22 degrees 54 minutes 00 seconds East 88.98 feet:

Thence North 67 degrees 06 minutes 00 seconds East 14.74 feet;

Thence South 29 degrees 54 minutes 00 seconds East 31.72 feet;

Thence South 45 degrees 06 minutes 00 seconds West 5.68 feet;

Thence South 29 degrees 54 minutes 00 secends East 54.00 feet;

Thence South 67 degrees 06 minutes 00 seconds West 20,47 feet;

Thence South 22 degrees 36 minutes 59 seconds East 10.74 feet to a point on a length curve to the right

Thence along sold curve to the right 68.89 feet, sold curve having a radius of 64.00 feet, a control angle of 51 degrees 40 minutes 40 seconds, and a chard which bears South 06 degrees 13 minutes 21 seconds West a distance of 65.62 feet to a point on a nontangential line;

Therees South 64 degrees 15 minutes 25 seconds West 85.89 feet to a point on the easterly line of solid John R. Street;

Thence along said easterly line of John R. Street North 28 degrees 24 minutes 34 seconds West 25.41 feet;

Thence North 64 degrees 15 minutes 25 seconds East 61.50 feet to a point on a tangential curve to the left;

Thereo clang sold curve to the left a distance of 45.49 feet, sold curve having a radius of 30.00 feet, a central angle of 56 degrees 52 minutes 32 seconds, and a chard which beers North 20 degrees 49 minutes 05 seconds East a distance of 41.25 feet to a tangential line;

Theree North 22 degrees 37 minutes 11 seconds West 182.09 feet to the Point of Beginning of this Easement.

Containing 0.274 acres, more or less.

SURVEY BY A.T.

ORANN BY SO.M.

SCALE 1'= 50'

JOB NO. 25-008

DATE 09-11-07

FIELD BOOK NO.



PREPARED, IN ACCORDANCE WITH THE REQUIREMENTS OF ACT 132 OF 1970, AS AMENDED

CONSIGETING VEHICLEAL & CIVIL ENCINEERS + SURVEYORS + 28304 HAVES + ROSEVILLE, MF 46066 + (588)774-3000

LEGAL DESCRIPTION OF PROPERTY

PAGE 3 OF 3

PARKING LOT EASTMENT

A parcel of land being a part of Late 99 through 102 and the vacated diev at the rear thereof, of "Farneworth's Subdivision of Park Late 36 and 39", as received in Liber 1, Page 16, of Weyne County Records, and olse being a part of Late 1 through 4 and vacated Theeders Avenue adjacent therete of "Elien L. Wattee's Subdivision of part of the south helf of Park Lat 36", as recorded in Liber 8, Page 54 of Weyne County Records, oil of the above being in the City of Oetroit, Wayne County, Michigan, and being more particularly described as follows:

Commencing at the northwesterly corner of Lat 102 of sold Fornsworth's Subdivision, sold point also being the intersection of the southerly like of Fornsworth Avenue, 80 feet wide, with the essenty like of John R. Street, 60 feet wide, thence North 60 degrees DE minutes CO seconds East 28.78 feet clong the southerly like of sold Fornsworth Avenue to the Point of Reginning of this Ecsement;

Theree continuing North 80 degrees 06 minutes 00 seconds East 75.23 feet deng the southerly line of sold Fornsworth Avenue;

Thence South 22 degrees 37 minutes 11 seconds East 182.08 feet to a point on a langest curve to the right;

Thereos along sold curve to the right a distance of 45.49 feet, sold curve having a radius of 30.00 feet, a central angle of 82 degrees 52 minutes 32 seconds, and a chard which bears South 20 degrees 49 minutes 05 seconds West a distance of 41.25 feet, to a point on a tangent line;

Theree clong said line South 64 degrees 15 minutes 25 seconds West 54.00 feet;

Thince North 28 degrees 24 minutes 34 seconds West 175.92 feet;

Thence North 63 degrees 35 minutes 26 seconds East 22.97 feet

Thence North 29 degrees 54 minutes 00 seconds West 28.63 feet to the Point of Beginning of this Easement.

Containing 0.405 ocres, more or less,

SURVEY BY A.T.

ORANIN BY S.D.M.

SCALE 1"- 50"

JOB NO. 25-006 DATE 09-11-07

FIELD BOOK NO.

JOOD THEIL ZINSPLINGSAMPLINGS EAST CAN AME LAGARA LLUGARD JULYAS PR

EXHIBIT "A"

LEGAL DESCRIPTION OF MORTGAGED LAND

Land in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Land in the City of Detroit, Wayne County, Michigan, being all of Lots 96 through 102, both inclusive and part of Lot 95 of Farnsworth Subdivision of Park Lot 38 and 39, according to the plat thereof recorded in Liber 1 of Plats, Page 16 of Wayne County Records; Also all of Lots 1 through 7, both inclusive, all of Lots 15 through 19, both inclusive, and part of Lots 8 and 14, of the Ellen L. Wallace's Sub of Part of the South 1/2 of Park Lot 38 between Farnsworth Street and Warren Avenue according to the plat thereof recorded in Liber 8 of Plats, page 54, Wayne County Records, also all of Lots 17 and 18, and part of Lots 19 through 26, both inclusive, of the Plat of Moore & Palmer's Subdivision of Park Lot 37 according to the plat thereof recorded in Liber 3 of Plats, Page 40, Wayne County Records; Also that part of the vacated alleys 16 feet and 17 feet wide and that part of vacated Theodore Street, 50 feet wide, lying within the boundaries more particularly described as: Beginning at the Southwesterly corner of said Lot 17 of said Moore & Palmer's Subdivision, thence along the Easterly line of John R, 60 feet wide, North 26 degrees 24 minutes 34 seconds West, 514.46 feet; thence South along the Southerly line of Farnsworth Avenue, 60 feet wide; North 60 degrees 06 minutes, 00 seconds East, 221.00 feet; thence South 29 degrees 54 minutes 00 seconds East, 231.30 feet; thence South 55 degrees 19 minutes 59 seconds East, 15.47 feet; thence North 63 degrees 55 minutes 51 seconds East, 34.00 feet: thence South 25 degrees 15 minutes 11 seconds East, 260.60 feet; thence along the Northerly line of East Warren Avenue, as widened to 147 feet; South 56 degrees 29 minutes 31 seconds West, 87.91 feet and 117.00 feet along a curve to the right tangent to the last course, said curve having a radius of 1,858 feet, a central angle of 3 degrees 36 minutes 29 seconds and a chord which bears South 58 degrees 17 minutes 45 seconds West, 116.98 feet to a point of tangency being in the Southeasterly corner of said Lot 18 of said Moore & Palmer's Subdivision: thence along the original Northerly line of Warren Avenue, as platted South 60 degrees 06 minutes 00 seconds West, 67.30 feet to the point of beginning.

Commonly known as: 5020 John R Street, Detroit, Michigan.

Tax Item No. 1323.001, Ward No. 1.



EXHIBIT "B"

LEGAL DESCRIPTION OF LEASED PREMISES

[see attached survey prepared by George Jerome & Co. entitled "Building Footprint Description", dated 9-11-07, Job No. 25-006]

HE DOMERELD 7-2436 Soldways

EXHIBIT B

LIMITED GUARANTY OF COMPLETION

As a material inducement to enter into the above Ground Lease and Joint Use Agreement, the undersigned Guarantor hereby unconditionally guarantees the complete and timely performance of the obligation of Tenant to construct the Improvements in the time and manner required by the Ground Lease and Joint Use Agreement, as those terms are defined therein.

requires by the circuit bear and realist	as a Canadada and annual and a second annual
IN WITNESS WHEREOF, the Guaranty of Completion on the 2 day	undersigned Guarantor has executed this Limited of June 2008.
WITNESSES:	GUARANTOR:
John & Cleary Dilly Ebejer	THE THOMPSON EDUCATIONAL FOUNDATION, a Michigan non-profit corporation By: Its: Tellium

1

EXHIBIT C

<u>C.1</u>	SITE PLAN	
C.2	SCHEMATIC DESIGN	A200 LOWER LEVEL
		A201 FIRST FLOOR PLAN
		A202 SECOND FLOOR PLAN
		A203 THIRD FLOOR PLAN
	A:	210 Enlarged Lower Level Plan
		A211 ENLARGED FIRST FLOOR PLAN
		A212 ENLARGED SECOND FLOOR PLAN
		A213 ENLARGED THIRD FLOOR PLAN
		A601 BUILDING SECTION A-A
	**************************************	1010
<u>C.3</u>	INTENDED USE DIAGRAMS	A210 LOWER LEVEL PLAN
		A211 FIRST FLOOR PLAN
		A212 SECOND FLOOR PLAN
		A213 THIRD FLOOR PLAN
		A601 BUILDING SECTION A-A
C 4	Campa Data Campaga	A210 / among a mana a 112
<u>C.4</u>	SEPARATION DIAGRAMS	A210 LOWER LEVEL PLAN
		A211 FIRST FLOOR PLAN
		A212 SECOND FLOOR PLAN
		A213 THIRD FLOOR PLAN
		A601 BUILDING SECTION A-A

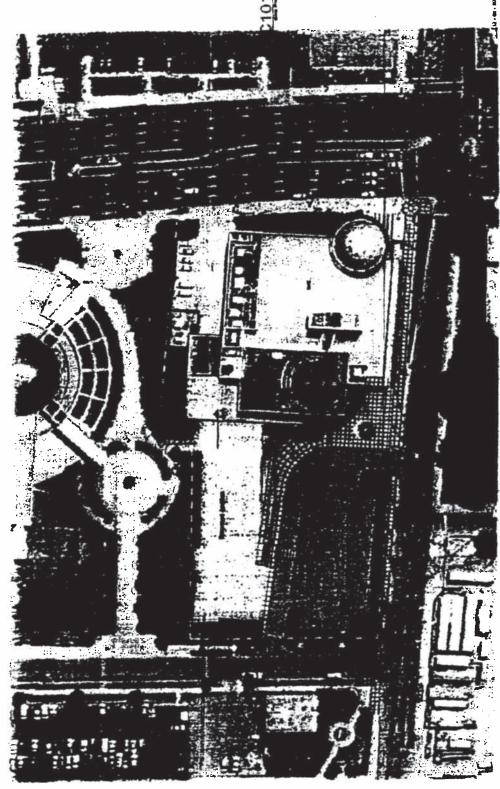
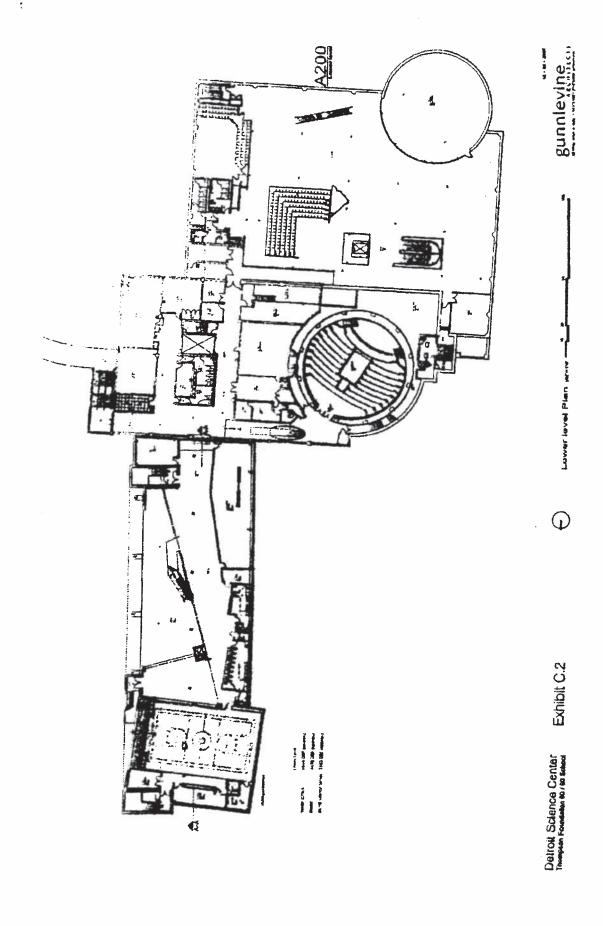


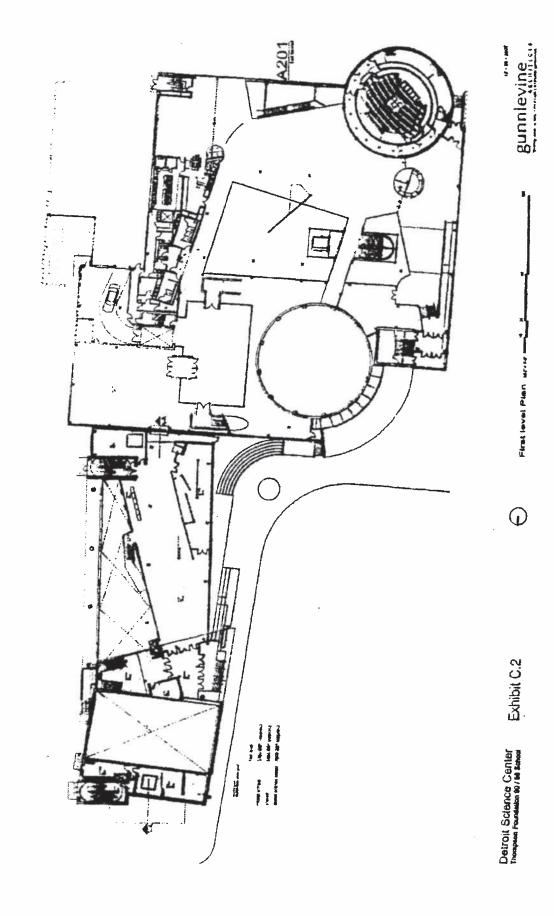
Exhibit C.1 - Site Plan

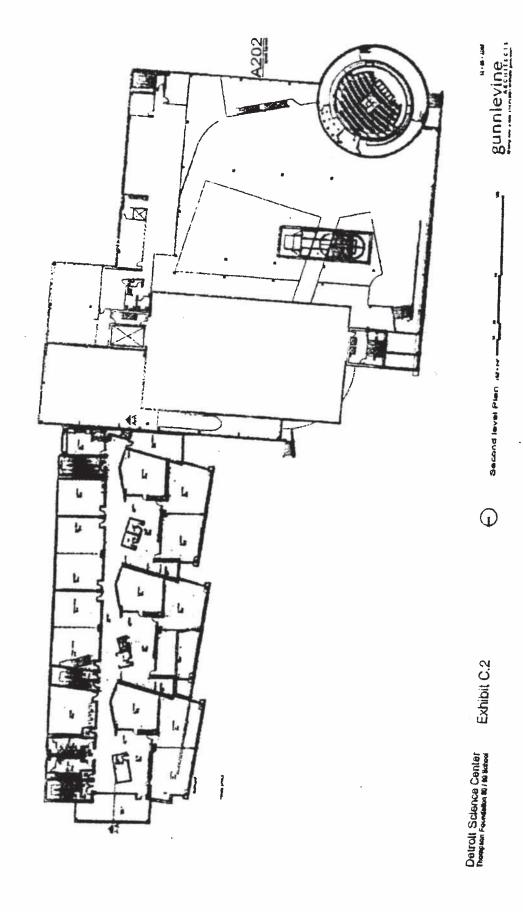
(Site Plan resemble

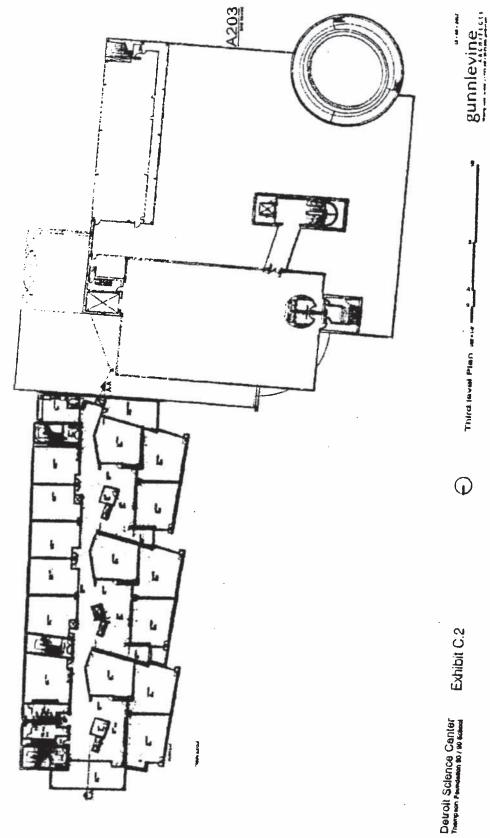
gunnlevine...

Detroit Science Center Nomber Fundation to 189 School

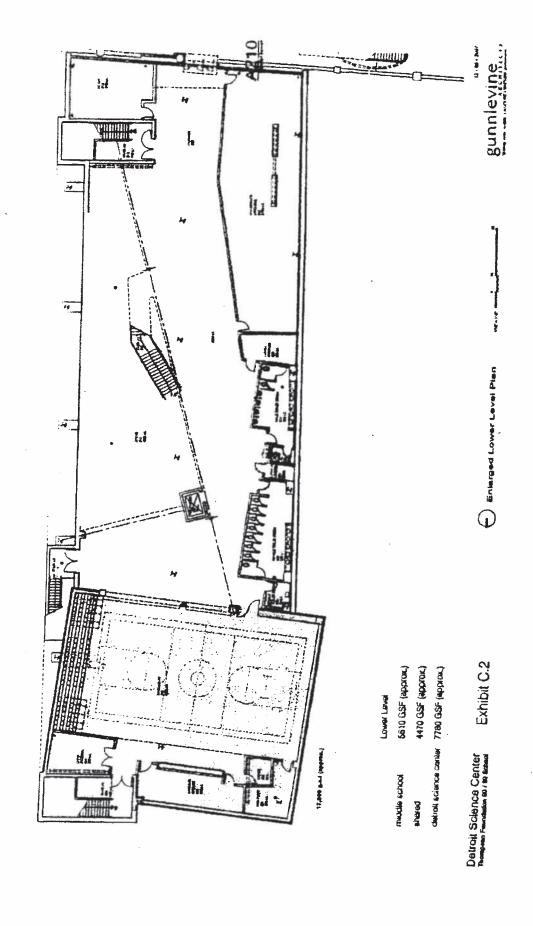


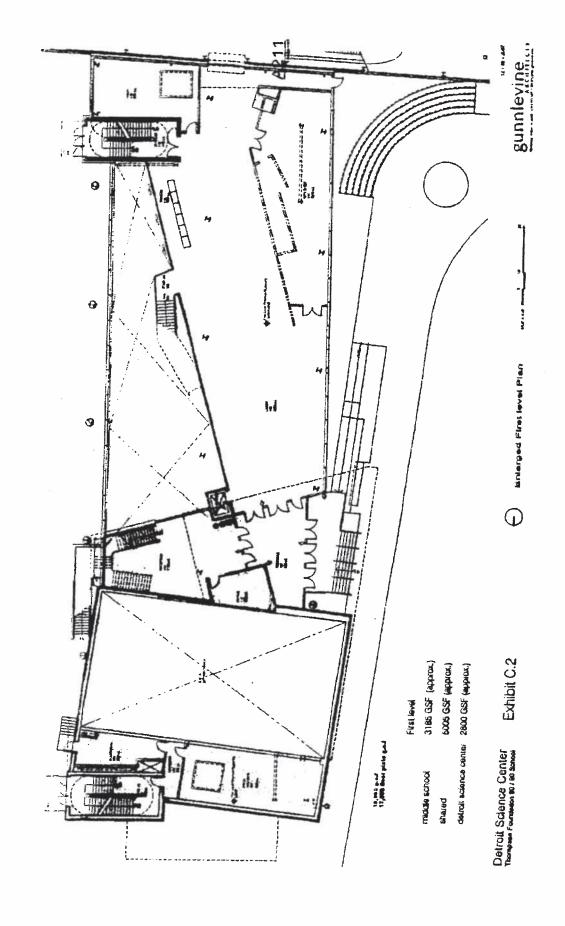


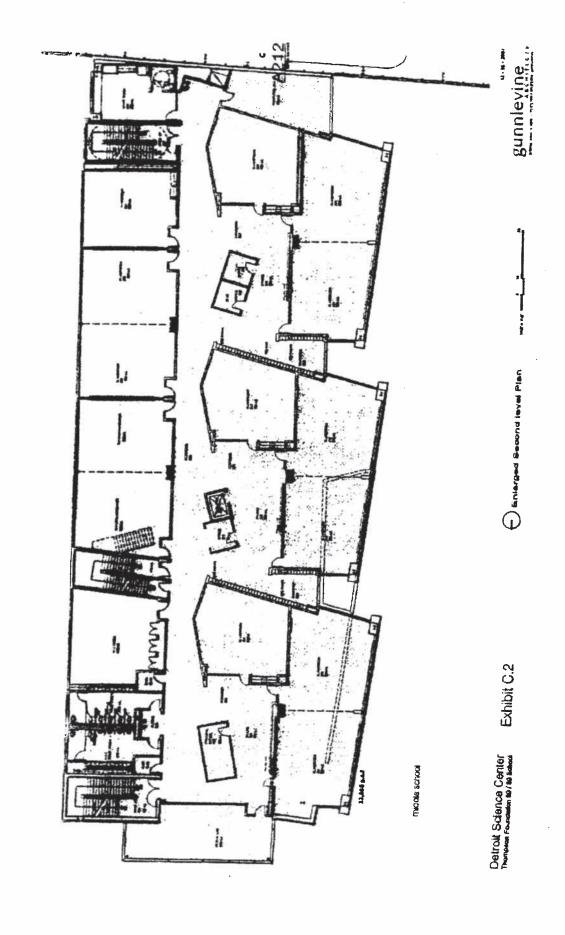


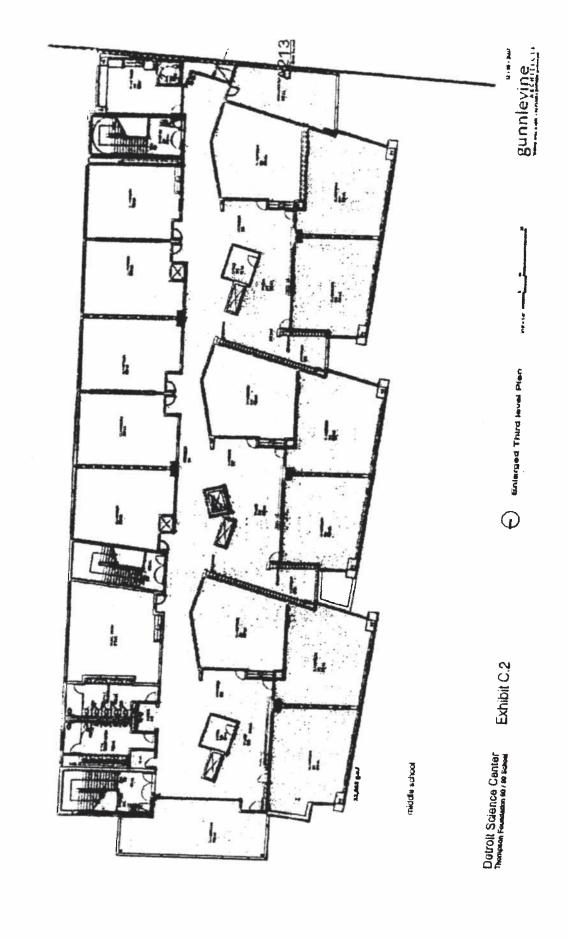


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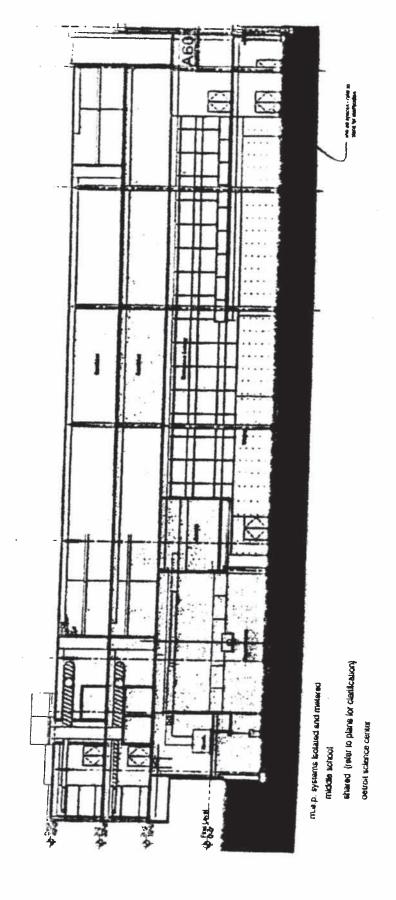
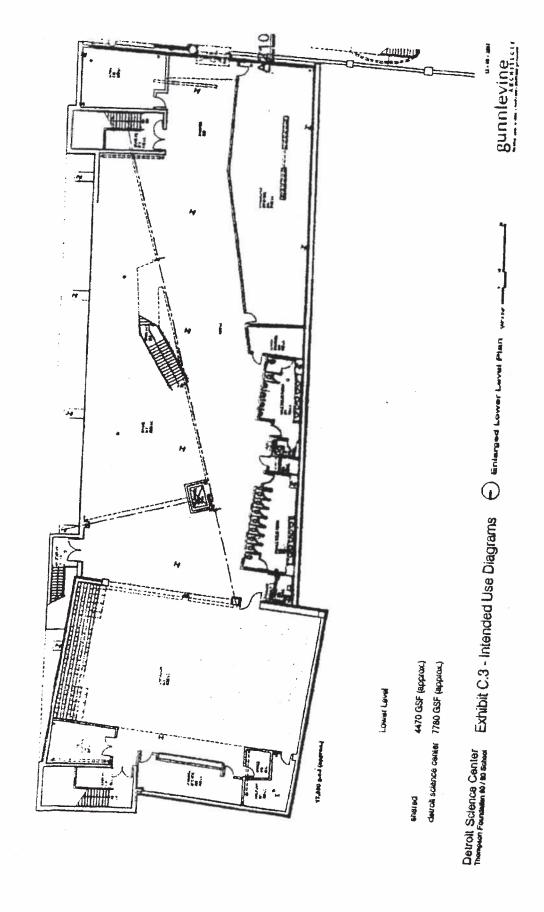
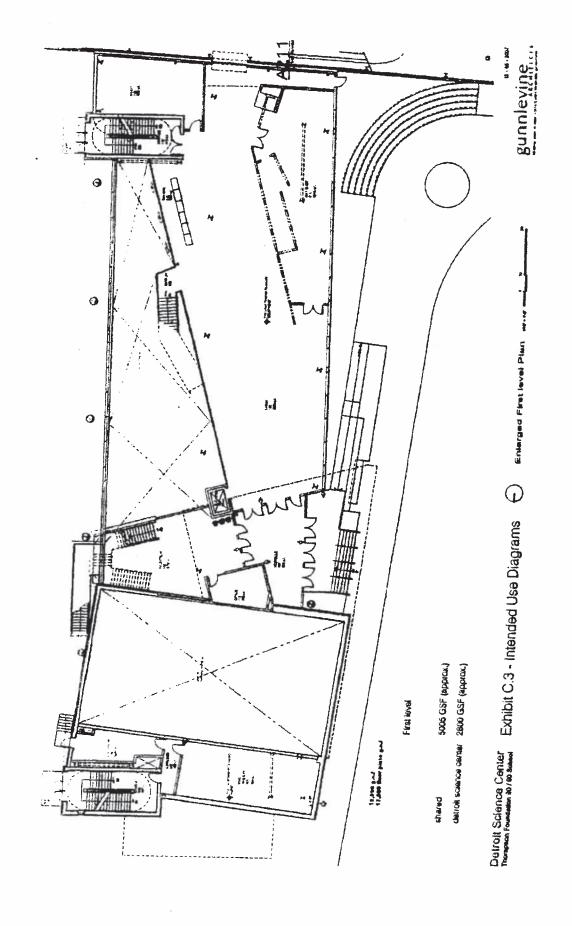


Exhibit C.2 Detroit Science Center Thompson Foundation 80 / 80 School

Building Section A.A.

gunnlevine





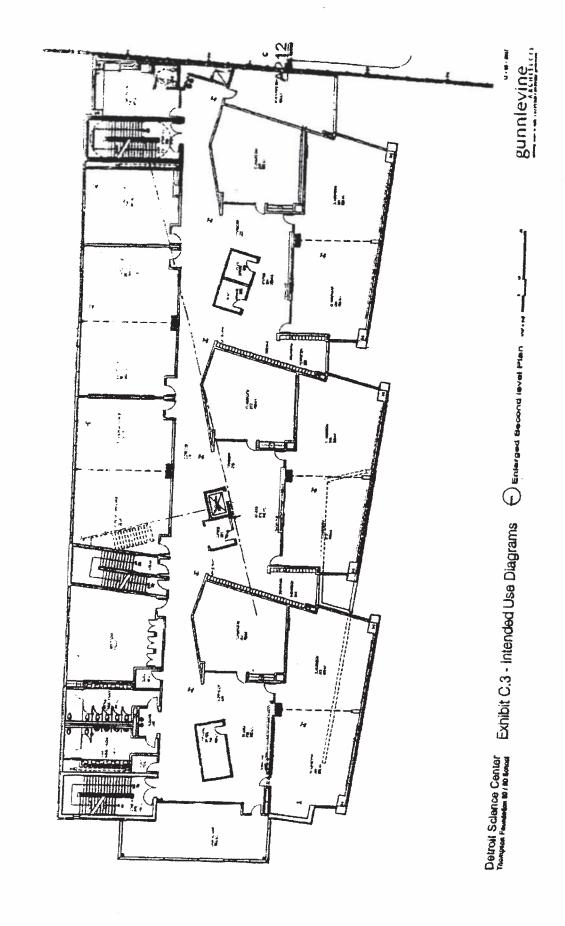
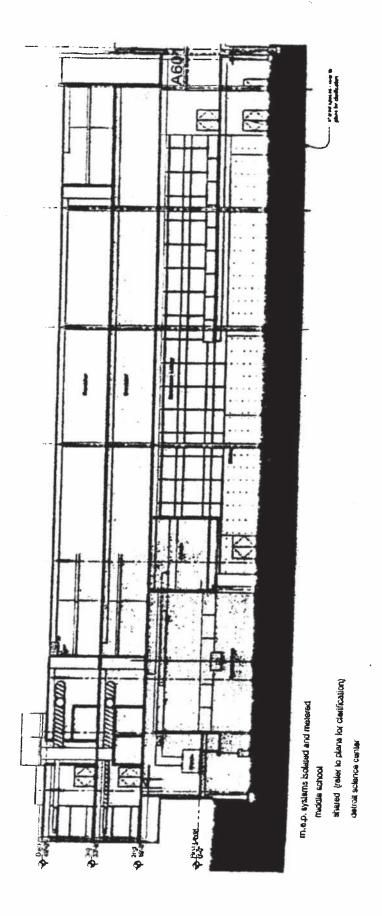




Exhibit C.3 - Intended Use Diagrams 🕒 Energed Third level Plen Detroit Science Center Thempson Foundation 80 / 90 School

gunnlevine



gunnlevine

Building Section A-A were

Detroit Science Center Thempeas Foundation 2012 Exhibit C.3 - Intended Use Diagrams

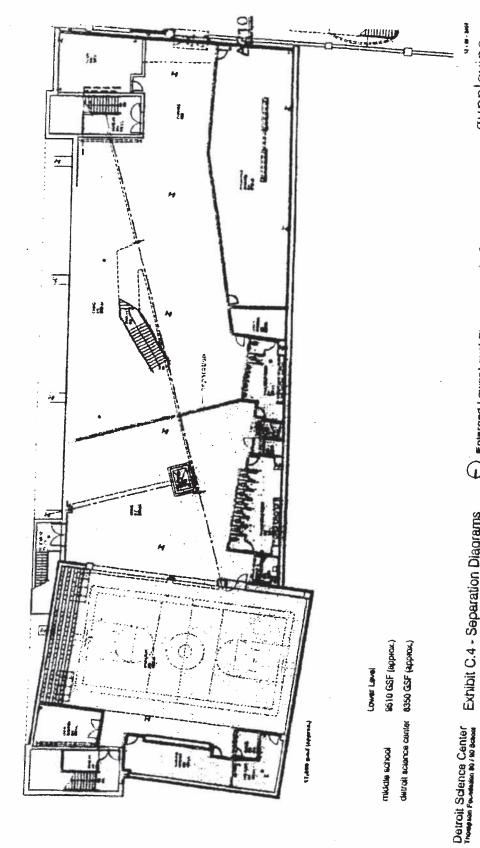
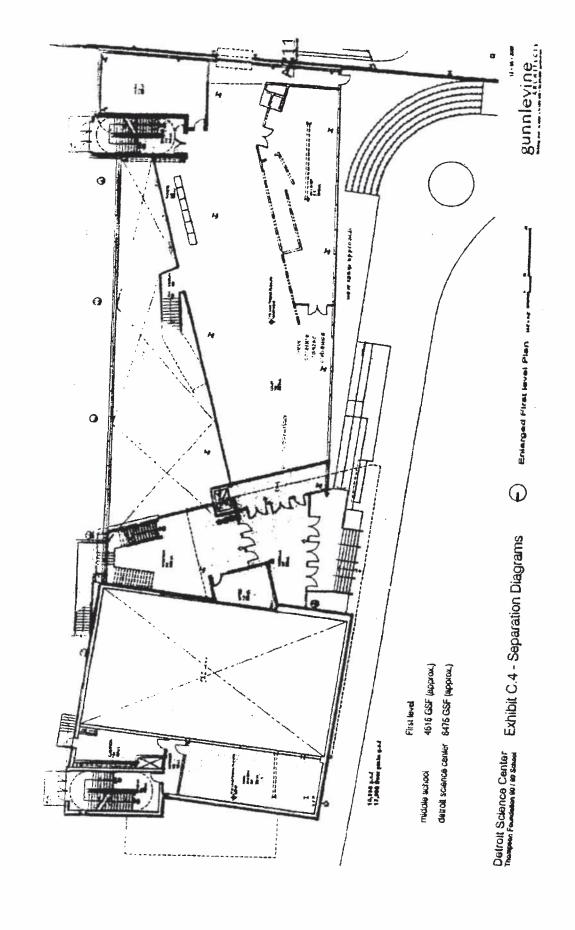
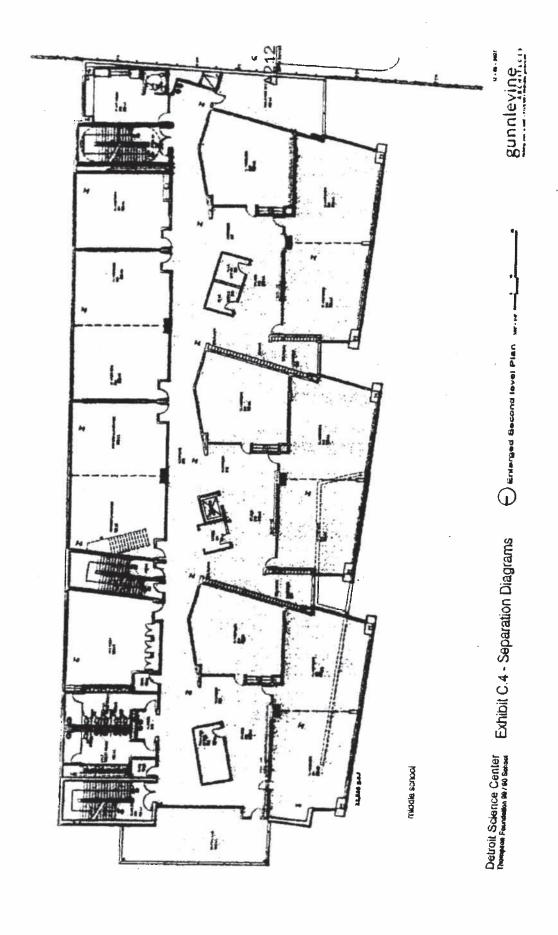


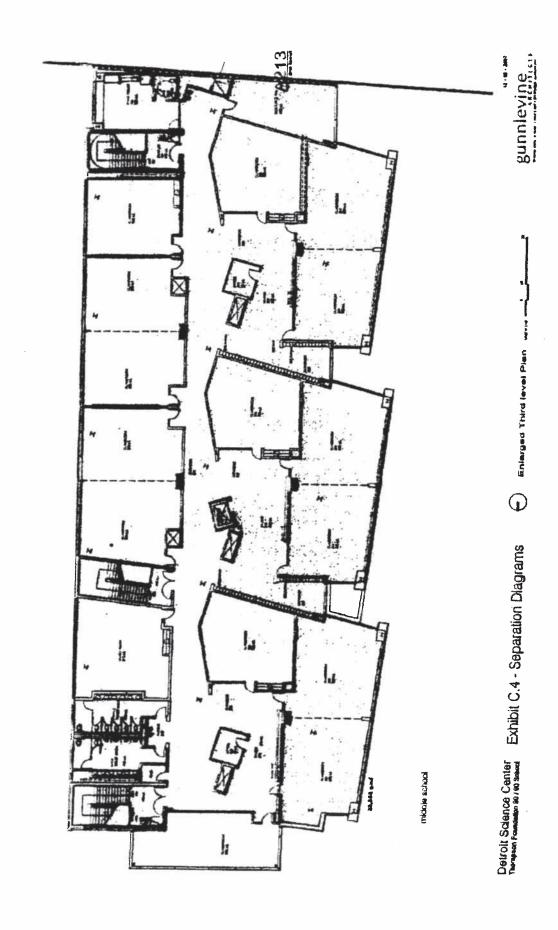
Exhibit C.4 - Separation Diagrams

gunnlevine

Enlarged Lower Level Plan







m.a.p. systems leolated and metered Deliroif science center middle school

Detroit Science Center Exhibit C.4 - Separation Diagrams

gunnlevine

Building Section A.A ware

EXHIBIT D

FORM OF SUB-LEASE

EXHIBIT E Operation, Maintenance, Repair and Replacement Expense Allocation Table

		TEF FIVE, LLC / Detroit Science Operating Expense Allocation	Center		EXHIBIT E Ground Lease between Detroit Science Center and TEF-FIVE LLC	
		Operation, Maintenance, Repair a	ind Replac	memac		Exhibit
	-	Obligated Party	TEF	DSC	The state of the s	- All speed
Γ		Electrical, Mechanical, Ventilation				T-
L	3	and Heating System				
ŀ	₹	System I	100%		Service Gymnasium and North and of First Floor	No
I	8	System II	100%		Classroom Floors 2 and 3	No
	2	System #I	26%	749	Service Lower level [exclude gym and kitchen], Main Floor excluding designated school space	Yes
L	-	System IV			Lower Level DSC Kitchen Equipment	No
۲	\neg	Cleaning	26%		Service Lower level and Main Floor	
	- 1	Rubbish removal	50%	50%		Yes
	1	Kitchen Gresse Removal	30 %	100%		No
	1	Snow Removal	E 3	100%	L	No
	j	Driveway and Building Entry	50%	50%		
	ł	Parking Lot			Prorate allocation based on parking space allocation 10% (4 spaces in 41 space	No
	١	raining Cot	10%	90%	(lot)	1
	ł	General Landscaping &	1070	30 /	i Nij	No
		Maintenance	50%	50%		
		Parking lot line painting	30 %	3076	Prorate allocation based on parking space allocation 8.3% [4 spaces in 41	No
	ľ	ranking lot line painting	10%	90%	space lot)	
	١,	Paving replacement	10 701	30 70	Space ou	No
	ľ	Parking lot			Promise allegation based on a big and a grant of the promise of th	
	1	ranking lot	10%	000	Prorate allocation based on parking space allocation 8.3% [4 spaces in 41	
	ŀ	Internal driveway	50%	50%	space lot	No
	ŀ	Curbs	50%	50%		No
Ĩ	E	Valkways	50%	50%		No
EXPENSES	E		50%	50%		Yes
Ż	E	Storm drainage Sanitary sewer and water	3076	3076		No
THE PROPERTY OF			50%	50%	Services will metered separately for kitchen area. Shared allocation cost based on capacity requirements for school assuming days of occupancy and number of students.	Yes
3	10	Sutters and down spouts, etc	100%			No
Ξ	E	toofing	100%			No
2	P	eriodic inspections:	100%			No
		tumbing	and the second			
į		ower Level and First Floor	50%	50%		Yes
٢		loors North 1st Floor, 2nd and		i		
2	3		100%			No
i		prinkler systems	50%	50%		No
3	ľ٩	Andow washing				
	Ŀ,		83%	17%	Three stories above grade [2.5 story school, entry and lower level share 50/50]	Yes
1	=	levators	100%			No
		as and Electrical Utilities	. const. I	1.		
1		System I	100%	13	Service Gymnasium and North and of First Floor	No
1		System II	100%		Classroom Floors 2 and 3	No
١	١.	System III	2001	1	ervice Lower level (exclude gym and kitchen), Main Floor (exclude TEF space)	
1	-		28%	14% a	and Mechanical Room at located in the lower level	Yes
I	•	System IV		100% L	ower Level DSC Kitchen	
t	Te	fecom Utilities		N	o shared telecom services anticipated	No
1	_	curity Service			The state of the s	
İ	_	First Floor	1	100%	SC Entry	V
ľ	-	loors North 1st Floor, 2nd and				Yes
I		and	100%			
i		blic liability and property		1.		No
		mage insurance		Δ.	s required under terms of Ground Lease	
•		nage maintenance		F	ach party separately contract	No
					services, repairs, replacements and melatonance pold for by proceeds of insurance, tensor	No

- Sxhibit C.4 Addresses applicable chances required to separate the building that will require changes in future expense allocations



		TEF SF	OSC SF	Share	d SF	TEF	TEF	TEF/DSC	T DS
	SF	1		TEF	DSC	System /	System II		
Lower Level	Ž 115	· · · · · · · · · · · · · · · · · · ·	2,115			Gym & North Admin Office	Class Room Floors	Lower leve and Main Floor	Futu Separ Meti
Calle/Lunch Storage	5,125		5,1251		100%		•	37	2
Mechanical	540		540		100%			5,125	ł
Gym	5,610	5,410[70	100%	11.479	7.748		540	1
Shered Restrooms/Devalor/ Egress stainwell	4,470	2,235	2,235	50%	50%	5,610			
Lower Love Total	17,860	7.345	10,015					4,470	
Gill Shop	1,510		1,510		100%				
DSC Control Desk/Mechanical	1 290		1 290		100%			1,510	
TEP Office/Reception/Mec hanical, Stair, Electrical	3, 185	3,185		100%		3,185			
Shared	5,006	2.503	2.503	50%	50%	0,140		5,008	
First Floor	10,990	5,688	5.303					5,008	
School Admin Second Floor	22.555 22.555	22,555		100%		L	22,555	- 1	
hird Floor	22,555	22,555		100%		•		- 1	
Total	73,968			1007		8,795	22,555		
VAC Initial Expense :				_	1	/30	48,110	17,348	2,1
Secution System III		- !				1		SF	%
DSC	1							4,738	26
	إ							13,203	74
Total		Taranta di En							
stem ill Expense Alfoc Illy meters	anon aice	rutchen is	operational	will remail	i the same	as Kitche	n Equipme	d will have	soperat
rking Expense ocation								Parking	
								Spaces	%
EF SC	1	1	1 .	1				4	105



OSC - TEF-Five Ground Lease Expense Allocation Exhibit E

Basis for Expense Allocation Exhibit E					
	DSC	TEF	Total GSF		
Lower Level *	5,6 65	0			
Shared 50/50	2,235	2,235			
Sub lotal Lower Level	7,900	2.235	10,135		
First Floor	2,800	0	,		
Shared 50/50	2,502,50	2,502.50			
Sub total First Floor	5,302.50	2,502,50	7.805		
Total Lower Level & First		.,	.,550		
Floor	13,202.50	4.737.50	17,940		
Expense Allocation %	74%	26%	.,,540		

^{*} Kitchen [2,115 sf] will be seperately metered and is not included in the expense allocation.



^{**} Calculations do not include any of the TEF non-shared space

Exhibit B

Legal Description

LEGAL DESCRIPTION OF MORTGAGED LAND

Land in the City of Detroit, County of Wayne, State of Michigan, described as follows:

Land in the City of Detroit, Wayne County, Michigan, being all of Lots 96 through 102, both inclusive and part of Lot 95 of Farnsworth Subdivision of Park Lot 38 and 39, according to the plat thereof recorded in Liber 1 of Plats, Page 16 of Wayne County Records; Also all of Lots 1 through 7, both inclusive, all of Lots 15 through 19, both inclusive, and part of Lots 8 and 14, of the Ellen L. Wallace's Sub of Part of the South 1/2 of Park Lot 38 between Farnsworth Street and Warren Avenue according to the plat thereof recorded in Liber 8 of Plats, page 54, Wayne County Records, also all of Lots 17 and 18, and part of Lots 19 through 26, both inclusive, of the Plat of Moore & Palmer's Subdivision of Park Lot 37 according to the plat thereof recorded in Liber 3 of Plats, Page 40, Wayne County Records; Also that part of the vacated alleys 16 feet and 17 feet wide and that part of vacated Theodore Street, 50 feet wide, lying within the boundaries more particularly described as: Beginning at the Southwesterly corner of said Lot 17 of said Moore & Palmer's Subdivision, thence along the Easterly line of John R, 60 feet wide, North 26 degrees 24 minutes 34 seconds West, 514.46 feet; thence South along the Southerly line of Farnsworth Avenue, 60 feet wide; North 60 degrees 06 minutes, 00 seconds East, 221.00 feet; thence South 29 degrees 54 minutes 00 seconds East, 231.30 feet; thence South 55 degrees 19 minutes 59 seconds East, 15.47 feet; thence North 63 degrees 55 minutes 51 seconds East, 34.00 feet; thence South 25 degrees 15 minutes 11 seconds East, 260.60 feet; thence along the Northerly line of East Warren Avenue, as widened to 147 feet, South 56 degrees 29 minutes 31 seconds West, 87.91 feet and 117.00 feet along a curve to the right tangent to the last course, said curve having a radius of 1,858 feet, a central angle of 3 degrees 36 minutes 29 seconds and a chord which bears South 58 degrees 17 minutes 45 seconds West, 116.98 feet to a point of tangency being in the Southeasterly corner of said Lot 18 of said Moore & Palmer's Subdivision; thence along the original Northerly line of Warren Avenue, as platted South 60 degrees 06 minutes 00 seconds West, 67.30 feet to the point of beginning.

Commonly known as: 5020 John R Street, Detroit, Michigan.

Tax Item No. 1323.001, Ward No. 1.

EXHIBIT C

Performance Standards

Tenants failure to meet in any school year during the Term any one or more of the standards relating to its operation of the University Prep Science and Math Middle School set forth below, is a default of Lease.

- 1. Average daily attendance rate for students shall be at least 90% for each school year.
- 2. Eighth graders will score within 10 percent of the state average in reading and math on the state exam, currently the MEAP, and outperform selected districts serving students from comparable demographic backgrounds.
- 3. The middle schools in the University Prep Schools system will administer the Explore—or the actual ACT—to prepare students for success on the high stakes exam.
- 4. Re-enrollment rates shall result in at least 75% of eligible eighth grade students entering the high schools upon graduation from the middle schools each year (students who migrate from middle schools, students who move to other high performing schools as defined by MDE, and students who move out of the area are included in the percentage).
- 5. University Prep Schools will meet whatever metric the state determines will replace Adequate Yearly Progress (AYP).

Additional Performance Standards

Annually, by October 31st of each school year, Tenant will provide Landlord certain reporting data regarding school operations as is outlined in the attached forms, labeled as Exhibit C.1

PSAD - UPSM Required Reporting - ENROLLMENT SUMMARY

Date of Report:	
-----------------	--

UNIVERSITY PREP SCIENCE AND MATH DISTRICT					
SUMMARY ENROLLMENT DATA		K-5 - FALL 2013	Middle School	High School	Total
LAST YEAR at 5/3/12	-				
ORIGINAL BUDGET		-			
DASHBOARD REPORT - PSAD BOARD	MTG 9/25/12	-			
ENROLLMENT - COUNT DAY - 10/3/1	12	-			
	ENROLLMENT BY GRADE - COUNT DAY 10/3/12		Middle School	High School	Total
	К	-			-
	1	-			-
	2	-			-
	3	-			-
	4	-			-
	5	-			-
	6				
	7				
	8				
	9				
	10				
	11				
	12			-	-
	TOTAL	_	_	_	

Ind	Individual Classroom Student Size - COUNT DAY Fall 2013									
GRADE	K-5 - Fall 2013	K-5 - Fall 2013	K-5 - Fall 2013	K-5 - Fall 2013	Total for K-5 - Fall 2013					
К	К -									
1					-					
2					-					
3					-					
4					-					
5					-					
TOTAL		-		·						

NOTE: FOR Middle School and High School - Submit report named "Count of Studentid" generated through PowerSchool, by Detroit 90/90 Central Office Staff.

PSAD - UPSM Required Reporting - GRADE TO GRADE STUDENT ATTRITION UNIVERSITY PREP SCIENCE AND MATH DISTRICT K-5 - Fall 2013 ALL SCHOOL BUILDINGS Middle School **High School** # of Students # of Students # of Students # of Students # of # of # of Students # of Students # of # of Students # of # of new # of Students # of new # of new @ end of Students @ end of Students on Count day-@ end of Students on Count day-@ end of Students on Count daystudents on Count daystudents students students school year that left school year that left 10/3/12 next school year that left 10/3/12 next school year that left 10/3/12 next enrolled enrolled enrolled enrolled 10/x/13 6/30/13 UPA 6/30/12 UPA grade up 6/30/12 UPA 6/30/12 UPA grade up grade up GRADE Κ 1 2 3 FOR SIXTH GRADE BELOW, USE UPSM K-5 5 6 7 FOR EIGHTH GRADE BELOW, USE UPSM Middle School 8 9 10 11 12 TOTAL

From 5th From 8th grade grades From other
grade grades - - -
NOTE: NUMBER OF STUDENTS THAT MATRICULATED TO UPA AND/OR HFA:SCS Check figures horizontally

PSAD - UPSM Required Reporting - GRADE TO GRADE TEACHER ATTRITION								
UNIVERSITY PREP SCIENCE AND MATH DISTRICT								
Building	# of Teachers @ end of 2011-12 school year	# of Teachers that left UPA	# of new Teachers hired	# of Teachers at start of school - Fal 2012				
K-5 -Fall 2013								
Middle School								
High School				-				
TOTAL		-	-	-				
Type of Employee	Number @ end of 2011-12 school year	Number that left UPA	# of new hires	Number at start of school - Fall 2012				
Principal				-				
Team Leaders				-				
Special Education				-				
Specialists				-				
Counselors				-				
Other Teaching				-				
Other				-				
TOTAL	_	-	_	-				

Exhibit D

Schedule of Annual Cap Ex Amounts

BLOOMFIELD 38030-1 1231642v1

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Permit No. B026974
University Preparatory Science & Math Middle School
5100 John R
Detroit, Michigan
Wayne County

The above named building of Use Group A-3-B/E and Construction Type 2B is approved for use and occupancy.

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

Larry Lehman, Chief

Charles E. Curtis, Assistant Chief

Building Division

September 24, 2009

UPSM Elementary School Sublease

(TEF-Eight)

Schedule 8-9, Exhibit C

LEASE

Between

LANDLORD: TEF-EIGHT, LLC, a Michigan limited liability company,

And

TENANT: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated: April 4, 2013

LEASE

SECTION 1 SCHEDULE

LANDLORD: NAME: TEF-EIGHT, LLC

ADDRESS: P.O. Box 6349

Plymouth, MI 48170

TENANT: NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

600 Antoinette Detroit, MI 48202

DEMISED PREMISES: Land located in the City of Detroit, Wayne County,

Michigan at 2251 Antietam, Detroit, Michigan, 48207, as described in the legal description attached as **Exhibit A** ("Site" or "Demised Premises"), together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment, parking areas and related site improvements – The University Preparatory Science

and Math - Elementary Campus.

LEASE TERM: July 1, 2013 until June 30, 2023 unless terminated sooner

pursuant to Section 2.2.

LEASE COMMENCEMENT

DATE:

This Lease shall commence and is effective on July 1,

2013.

RENT COMMENCEMENT DATE: July 1, 2013

SCHOOL YEAR July 1 to June 30

TERMINATION DATE: June 30, 2023.

BASE RENT: The Annual Base Rent shall be per Exhibit E

EXHIBITS ATTACHED: "A" - Legal Description of Demised Premises.

"B" - Performance Standards.

"C" – Schedule of Annual Cap Ex Amounts
"D" – Additional Reporting Requirements

"E" - Base Rent Schedule

SECTION 2 GRANT AND TERM

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term commencing on the Lease Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated December 14, 2007, as amended, by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Landlord shall deliver actual possession of the Demised Premises to Tenant on the Lease Commencement Date specified in Section 1. On the Lease Commencement Date, Tenant will be deemed to have accepted the Demised Premises. The Rent, as defined herein, due under this Lease and the term of this Lease shall commence on the Rent Commencement Date.

4.2 Landlord Not Liable For Delays

Under no circumstances shall Landlord be liable for any delays in the delivery of possession to Tenant on the Rent Commencement Date. Tenant's sole and exclusive remedy shall be the abatement of Rent until the Demised Premises are ready for occupancy and possession is delivered to Tenant.

4.3 Memorandum

Within 30 days after the delivery of possession to Tenant, Tenant shall join with Landlord in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Lease Term. Tenant's failure to execute the Memorandum (if requested by Landlord) shall be a default by Tenant under this Lease.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated in Section 1, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in quarterly installments in advance with the first such payment due on the Rent Commencement Date and then on the first day of each calendar quarter of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that the Annual Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. To the extent permitted by law and without waiving any privilege or immunity, Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as Utilities (as defined below), maintenance, etc.), if provided direct to Tenant, excluding Annual Base Rent, including, without limitation, Utilities, Taxes (as defined below), maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any Additional Rent, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay the Annual Base Rent (the Annual Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to Tax, Utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

Lease Year shall mean a period of twelve (12) consecutive calendar months commencing July 1st and ending on June 30th. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Lease Term (but

specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are the sole responsibility of Landlord) as the same shall become due, all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the Lease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Lease Years.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for (a) the purpose of establishing, managing, and operating an urban high school academy and attendant office use, for uses authorized under the Charter School Contract, and for no other purpose without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion, provided that such use does not include (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1) private or commercial golf course, (2) country club, (3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal business of which is the sale of alcoholic beverages for consumption off premises. Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Lease Commencement Date. Tenant shall comply strictly with each and every term, condition, and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in a substantially similar condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against

any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Landlord as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Landlord. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Landlord. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Landlord prior to Tenant taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid to Landlord as Additional Rent.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Subject to any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the improvements to the Demised Premises made by Landlord, all of which maintenance Landlord shall be responsible to cause to be performed at Landlord's cost, Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided however, that Tenant shall not be responsible for latent defects at the Demised Premises. The plumbing system, including the sewage facility serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency and except custodial) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

Tenant hereby agrees to appropriate an annual amount ("Annual Cap Ex Amount") per Lease Year for the remaining Lease Term and any exercised Option Period for fixtures, furnishings and equipment (collectively, the "FF&E") mechanical, HVAC, plumbing, sewer, electrical, and other building system (collectively, the "Building Systems") repairs and replacement at the Demised Premises. The repair and/or replacement FF&E and Building Systems shall become the property of Landlord upon installation caused by Tenant and shall remain at the Demised Premises after termination and/or expiration of this Lease. FF&E and Building Systems expenditures shall be made prior to the commencement of the School Year during such Lease Year and if the Annual Cap Ex Amount is not expended by the start of the School Year, the remaining amount shall be placed in an escrow account or capital reserve budget line item ("Escrow Account") before the start of the School Year with a federally insured bank with withdrawal privileges requiring the signatures of both Landlord and Tenant for withdrawals in excess of \$10,000. Tenant's failure to expend the Annual Cap Ex Amount in each Lease Year and/or escrow the shortfall or full amount thereof after the fourth Lease Year and for each and every year thereafter, including any Option Period (if exercised), in a timely fashion as outlined herein shall constitute a Default under this Lease.

On or before June 30, 2014, Landlord and Tenant shall negotiate in good faith to determine through a comprehensive building evaluation, the Annual Cap Ex Amount and include a schedule of Annual Cap Ex Amounts as an additional Exhibit C to this Lease.

10.2 Compliance With Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense, keep the Demised Premises and all Landlord owned FF&E insured for the benefit of Landlord and any mortgagee of Landlord:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Landlord from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Landlord in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Landlord owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping

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and similar apparatus, in an amount determined solely by Landlord; and

(d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord and any mortgagee of Landlord shall be named as an additional insured on all such policies. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore the Demised Premises or make them tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of the actual taking. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be prorated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, and diminution in value of the leasehold interest only and loss of business.

13.2 Landlord's and Tenant's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Landlord.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All FF&E installed by Landlord shall remain the property of Landlord at the termination of this Lease. If Tenant installs any FF&E during the Lease Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Landlord upon installation and shall not be removed without Landlord's prior written consent, which may be granted or withheld in Landlord's sole and absolute discretion. All FF&E installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such FF&E in accordance with all applicable Laws and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.

If Tenant installs any FF&E during the Lease Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Tenant may remove such FF&E at the termination of this Lease.

Annually, on or about April 15 of each calendar year, Tenant shall provide Landlord with an accounting as to any FF&E of Landlord which have been replaced or otherwise disposed of by Tenant. Except for any such items which have become damaged or unusable, Tenant shall offer Landlord the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Tenant. If Landlord does not exercise its right to claim such items, they may be disposed of by Tenant in such fashion as Tenant may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant (collectively, a "Transfer"), without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the Demised Premises, so long as Tenant is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

17.2 Sale or Transfer

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of a Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due;
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent, and such failure remains uncured for thirty (30) days following written notice thereof given by Landlord to Tenant;
- (c) Tenant files bankruptcy or Tenant becomes insolvent;
- (d) Tenant has abandoned for longer than thirty (30) days, except for the period from June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises;
- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in Board President of the Tenant's Board of Directors, or a change in the majority of members of the Tenant's Board of

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Directors from those holding office on the Lease Commencement Date, without the prior approval of Landlord having been obtained.

- (f) In the event that a Change in Control of the Educational Management Company used by Tenant to operate the urban high school academy school district which is operating the building and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean any of the following: (1) a change in the President of the Board of Directors or Managing Member of the Educational Management Company; (2) a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date; or (3) change in the Chief Executive Officer (or similar title); or (4) any change of the actual person in primary control of the operation of the respective school on behalf of the Educational Management Company.
- (g) The failure of Tenant to establish policies required by the Charter School Contract in a timely manner, as required by the Charter School Contract.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend such Charter School Contract for any reason or no reason; unless Tenant enters into a replacement charter contract which authorizes Tenant to operate a public school academy at the Demised Premises for the same grade range as the Charter School Contract prior to the commencement of the next School Year. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under any current Leases (or subleases) between Tenant, or any entity related to Tenant, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC and TEF Franklin, LLC, that is not cured within the time specified in such Lease.
- (j) Failure by Tenant to provide all information reasonably requested by Landlord to permit Landlord to confirm compliance with the terms of any tax credit arrangements relating to the Demised Premises and any Mortgage.
- (k) Tenant fails to meet any one or more of the performance standards set forth on **Exhibit B** (collectively, the "Performance Standards").
- (l) In the event that there shall be a change in the Contract Administrator in place at the time of Lease Commencement Date, without the prior written approval of Landlord having been obtained.

18.2 Landlord's Remedies Upon Default

(a) Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(k), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to re-enter the Demised Premises, in accordance

with applicable law, to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.

(b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if Landlord prevails, Tenant shall pay Landlord for expenses incurred in such action, including reasonable attorney's fees. Such expenses shall be deemed to have been incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorneys' fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 REPORTING

19.1 School Reports

During the Lease Term, as soon as available, but in no event after the period set forth herein, Tenant shall furnish, upon written request and to the extent not otherwise prohibited by law, or, where information is maintained on government online databases or formats, make available to Landlord the following documents with respect to the School:

- a) within sixty (60) calendar days after the beginning of each fiscal year of Tenant, annual enrollment for the School, including, without limitation, federal free and reduced-price lunch eligibility and special education and ethnicity enrollment:
- b) within thirty (30) calendar days of Tenant's receipt as to the School and to the extent not otherwise prohibited by applicable law: (A) "Annual School Report Card" required by the No Child Left Behind Act, and the following additional information if not included in the Annual School Report Card: performance on mandated state educational tests and internally-administered tests; (B) all programmatic quality reporting, including

reports to the charter authorizer; and (C) all material correspondence from the charter authorizer; and

c) Promptly after request, Tenant shall furnish to Landlord such additional information, reports, statements, and certificates with respect to the School as Landlord may from time to time reasonably request, in form and content reasonably satisfactory to the Landlord. Tenant and Landlord acknowledge and agree that certain student-identifying information (including, without limitation, names and social security numbers) may be redacted from documents provided to Landlord pursuant to this 19.1 to protect the privacy of students of the School prior to such documents being delivered to Landlord.

19.2 Financial Reports

Tenant shall deliver to Landlord (i) within one hundred twenty (120) days of the end of Tenant's fiscal year, financial statements for Tenant (including, at a minimum, a balance sheet, an income statement showing breakeven or better financial performance, and a statement of cash flow), which financial statements include specific details for Tenant Business and are certified as true and correct by an authorized officer of Tenant, in a form reasonably satisfactory to Landlord in all respects and audited by an independent certified public accountant reasonably approved by Landlord. All financial statements shall be prepared in accordance with generally accepted accounting practices for public school accounting in the State of Michigan. Tenant shall deliver to Landlord such other financial information with respect to Tenant and the Demised Premises as Landlord may reasonably request from time to time.

SECTION 20 QUIET ENJOYMENT

Landlord covenants that so long as no Tenant Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 21 SUBORDINATION

This Lease is and shall be subject and subordinate to all mortgages and ground or underlying leases which may now or hereafter affect the Demised Premises, and to all renewals, modifications, consolidations, replacements and extensions thereof. In confirmation of such subordination, Tenant shall execute and deliver upon demand such further instrument or instruments subordinating this Lease to the lien of any such mortgage or mortgages as shall be desired by Landlord, as well as any mortgages or proposed mortgagees. Any mortgagee of the Landlord shall be entitled to rely upon and enforce the terms of this Section 21 as a third party beneficiary.

SECTION 22 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 23 OPTION TO EXTEND

23.1 Option to Extend Lease Term

So long as no Default has occurred and is continuing, and Landlord and Tenant shall have agreed upon the terms of a revised, updated and replacement **Exhibit B** setting forth the Performance Standards for the Option Period (as defined below) (the "Replacement Exhibit B"), Tenant shall have one (1) option to extend the Lease Term on the same terms and conditions set forth herein but including the Replacement Exhibit B for a period of five (5) years (the "Option Period") in accordance with the terms of this Section 23 (the "Option to Extend") at the Annual Base Rent set forth for such years in **Exhibit E**. The Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

23.2 Exercise of Option

If this Lease is in full force and effect, and Tenant complies with Section 23.1, Tenant may exercise the Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the initial Lease Term, provided Tenant is in compliance with the Performance Standards, and the Replacement Exhibit B has been incorporated into the Lease and is applicable for the Option Period.

SECTION 24 MISCELLANEOUS

24.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

24.2 Modification

This Lease shall not be modified or amended unless in writing signed by Landlord and Tenant.

24.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to each party at the address set forth Section 1, except that after the Rent Commencement Date any notice to

UPSM Elementary Lease

Tenant shall be given in writing at the Demised Premises, or such changed address provided in writing by the applicable party and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile, e-mail or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery to such courier service.

24.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

24.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease.

24.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

24.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

24.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

24.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year first above written.

LANDLORD:

TEF-EIGHT, LLC,

a Michigan limited liability company

By:

Thompson Educational Foundation, its sole

member

John G. Cleary

Vice President of Finance and Real Estate

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By:

Edward Parks

Its:

President

LANDLORD:

TEF-EIGHT, LLC, a Michigan limited liability company

By: Thompson Educational Foundation, its sole member

By:
John G. Cleary
Vice President of Finance and Real Estate

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By: Edward Parks

Its: President

EXHIBIT A

Legal Description

LAND IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, BEING DESCRIBED AS:

LOT 6, ELMWOOD PARK URBAN RENEWAL PLAT SUBDIVISION NO. 1, AS RECORDED IN LIBER 89, PAGES 47 THROUGH 49 OF PLATS, WAYNE COUNTY RECORDS. LOT 1 THOUGH 15, BLOCK 29, DUBOIS SUBDIVISION, AS RECORDED IN LIBER 1, PAGE 163, WAYNE COUNTY RECORDS. LOTS 1 THROUGH 24, BLOCK 20, JOSEPH CAMPAU FARM SUBDIVISION, AS RECORDED IN LIBER 2, PAGE 17 OF PLATS, WAYNE COUNTY RECORDS. ALSO THE EAST 1/2 OF VACATED DUBOIS, AND THE NORTH 1/2 OF VACATED JAY AND VACATED ALLEYS, ADJACENT EXCEPT CHENE STREET.

BEING MORE PARTICULARLY DESCRIBED AS:

A PART OF PRIVATE CLAIM 91, CONSISTING OF LOT 6, ELMWOOD PARK URBAN RENEWAL PLAT SUBDIVISION NO. 1, AS RECORDED IN LIBER 89, PAGES 47 THROUGH 49 OF PLATS, WAYNE COUNTY RECORDS, ALSO LOTS 1 THOUGH 15, INCLUDING VACATED ALLEYS, BLOCK 29, DUBOIS SUBDIVISION, AS RECORDED IN LIBER 1, PAGE 163, WAYNE COUNTY RECORDS, AND LOTS 1 THROUGH 24, INCLUDING VACATED ALLEYS, BLOCK 20, JAMES CAMPAU FARM SUBDIVISION, AS RECORDED IN LIBER 2, PAGE 17 OF PLATS, WAYNE COUNTY RECORDS. ALSO THE EAST 1/2 OF VACATED DUBOIS STREET, AND THE NORTH 1/2 OF VACATED JAY STREET. ALSO THE WEST 1/2 OF VACATED DUBOIS STREET BETWEEN JAY STREET AND WATERLOO STREET, AND THE SOUTH 1/2 OF VACATED WATERLOO STREET BETWEEN DUBOIS STREET AND CHENE STREET. ALSO EXCEPTING THE EAST 60 FEET OF LOTS 9 THROUGH 16, BLOCK 20, OF SAID JAMES CAMPAU FARM SUBDIVISION FOR THE WIDENING OF CHENE STREET.

ALL OF THE ABOVE BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT A FOUND MONUMENT AT THE NORTHEASTERLY RIGHT-OF-WAY INTERSECTION OF ST. AUBIN AVENUE (120' WIDE) AND ANTIETAM STREET (120' WIDE), ALSO BEING THE SOUTHWESTERLY CORNER OF LOT 3 OF "ELMWOOD PARK URBAN RENEWAL PLAT NO. 1 OF PART OF PRIVATE CLAIM 14, 90 AND 91, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN", AS RECORDED IN LIBER 89, PAGES 47, 48 AND 49 OF PLATS, WAYNE COUNTY RECORDS; THENCE N.59°52'13"E., 932.19 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SAID ANTIETAM STREET TO THE POINT OF BEGINNING, SAID POINT BEING THE SOUTHWESTERLY CORNER OF LOT 6 OF SAID "ELMWOOD PARK URBAN RENEWAL PLAT NO. 1", ALSO BEING THE NORTHWESTERLY RIGHT-OF-WAY INTERSECTION OF SAID ANTIETAM STREET AND VACATED DUBOIS STREET (50' WIDE, NOW CONVERTED TO A

PUBLIC EASEMENT); THENCE N.26°07'10"W., 536.28 FEET ALONG THE WESTERLY LINE OF SAID VACATED DUBOIS STREET TO A POINT ON THE CENTERLINE OF VACATED WATERLOO STREET (50' WIDE, NOW CONVERTED TO A PUBLIC EASEMENT); THENCE N.59'52'13"E., 542.42 FEET ALONG THE CENTERLINE OF SAID VACATED WATERLOO STREET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF CHENE STREET (120' WIDE); THENCE S.26°07'10"E., 536.28 FEET ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID CHENE STREET TO THE NORTHWESTERLY RIGHT-OF-WAY INTERSECTION OF SAID CHENE STREET AND SAID ANTIETAM STREET, ALSO BEING THE SOUTHEASTERLY CORNER OF SAID LOT 6; THENCE S.59°52'13"W., 542.42 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SAID ANTIETAM STREET, ALSO BEING THE SOUTHERLY LINE OF SAID LOT 6, TO THE POINT OF BEGINNING.

CONTAINING: 290,178.23 SQ. FT. OR 6.661 ACRES OF LAND.

COMMONLY KNOWN AS: 2251 ANTIETAM TAX PARCEL ID: WARD 09 ITEM 01020-123

Exhibit B

Performance Standards

Tenant's failure to meet in any school year during the Term any one or more of the standards relating to its operation of the University Preparatory Science and Math Elementary School, is a default of Lease.

- 1. Each year, at least 90% of the eligible fifth graders will enter the middle schools the following fall.
- 2. 75% of the sixth graders entering the middle schools who attended the elementary schools since kindergarten will read at or above grade level.
- 3. Average daily attendance rate for students shall be at least 90% for each school year.
- 4. University Preparatory Science and Math will meet whatever metric the state determines will replace Adequate Yearly Progress (AYP).
- 5. Annually, the PSAD Board will be provided certain mandatory reporting data as outlined and in the format as depicted in attached Exhibit D. This data and the reports are to be provided by October 31st of each school year.

EXHIBIT C Schedule of Annual Cap Ex Amounts

(To be determined by Landlord and Tenant prior to June 30, 2014)

PSAD - UPSM Required Reporting - ENROLLMENT SUMMARY

te of Report:				
UNIVERSITY PREF	SCIENCE AND	MATH DIST	RICT	2 23-23
SUMMARY ENROLLMENT DATA	K-5 - FALL 2013	Middle School	High School	Total
LAST YEAR at 5/3/12				
ORIGINAL BUDGET				

ENROLLMENT - COUNT DAY - 10/3/12

DASHBOARD REPORT - PSAD BOARD MTG. - 9/25/12

ENROLLMENT BY GRADE - COUNT DAY 10/3/12	K-5 - FALL 2013	Middle School	High School	Total
К				
1	:-			
2				:•,
3				
4	·•			
5				
6				
7				
8				
9				
10				
11				
12			•	
TOTAL		_		

Individual Classroom Student Size - COUNT DAY Fall 2013						
GRADE	K-5 - Fall 2013	Total for K-5 - Fall 2013				
К					•	
1						
2					-	
3						
4					-	
5						

NOTE: FOR Middle School and High School - Submit report named "Count of Studentid" generated through PowerSchool, by Detroit 90/90 Central Office Staff.

	35	# of Students on Count day. s 10/3/12 next d grade up		•		•						•	
	BUILDING	# of new students enrolled					•					1	•
	ALL SCHOOL BUILDINGS	# of Students that left UPA	,st										
RITION		# of Students @ end of school year - 6/30/12											
NT ATT	(Prince)	# of Students on Count day- 10/3/12 next grade up						liddle School					
STUDE	chool	# of new students enrolled						FOR EIGHTH GRADE BELOW, USE UPSM Middle School					
RADE TH DIS	High School	# of Students that left UPA			4 9			RADE BELOW				•	
E TO G		# of Students @ end of school year - 6/30/12						FOR EIGHTH G				•	From other grades
equired Reporting - GRADE TO GRADE STUD UNIVERSITY PREP SCIENCE AND MATH DISTRICT	(2000)	# of Students on Count day- 10/3/12 next grade up				M K-5							From 8th grade
orting REP SC	chool	# of new # or students 10				FOR SIXTH GRADE BELOW, USE UPSM K-5							From 5th grade
d Rep	Middle School	# of Students that left UPA				TH GRADE BEI						* :	
lequire UNIVE		# of Students @ end of school year - 6/30/12				FOR SIXT							
PSAD - UPSM Required Reporting - GRADE TO GRADE STUDENT ATTRITION UNIVERSITY PREP SCIENCE AND MATH DISTRICT		# of Students on Count day: 10/x/13											
SAD - I	1 2013	# of new # students or enrolled										•	
۵	K-5 - Fall 2013	# of Students that left UPA											
		# of Students @ end of school year - 6/30/13										•	
		GRADE	<u> </u>	- 2	m •	4 ru	9	۰ 00	ø	9 1	21	TOTAL .	

PSAD - UPSM Req	uired Reporting - G	RADE TO GRADE	TEACHER ATTR	ITION
UNIVERS	ITY PREP SCIEN	ICE AND MA	TH DISTRICT	<u>,</u>
Building	# of Teachers @ end of 2011-12 school year	# of Teachers that left UPA	# of new Teachers hired	# of Teachers at start of school - Fal 2012
K-5 -Fall 2013				
Middle School				
High School	City Control of the C			
TOTAL	-	-	-	-
Type of Employee	Number @ end of 2011-12 school year	Number that left UPA	# of new hires	Number at start of school - Fall 2012
Principal				-
Team Leaders				-
Special Education				-
Specialists				<u>-</u>
Counselors				
Other Teaching				•
Other				
TOTAL	•	-	-	

EXHIBIT E Base Rent Schedule

Lease Year Beginning	Base Rent
2,013	165,000
2,014	165,000
2,015	165,000
2,016	165,000
2,017	165,000
2,018	165,000
2,019	242,500
2,020	535,000
2,021	535,000
2,022	537,768
2,023	543,052
2,024	548,483
2,025	553,967
2,026	559,507
2,027	565,102
2,028	570,753

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. B034403
University Prep Science/Math Elementary School
2251 Antietam
Detroit, 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.

Larry Lehman, Chief

Charles E. Curtis, Assistant Chief

Building Division

January 10, 2014

SCHEDULE 9

UNIVERSITY PREPARATORY ACADEMY (UPA): SCHOOL INFORMATION AND SITE CONFIGURATION

EDUCATIONAL GOALS AND PROGRAMS

EDUCATIONAL GOALS

Academic Achievement

As measured by the state assessment, the school's percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready as reported by the Michigan Department of Education will meet or exceed the select peer schools' mean reported percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Academic Growth

As measured by the state assessment, the school's mean student growth percentile rank in English language arts and math will meet or exceed the select peer schools' mean student growth percentile rank. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Board President/Vice President Signat

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Board of Directors at a properly noticed open meeting held on the study of the a quorum was present.

Board Secreta

CURRICULUM

The Academy will comply with the requirements of MCL 380.552(20). The Academy will submit a report to the MDE, in a form or manner prescribed by the MDE, that reports the number of pupils enrolled in an online or distance learning program during the immediately preceding month.

Please see separate folder on Contract CD for full Curriculum

STAFF RESPONSIBILITIES

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

- (a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and
- (b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

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.

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 sections 1249 and 1250 of 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 this section.

Performance Evaluation System Commencing with the 2013-2014 School Year. If the Academy Board adopts and implements for all teachers and school administrators a performance evaluation system that complies with section 1249(7) of the Code, then the Academy Board is not required to implement a performance evaluation system that complies with section 1249(2) and (3). 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 this section.

Parent Notification of Ineffective Teacher Ratings. Beginning with the 2015-2016 school year and continuing on during the term of this Contract, if a pupil is assigned to be taught by a teacher who has been rated as ineffective on his or her 2 most recent annual year-end evaluations under section 1249, the Academy Board shall notify the pupil's parent or legal guarding that the pupil has been assigned to a teacher who has been rated as ineffective on the teacher's 2 most recent annual year-end evaluations. The notification shall be in writing and shall be delivered to the pupil's parent or legal guardian by U.S. mail not later than July 15th immediately preceding the beginning of the school year for which the pupil is assigned to the teacher, and shall identify the teacher who is the subject of the notification.

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 earned and paid in accordance with Applicable Law. 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.



Entity:	University Prep Schools
School:	Various
Job Title:	Paraprofessional - Part-time
Reports to:	School Director
Status:	At-will, Exempt, School-year

Summary:

U Prep Paraprofessionals are responsible for assisting the classroom teacher in the educational and social development of all of the students.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Duties and Responsibilities:

The primary duties and areas of responsibility include, but are not limited to, the following:

- Works under the guidance of a certified teacher
- Provide instructional support to individuals or small groups of students identified by a certified teacher
- Provide intervention tailored to individual student needs, under the guidance of a certified teacher
- Supervises students during non-academic times (i.e. lunch, choice time, recess, teacher planning periods, arrival and dismissal, etc.)
- Helps maintain an orderly, attractive classroom environment
- Participates in all staff meetings and professional development
- Maintains flexible daily routines that accommodate changing responsibilities and schedules
- Supports teaching staff in any way that promotes the goals of U Prep Schools
- All other duties as assigned

Qualifications

• Education and Certification Requirements

- Completion of two years of study or more at an institution of higher education (equal to 60 semester hours); OR
- o Obtained an associate's degree or higher; OR
- o ETS ParaPro Assessment with a passing score or 460; OR
- Michigan Test for Teacher Certification Basic Skills (MTTC); OR
- WorkKeys® through June 1, 2017. After June 1, 2017, MDE requires the use of the other credit
 or assessment options. Anyone that has passed the Reading for Information, Applied
 Mathematics, and Writing portions of the WorkKeys® prior to June 1, 2017 will still meet the
 state requirements.
- Must provide an official transcript
- Proficient in Microsoft Office Suite and Mac or PC platform (as applicable to location)

Experience

- Experience working with others to successfully complete multi-faceted projects
- Experience working with children in an educational setting preferred



Skills

- Proficient in Microsoft Office Suite and Mac or PC platform (as applicable to location)
- Strong communication skills, verbal and written
- Strong time management skills with attention to detail
- Must possess a disciplined work style with the ability to show comparable urgency with proactive work as with deadline-driven work
- Willing and able to adjust to multiple demands and shifting priorities while demonstrating flexibility and resilience
- Proven ability to thrive in a self-directed, fast-paced environment with constantly changing priorities
- Possess high degree of integrity and strong ability to handle sensitive and confidential information; and,
- Strong relationship building

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Compensation

Starting pay is \$15.00 an hour

About U Prep Schools:

If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U. Our mission: to give students the courage to pursue a future full of possibilities. Our students come to our network of schools looking for a rewarding and fulfilling education. Comprised of three public charter school districts; University Preparatory Academy, University Prep Science and Math and Henry Ford Academy; we educate over 4,500 students in the burgeoning city of Detroit. Help us to prepare our students for success in life and be a part of U.

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Entity: University Prep Schools

Level: High School Job Title: Restorative Practices Practitioner

Reports to: School Director

Status: Full-time, School-year, At-will

Summary: The Restorative Practices Practitioner is responsible for providing a safe space for students and staff to resolve conflict, providing techniques and best practices to ensure that all person-to-person interactions are respectful and productive, contributing to development of our school culture, and participating in all pertinent professional development

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities:

- Professional Development
 - o Seeks opportunities to develop their skills and knowledge
 - o Implements recommendations and best practices acquired through professional development, continuing education, observation, coaching, and evaluation
 - \circ Utilizes effective restorative justice practices responding to the needs of each student and staff member in the school community
- Data o Utilizes data to implement best practices and modify practices as

needed

o Works closely with Dean of Culture to create and lead effective Professional Development

School Culture

- o Ensures a safe, supportive, and productive environment for students and staff
- o Sets and maintains high character expectations for students and staff
- o Implements effective conflict resolution, and helpful student support services
- o Promotes teamwork within the school community
- Demonstrates cultural competencies in being part of a multi-cultural institution
- \circ Incorporates school-wide expectations into all work, projects, and interactions with members of the school community
- o Community/Parental Outreach
- o Actively engages parents into restorative justice process as needed
- o Seeks and builds relationships with professional organizations

Compliance

- o Drafts, updates, and submits lesson plans and data analysis action plans on a consistent basis
- Responds to requests from the School Operations Team for any required actions or documents to maintain accurate and complete records and meet reporting deadlines

Job Description: Restorative Practices Practitioner

Page 1 of 2 Revised May 18, 2018

- Building Management
 - \circ Implements classroom procedures that promote a safe, clean, orderly, and productive classroom environment
- · All other duties as assigned

Qualifications

- Education
 - High School diploma or equivalent
- Experience
 - o Knowledge of restorative justice theory and practices preferred
 - o Experience in building positive relationships with colleagues, students, and parents
- Skills O Ability to nurture and develop the character of students
 - Ability to make decisions in a strategic way balancing building strong relationships and maintaining high expectations for character
 - Courage to make decisions in support of cultural goals while maintaining a steady pulse of team and school goals
 - o Meticulous organization and use of time
 - o Excellent written and oral communication skills
- Demonstrates U Prep's Core Values
 - We work well by ourselves and teams
 - We care about people
 - o Our actions have a purpose
 - We think big and do
 - Learning is exciting

Salary Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Performance & Core Value bonuses
- Career development

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Restorative Practices Practitioner

Page 2 of 2 Revised May 18, 2018



School District/Entity:	University Prep Schools
School:	University Prep Science and Math High School, UPSM HS
Job Title:	Zoologist/ Zoology Teacher
Reports to:	UPSM HS School Director
Status:	At-will, Exempt

Summary

A member of the Zoology & Aquarium Studies Program, the Zoology teacher is responsible for facilitating learning experiences for students focused around studying animals in both a laboratory and natural environment. Additionally, helping students discover the science behind species, their habitat, environments, and interactions. Finally, exposing and involving students in conservation work.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Planning and Preparation

 Prepare and facilitate standards-aligned lessons and activities that require students to demonstrate mastery of concepts through employing scientific practices, displaying conceptual proficiency and making connections across multiple science disciplines.

Classroom Environment

Develop a classroom environment that is culturally responsive, adjusting to students needs.
 Learning experience ought to speak to the needs of each students learning modality with steadfast intention and awareness of equity, academic and, social-emotional growth.

Professional Responsibilities

- Keep abreast of developments in the field by reading current literature, talking with colleagues, and participating in professional conferences.
- Attend training sessions or professional meetings to develop or maintain professional knowledge.
- Maintain open communication with Detroit Zoo and other partners.

Instruction

- Employee key instructional strategies such as making student thinking visual, providing space for collaboration, notebooking, providing students opportunities to engage in and use data collected from investigations as evidence for arguments, and constructing and using models to communicate scientific concepts.
- Provide learning experiences where students make sense of naturally occurring phenomena to explain the animal behavior, ecology and the interactions of natural systems.
- Provide students with course-related experiences, such as fieldwork excursions in the Metro Detroit Area and using real-world science content in the classroom to make sense of the natural world.
- Evaluate and grade students' class work, group projects, fieldwork, capstone projects, assignments, and papers.
- Maintain student attendance records, grades, and other required records.
- Supervise students' capstone projects and fieldwork experiences

Job Description: Zoologist/ Zoology Teacher

Page 1 of 2 Revised (5/6/19)



- Generate, administer, and grade performance assessments.
- Assist students who need extra help with their coursework outside of class.
- Maintain regularly scheduled office hours to advise and assist students.
- Collaborate with colleagues to address teaching and learning
- Select and obtain materials and supplies such as textbooks and fieldwork equipment.
- Manage and organize students internship application process

Qualifications

Education and Certification

- 4-year BS or BA in Biology focused on Zoology or Biology with Zoology minor (preferably a Master's Degree in Biology or Zoology).
- DX, DI or DA all Acceptable Endorsements

Experience

 1-5 years or more research experience with studying animal behavior, observing them in the laboratory and in their natural habitat.

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values (Stay as is)

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year-round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Zoologist/ Zoology Teacher

Page 2 of 2 Revised (5/6/19)



School District/Entity:	Detroit 90/90 U Prep Schools
School:	N/A
Job Title:	Food Service Assistant
Reports to:	Assistant Director of Food Service
Status:	At-will, Year-round, Non-exempt

Summary

The Food Service Assistant serves as a primary source of administrative support for the Food Service Department.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Provides coverage for absent lunch aides
- Verifies lunch aide time sheets
- Train and onboard new hires
- Processes lunch applications
- Evaluate lunch aide's performance
- Provides assistance to parents with questions regarding lunch eligibility, and account reconciliation and other lunch issues.
- Process help desk tickets.
- Process supply requests for lunch aides.
- Meal Magic password resets
- Perform additional tasks as requested.

Qualifications

Education

High School diploma or equivalent

Experience

- Previous experience in food service
- Customer Service experience
- Experience working with children

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Basic math skills
- Microsoft Word, Excel, Meal Magic

Job Description: Food Service Assistant

Page 1 of 2 Revised May 7, 2018



- Ability to lift up to 30 lbs
- Able to bend, stoop and stand for extended periods.

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Compensation

• \$12.00 per hour

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development

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Job Description: Food Service Assistant

Page 2 of 2 Revised May 7, 2018



School District/Entity:	Detroit 90/90
School:	Various
Job Title:	Information Technology Support Specialist
Reports to:	Executive Director of Operations
Status:	Full-time, At-will, Exempt,

Summary

A member of the Operations Team, the Information Technology Support Specialist is responsible for overall support and maintenance of assigned technology environment – Mac and Windows platform. This includes installation, deployment, maintenance, repair, and troubleshooting as it pertains to all technology devices and applications for the district.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Provides workstation, application, and audiovisual equipment support and training; includes
 district hardware such as interactive whiteboards, multimedia carts, mobile computing carts,
 laptops, desktops, etc.
- Oversees physical and mobile computer cart labs district-wide.
- Setup and deploy new equipment, hardware and/or software; includes upgrades and/or system overhaul projects.
- Sets up and troubleshoots hardware and software for specialized testing and/or programs.
- Troubleshoots and repairs computer hardware, interactive whiteboards, tablets and other peripheral equipment.
- Customizes IT solutions for district initiatives.
- Assists Information Technology Manager as needed.
- Manages, prioritizes, and responds expeditiously to help desk ticket requests.
- Recommends and assists with technology purchases.
- Supports and repairs internal telephone systems and cellular devices.
- Ensures proper accounting, tagging and monitoring of district's inventory (hardware, software, warranty and repair logs).
- Makes needed changes and notes to inventory database; including adding, transferring, and end
 of life noting to assets.
- Reports equipment damage and needed replacements to IT Manager.
- Serves on District Technology Committee.
- Performs other duties as assigned.

Job Description: Informational Technology Support Specialist



Qualifications

Education

- Associates degree and/or at least 3 years of hands-on work experience in Information
 Technology support
- o Microsoft or Mac certification preferred

Experience

- O Experience with troubleshooting and repairing technology devices
- O Experience with telephone maintenance and repair
- Previous experience in an educational environment is desired

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- o We care about people
 - we care about peop
- Our actions have a purpose
- o We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Informational Technology Support Specialist



School District/Entity:	U Prep Schools
School:	Various
Job Title:	School Operations Manager
Reports to:	School Director
Status:	At-will, Exempt, Year-round

Summary

The School Operations Manager oversees all areas of school operations. As such, the Manager manages daily school operations, coordinates with the Central Management teams to ensure timely and thorough completion of projects and response to reporting and compliance matters, and helps develop and fully-execute the plans for the school in coordination with Central Management, district, and school-level leadership. In addition, the Manager is the primary troubleshooter for teachers, students, parents, guests, and employees from other divisions of the organization, finding effective solutions for their needs and concerns.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

The primary duties and areas of responsibility include, but are not limited to the following:

Budget Monitoring

- Works with School Director and Accounting to develop and manage the school's budget and collaborates with the Assistant Director of School Quality to develop Title I budget
- Manage all budget-related compliance matters
- Reviews budget variances
- Reviews, monitors, and submits monthly credit card statements to Accounting Department
- Monitors budgets, flags low accounts, and elevates issues
- o Tracks and processes all cash collections and fundraising money

Procurement

 Works closely with Procurement Specialist to place orders and manage inventory at the school-site

Monitors Operational Performance

 Prepares campus for the start of the school year and works with network staff to resolve any outstanding issues

Job Description: School Operations Manager



- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: School Operations Manager

Page 2 of 3 Revised March 20, 2018

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: School Operations Manager

Page 3 of 3 Revised March 20, 2018



School District/Entity:	U Prep Schools
Location:	Central Management
Job Title:	Talent Coordinator
Reports to:	Assistant Director of Talent
Status:	Part-time, At-will, Exempt

Summary

The Talent Coordinator is responsible for recruiting, onboarding, and managing the substitute teachers in the U Prep network. Reporting to the Assistant Director of Talent, the Talent Coordinator would assist with interviewing for all roles, attend hiring fairs, updating personnel files and data management.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Substitute Teachers

- Source, screen and onboard substitute teachers for U Prep Schools
- Use networking, social media and all other available methods to attract substitutes to the organization
- Manage the AESOP absence management system to fill vacancies and when necessary add absences
- Develop a relationship with school leaders and school operations managers to address the needs of each location
- Develop a relationship with substitute teachers to gain feedback and retain talent
- All other duties as assigned

Talent

- Serve on the hiring team by screening resumes assisting with Core Value interviews
- Update personnel files
- Attend hiring fairs to recruit top talent
- All other duties as assigned

Qualifications

Experience

- Human resources experience preferred
- School experience preferred

Skills

- Strong communication skills
- Exceptional organizational skills

Job Description: Talent Coordinator

Page 1 of 2 Revised October 2, 2018



- Commitment to building relationships and trust with leaders, teachers, students, parents, and community.
- Comfortable working within the Microsoft and Google systems

Demonstrates U Prep's Core Values

- o We work well by ourselves and teams
- o We care about people
- o Our actions have a purpose
- o We think big and do
- o Learning is exciting

Salary

Compensation for this position is \$15.00 an hour

Benefits

- Performance & Core Value bonuses
- Career development

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Job Description: Talent Coordinator

Page 2 of 2 Revised October 2, 2018



School District/Entity:	University Prep Schools
School:	Various
Job Title:	Apprentice Teacher
Reports to:	School Director
Status:	At-will, Exempt

The Apprentice Teacher position provides a unique opportunity for talented individuals with limited experience to explore the many aspects of teaching. This position will provide hands-on practice and the training necessary to become a successful full-time classroom teacher in a Detroit 90/90 school. Apprentice Teachers will have an opportunity to observe best practices in classroom instruction and education reform from experienced teachers and school leaders. Apprentice Teachers observe and learn from experienced teachers, co-teach with teacher-leaders, provide in-house substitute teaching coverage for teachers, and support teachers with tutoring, grading, and individual or small group student instruction. Apprentice Teachers may also teach a class of students, allowing for direct teaching experience within a more limited teaching load. Apprentice Teachers will also offer teacher support with a variety of work inside and outside of the classroom, including tutoring classes, organizing student events, and developing mentoring relationships with students. Through school-year professional development, as well as regular meetings with an instructional coach, Apprentice Teachers will have many opportunities to gain the experience and support necessary to develop their teaching skills. By the end of the year, Apprentice Teachers will be very strong candidates for a full time teacher position.

Mission

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities for Apprentice Teachers

- Teach classes on behalf of coaches, dean and teacher-leaders who are observing other teachers
- Teach one class or small groups of students
- · Periodically plan and deliver instruction, gradually taking on more responsibility throughout the semester
- Develop teaching skills to potentially become a full-time teacher at the school
- Occasionally provide substitute teaching coverage for teachers within the school
- Support students by providing one-on-one and small group intervention daily
- Observe Master Teachers in order to improve instructional techniques and classroom management;
- Meet regularly with a coach to implement feedback on lessons and instruction;
- Assist with instruction, assessments, grading, and other classroom responsibilities; (especially in core subjects: ELA, Math, Science, Social Studies)

Job Description: Apprentice Teacher



As appropriate, perform all duties expected of classroom teachers, including but not limited to:

- Implementing curricula and activities to meet academic standards;
- Implementing assessments that measure progress towards academic standards;
- Using assessment data to refine curriculum and inform instructional practices;
- Participating in collaborative curriculum development, grade-level activities, and school-wide functions, events, and trips;
- Providing consistent rewards and/or consequences for student behavior;
- Helping to co-lead crew in the morning and afternoon;
- Supervising students during transitions and dismissal
- Being accountable for students' mastery of academic standards;
- Communicating effectively with students, families, and colleagues;

Qualifications

• Education and Certification

- Bachelor's degree in education required
- Candidate must have taken and passed the MTTC

Experience

Prior experience working in school communities is preferred but not required

Skills

- o Drive to improve the minds and lives of students in and out of the classroom
- Evidence of self-motivation, willingness to be a team player, and has a strong sense of personal responsibility
- Ideal candidates are hard-working, urgent, energetic, and are willing to learn and adapt
- Is extremely reflective and constantly wants to improve
- Is flexible and enjoys dealing with unpredictability
- Strong time management skills; ability to manage multiple tasks simultaneously and meet tight deadlines
- A strong candidate will possess strong organizational skills, communication skills (particularly with children), and problem solving skills
- Interest in performing a critical support role and the ability to excel in a fast-paced, entrepreneurial, results-oriented environment

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Full-time paid teaching apprenticeship beginning at \$32,000, after 90 days there will be a review to determine fit and increase to \$35,000. If hired for the 2019-2020 school year salary will be increased to a first year teacher salary.

Benefits

- Medical coverage through Blue Care Network, Delta Dental, Eyemed and Teladoc
- 401(k) up to 6% matching after one year of employment
- Teachers are equipped with a laptop, email, high-speed internet access and all necessary instructional supplies

Job Description: Apprentice Teacher



- · Eight sick and four personal days
- Performance & Core Value bonuses
- Career development and extensive professional development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Apprentice Teacher



Entity:	University Prep Schools
School:	Various
Job Title:	Advisor
Reports to:	School Director
Status:	At-will, Exempt, School-year

About U Prep Schools:

If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U. Our mission: to give students the courage to pursue a future full of possibilities. Our students come to our network of schools looking for a rewarding and fulfilling education. Comprised of two public charter school districts; University Preparatory Academy and University Prep Science and Math; we educate over 3,300 students in the burgeoning city of Detroit. Help us to prepare our students for success in life and be a part of U.

Summary:

U Prep teachers are responsible for implementing curriculum, maintaining a positive classroom culture, using assessments to drive instructional practice, using district resources in an efficient and responsible manner, contributing to the educational and social development of all students, and participating in the professional development of the learning community.

Desired Competencies:

- Knowledge of curriculum, instruction, and assessments;
- Mission-driven, connecting with overall teaching strategy to the goals of U Prep Schools;
- Ability to nurture and sustain high-quality teaching;
- Experience in building positive relationships with colleagues, students, and parents;
- Ability to make decisions in a strategic way balancing building strong relationships and maintaining high academic rigor;
- Courage to make decisions in support of academic and cultural goals while maintaining a steady pulse of team and school goals;
- Meticulous organization and use of time;
- Excellent written and oral communication skills.

Education/Experience:

- Bachelor's degree or higher
- Valid Michigan teaching certification
- Must meet highly qualified criteria in content area taught, which includes certificate endorsement in the appropriate area(s);
- Desire to teach in an urban environment.

Duties and Responsibilities:

The primary duties and areas of responsibility include, but are not limited to, the following:

Professional Development

 Actively contributes to a professional community that focuses on instruction and high student achievement;

Job Description: Advisor, University Prep Schools Page 1 of 2



- Seeks opportunities to develop their skills and knowledge;
- Implements recommendations and best practices acquired through professional development, continuing education, observation, coaching, and evaluation;
- Utilizes effective instructional practices responding to the needs of each student in the learning community;
- All other duties as assigned.

Curriculum/Learning Model

- Utilizes data to implement learning model and modify instructional practices and daily lesson plans as needed;
- Works closely with principal to create and lead an effective Data Team within the school;
- Coordinates curriculum within the team and school;
- Integrates all aspects of the learning model into classroom procedures, instruction;
- All other duties as assigned.

School Culture

- Ensures a safe, supportive, and productive environment for students;
- Sets and maintains high academic expectations for students;
- Implements effective student discipline, conflict resolution, and helpful student support services;
- Promotes teamwork within the learning community;
- Demonstrates cultural competencies in being part of a multi-cultural institution;
- Incorporates core values into all work, projects, and interactions with members of the school community;
- All other duties as assigned.

Community/Parental Outreach

- Actively engages parents in the learning process and school functions;
- Communicates on a regular basis with families through newsletters, announcements, and updates:
- Seeks and builds relationships with professional organizations;
- Resolves parent issues respectfully and effectively;
- All other duties as assigned.

Compliance

- Drafts, updates, and submits lesson plans and data analysis action plans on a consistent basis;
- Takes accurate attendance in a timely manner;
- Maintains professional credentials and submits updates to the Human Resources Department prior to expiration dates;
- Responds to requests from the School Operations Team for any required actions or documents to maintain accurate and complete records and meet reporting deadlines;
- All other duties as assigned.

Building Management

- Implements classroom procedures that promote a safe, clean, orderly, and productive classroom environment:
- All other duties as assigned.

Job Description: Advisor, University Prep Schools Page 2 of 2



School District/Entity:	U Prep Schools
School:	Various
Job Title:	Instructional Coach
Reports to:	School Director
Status:	At-will, Exempt

An Instructional Coach is responsible for ensuring highly effective instruction at the school level. This position fills the need for job-embedded professional development and instructional improvement. Through frequent observation of teachers, the Coach will provide professional support and feedback in a non-evaluative context that is intended to foster effective practices within the classroom. The Coach may also be responsible for leading professional development sessions related to pedagogy.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Develops program standards and supporting content aligned with federal, state, and college/career requirements
 - Assesses student performance data to drive continuous improvement of teaching and learning, with school leader input and considering differing student population needs
 - Elevates areas of potential conflict between the academic model and UPREP approach to teaching and learning
 - Advancement of A Culture Focused on Academics and Equity
 - Ensures instructional coaching invests teachers in driving educational equity within their classrooms

Management of Schools

- Community Engagement
 - Shares feedback and provides input on approach to teaching and learning, considering implications for students, teachers, administrators, parents, and broader community
- Measurement and Improvement of Teaching and Learning
 - Utilizes student data, informal classroom observations, feedback, and coaching techniques to coach teachers on areas of improvement in teaching and learning
 - Provides direct support to teachers and grade-level teams on effective unit and lesson planning through modeling and sharing of effective practices
 - Defines and monitors key metrics to measure effectiveness of every teacher

Job Description: Instructional Coach

Page 1 of 3 Revised June 20, 2018



- Management and Coaching of School Director
 - Collaborates with School Directors to ensure consistent delivery and implementation of curriculum and instruction

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Aligns coaching efforts to talent-development
- Career Path and Succession Planning
 - Monitors and assists with development and implementation of individual career development plans
 - Encourages high performers to seek out growth opportunities within the organization
- o Performance Evaluation
 - Recommends performance standards for staff (in focus area)
- Professional Development
 - Collaborates with school and district leadership to structure, sequence, and deliver professional development to ensure effective implementation of curriculum and instruction
 - Identifies trends in student performance data to inform continuous improvement of professional development
 - Delivers feedback and adeptly navigates difficult, growth-oriented conversations with instructional staff

Qualifications

Education and Certification

- Bachelor's degree required; Master's degree preferred
- 4 or more years' teaching experience preferred
- Must maintain either a valid Michigan teaching certificate or a valid Michigan administrator certificate

Experience

- Proven success at implementing exceptional instructional practices in the subject area or at the grade level assigned;
- Leadership ability and the capacity to galvanize and motivate others to move towards achieving a common goal
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

We work well by ourselves and in teams

Job Description: Instructional Coach

Page 2 of 3 Revised June 20, 2018

- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn 10 vacation days
- Core Value bonuses
- Career development
- 50% 80% Masters program tuition scholarship through GVSU

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Job Description: Instructional Coach

Page 3 of 3 Revised June 20, 2018



School District/Entity:	U Prep Schools
School:	Various
Job Title:	School Director
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

The School Director serves as lead instructor and culture czar and is responsible for facilitating the development and implementation of curriculum, programs, positive school culture and climate, policies, and budgets in order to promote the educational and social development of all students. The School Director also ensures the professional development of all staff members through observation and feedback.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Instructional Leadership

- Sets Academic Vision and Goals
 - Ensures implementation of state and network curricula and assessments aligned with state standards, including college and career readiness standards
- Academics Model
 - Drives all school decisions with a focus on achieving level 4 on the Five Elements of the U
- Data Driven
 - Monitors and ensures high-quality instructional practices among teachers and staff that improve student performance
 - Ensures teachers analyze and use assessment data to plan, implement, and modify curriculum and instruction to produce optimal learning
 - Ensures that effective instruction maximizes growth of individual students and student groups, supports equity, and eliminates the achievement gap

Culture and Community

- Student-Centered Environment
 - Creates a student-centered environment focused on trust, respect, collaboration, and high expectations that will allow every student to achieve
 - Develops, implements, and sustains a shared vision of high expectations for all students and staff
- Visible Presence
 - Maintains a visible presence in classrooms and at extra-curricular events, cocurricular events, and network events as is appropriate to job responsibilities

Job Description: School Director



Operations, Systems, and Planning

- Strategic Planning
 - Collaborates with the Academics house to outline and track clear goals, targets, and strategies aligned to a school vision that continuously improves teacher effectiveness and student outcomes
- Maximized Learning Time
 - Implements daily schedules and a yearlong plan for regular data-driven instruction cycles, gives student access to diverse and rigorous instructional programs, and builds in time for professional development
- Resource Alignment
 - Aligns resources with the needs of the school and effectively monitors the impact of these resources and school goals
- Policy Implementation and Advocacy
 - Collaborates with network staff to implement policies and advocates for the needs of all network students and staff.

Growth and Development

- o Talent Recruitment, Retention, Development, and Evaluation
 - Coaches and develops teachers and staff by giving individual feedback and aligned professional development opportunities.
 - Implements collaborative structures and provides leadership opportunities for effective teachers and staff.
 - Provides clear expectations of performance and conducts rigorous evaluations of all staff using multiple data sources

Leadership

- Growth Mindset and Continuous Improvement
 - Is solutions-oriented, treats challenges as opportunities, and supports the school and community through continuous improvement.
- Cultural and Political Competence
 - Consistently articulates organization's vision and strategy clearly to others
- Decision-Making
 - Makes timely and effective decisions that drive the best outcomes for students.
 - Demonstrates excellent judgement communicating decisions and involving network staff as appropriate, based on decision-type (i.e. leaf, branch, trunk, root)
- Change Leadership
 - Anticipates and manages internal and external political dynamics around change efforts
- Motivation and Courage
 - Maintains focus and takes risks in pursuit of breakthrough results for students.
 - Strives to lead team in achieving results beyond what is expected.

Job Description: School Director



Qualifications

Education and Certification

- Master's degree or higher, preferably focused on educational leadership
- O Currently possess Michigan Administrator Certificate

Experience

- 3 years experience as principal preferred
- o 5 or more years teaching experience preferred
- O Experience in an urban school

• Skills

- Knowledge of rigorous curriculum and research supported instructional strategies
- Able to digest large amounts of information and communicate key messages appropriately
- o Project management, especially the ability to make effective strategic plans and bring ideas to fruition
- Adroit managers of adults' (teachers, administrators, parents) and students' expectations and emotions
- o Coaching others to improve their teaching and leadership practice

Demonstrates U Prep's Core Values

- o We work well by ourselves and in teams
- o We care about people
- Our actions have a purpose
- O We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: School Director



School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Assistant Director of Student Development/Special Education
Reports to:	Director of Student Development/Special Education
Status:	At-will, Exempt

A member of the Academic House Team, the Assistant Director of Student Development (ADSD) is responsible for supporting the development, implementation and evaluation of our special education services (including access to the general education curriculum). The ADSD assists the Director of Student Development (DSD) to support a team of special education teachers across the network and where appropriate, collaborates with the curriculum and instruction team and school leaders to support the strategic priorities within the student development team and those of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Implementation of Program

- Program Management and Design (Study Study Pro)
 - Leads the student study process
- Support and Monitor School-wide Intervention Programs
 - Ensures students are assigned appropriate interventions and that the programs are being executed with fidelity
 - Supports team to identify, assign, monitor and evaluate interventions; elevates challenges to Director
 - Observes student management support, noting strengths and gaps in practice
- Data Analysis
 - Assesses student data to drive continuous improvement of programs, with school leader input and considering differing student population needs

Implementation of SPED Program

- Identifying Interventions
 - Looks for opportunities to offer individualized supports at the school level
- IEP Meetings and Communication
 - Maintains thorough knowledge of student IEPs and represents U Prep Schools at all IEP and referral meetings

Learner-Centered

- Growth and Achievement
 - Observes and coaches instructional staff to ensure appropriate delivery of special education services and behavior management

School Leadership

- Planning and Executing Professional Development
 - Delivers and participates in differentiated professional development for special education/

Job Description: Assistant Director of Student Development/Special Education

instructional staff

Staff Engagement

- Collaboration
 - Collaborates with school directors to inform program needs and program improvement

Compliance

- Knowledge of Regulations and Compliance Requirements
 - Ensures staff are operating programs and interacting with students within compliance guidelines
- Reporting
 - Collaborates with school-based staff to ensure compliance reports are timely, complete and accurate
- Data-Driven
 - Uses data and systems to drive compliance, and elevates potential challenges to Executive Director

Qualifications

Education and Certification

- Master's degree required
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion
- O State Approval for Supervisor/Director status

Experience

- o Previous experience supporting district level special education preferred
- Experience with leading major initiatives from concept to implementation
- Experience working with others to successfully develop programing for students with disabilities

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- o Strong communication skills, verbal and written

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- O We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, Job Description: Assistant Director of Student Development/Special Education



color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Assistant Director of Student Development/Special Education

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Assistant Director of School Quality
Reports to:	Executive Director of School Quality
Status:	At-will, Exempt

A member of the Academic House Team, the Assistant Director of School Quality is responsible for

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Application and Action

- Communication for Data-Driven Decision Making
 - Advises management team and school leaders on findings and implications and ensures they are prepared to publicly present
 - Communicates actionable data insights to stakeholders and supports use in effective decision making

Data Analysis

- Identification of Metrics
 - Integrates metric monitoring into organizational routines
- Modeling and Tool Development
 - Leads continuous improvement of models and tools
- Synthesis and Implications
 - Prioritizes continuous improvement of data synthesis informed by stakeholder feedback
 - Elevates key findings and communicates implications to various stakeholders

Data Management

- Data Collection
 - Develops implementation plan based on pathway and knowledge of relevant data models and architecture
 - Determines improvements to data system roadmap
- Data Quality Control
 - Defines operational standards for data quality
- Process Documentation
 - Ensures appropriate documentation of data collection, management, and integration processes

Data Strategy

- Advancement of A Data-Driven Culture
 - Supports management team to make data analysis part of all decision making and continuous improvement
 - Leads department to provide timely, actionable data
 - Develops plan to increase end users' ability to use data to inform decisions

Job Description: Assistant Director of School Quality



- Implementation
 - Monitors implementation plan and manages team to support rollout of data strategy
- Strategy Development
 - Translates data strategy into plan to achieve goals

Oualifications

- Education and Certification
 - Bachelor's degree required; Master's degree preferred
- Experience
 - Experience working with others to successfully complete multi-faceted projects
 - Experience with leading major initiatives from concept to implementation
- Skills
 - Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
 - Strong communication skills, verbal and written
 - o Strong leadership skills

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- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Assistant Director of School Quality

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director Crew to College
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

A member of the Academic House Team, the Director of Crew to College is responsible for overseeing the development, implementation, and evaluation of high-quality crew curricula and counseling programming to ensure students are matched and enroll in their best fit college. The DCC reports to the cao and leads a team of counselors while supporting deans of culture to meet organizational goals. The DCC collaborates with the edci and cao to support deans, as well as collaborates with the cao, edci, edsq and dsd to support the strategic priorities of the organization.

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Role Responsibilities

College-Going Culture

- Advancement of a College-Going Culture
 - Ensures operations and academic teams are informed, aligned and supporting the data needs of the crew to college team
 - Creates a college-going culture across all schools, K-12

Equity

- Advancement of a Culture Focused on Academics and Equity
 - Effectively promotes strong culture, ensuring staff focuses all activities on improving student outcomes in college, career, and civic readiness
 - Effectively determines approach to drive educational equity across the network, and allocates resources and programs accordingly

School-Based Responsibilities

- Modeling and Tool Development
 - Monitors the implementation of crew curriculum to address gaps in crew practices
- Program Model Development and Continuous Improvement
 - Structures, sequences, and delivers professional development in support of program and school goals
 - Coaches counselors and deans of culture in the use of best practices to achieve program goals
- Community Engagement
 - Effectively advises School Directors and curriculum/program leaders in how to consider and weigh school, community, and broader field and political implications when making key decisions
 - Effectively makes program decisions, considering implications for students, teachers, administrators, parents, and broader community

Job Description: Director of Crew to College

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 Consistently seeks input from Academic house, school leaders, and other key constituents in making effective decisions

Qualifications

Education and Certification

- Master's degree in Counseling
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Experience supporting college counseling
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Crew to College

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Curriculum and Instruction- ELA
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality ela curricula. The Director of Curriculum and Instruction-ELA collaborates with the curriculum and instruction team to support school leaders, as well as collaborates with the Chief Academic Officer, Executive Director of Curriculum and Instruction, and the Executive Director of School Quality to support the strategic priorities of the organization.

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Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Plays key role in developing academic model and recommending improvements over time, ensuring curriculum, instructional practices, and assessments are appropriately aligned
 - Uses insights from student performance data across school network to inform continuous improvement of curriculum, instruction, and assessments, incorporating input from school leaders
 - Elevates challenges that arise with the academic model and works with the Executive Director to inform and improve model
 - Advancement of A Culture Focused on Academics and Equity
 - Determines approach to drive educational equity across the network and allocates resources and programs accordingly

Management of Schools

- Community Engagement
 - Advises School Directors and curriculum/program leaders in how to consider and weigh school, community and broader field and political implications when making key decisions
- Measurement and Improvement of Teaching and Learning

Job Description: Director of Curriculum and Instruction- ELA

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- Coaches School Directors in refined approach
- Promotes data-driven decision making
- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: Director of Curriculum and Instruction- ELA

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Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Curriculum and Instruction- ELA

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Curriculum and Instruction- Math
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality math curricula. The Director of Curriculum and Instruction-Math collaborates with the curriculum and instruction team to support school leaders, as well as collaborates with the Chief Academic Officer, Executive Director of Curriculum and Instruction, and the Executive Director of School Quality to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Plays key role in developing academic model and recommending improvements over time, ensuring curriculum, instructional practices, and assessments are appropriately aligned
 - Uses insights from student performance data across school network to inform continuous improvement of curriculum, instruction, and assessments, incorporating input from school leaders
 - Elevates challenges that arise with the academic model and works with the Executive Director to inform and improve model
 - Advancement of A Culture Focused on Academics and Equity
 - Determines approach to drive educational equity across the network and allocates resources and programs accordingly

Management of Schools

- Community Engagement
 - Advises School Directors and curriculum/program leaders in how to consider and weigh school, community and broader field and political implications when making key decisions
- Measurement and Improvement of Teaching and Learning

Job Description: Director of Curriculum and Instruction- Math

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- Coaches School Directors in refined approach
- Promotes data-driven decision making
- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: Director of Curriculum and Instruction- Math

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Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Curriculum and Instruction- Math

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Student Development/Special Education
Reports to:	Chief Academic Officer
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Student Development (DSD) is responsible for overseeing the development, implementation and evaluation of our special education services (including access to the general education curriculum). The DSD leads the Assistant Director of student development to support a team of special education teachers and ancillary staff across the network and collaborates with the curriculum and instruction team and school leaders to support the strategic priorities within the student development team and those of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Implementation of Program

- Program Management and Design (Study Study Pro)
 - Structures, sequences, and delivers supports and training for a variety of stakeholders to engage in the student study process
- Support and Monitor School-wide Intervention Programs
 - Effectively anticipates challenges related to the intervention model and proactively provides solutions to meet student and school needs
- Data Analysis
 - Selects a variety of indicators to measure student progress towards academic, social, emotional and behavioral outcomes including 504 and special education inclusion programs

Implementation of SPED Program

- Identifying Interventions
 - Supports long-term planning and implementation of inclusion model
- IEP Meetings and Communication
 - Leads and establishes systems to drive frequent communication between students, families, staff and other stakeholders

Learner-Centered

- Growth and Achievement
 - Plans and oversees management of programs to implement the academic model

Job Description: Director of Student Development

with fidelity

School Leadership

- Planning and Executing Professional Development
 - Designs scope and sequence, identifies external opportunities, and plans for special education professional development activities

Staff Engagement

- Collaboration
 - Collaborates with school directors to inform program needs and program improvement

Compliance

- Knowledge of Regulations and Compliance Requirements
 - Understands current compliance requirements and ensures that the network staff is compliant with all local, state and federal special education laws
 - Stays abreast of evolving compliance requirements and considers impact on school programming
- Reporting
 - Approves reports created by Assistant Director for submission to local, state and federal agencies
 - Swiftly responds to and addresses compliance issues across the network
- Data-Driven
 - Collects and analyzes network-wide student data to drive continuous improvement of programs, with school leader input and considering differing student population needs

Qualifications

Education and Certification

- Master's degree required
- Currently possess Michigan Administrator Certificate or meet state requirements toward completion
- Michigan Approval for Directorship

Experience

- Previous experience supporting district level special education preferred
- Experience with leading major initiatives from concept to implementation
- Experience working with others to successfully complete multi-faceted projects

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people

Job Description: Director of Student Development



- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Student Development

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Executive Director of Curriculum and Instruction
Reports to:	Chief Academic Officer
Status:	At-will, Exempt

A member of the Academic House Team, the Executive Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality curricula and instruction across the network. The Executive Director of Curriculum and Instruction collaborates with the Chief Academic Officer, Executive Director of School Quality, and the Director of Student Development to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Design and Development of Academic Model

- Academic Model Development and Continuous Improvement
 - Creates strategic vision for network academic model
 - Ensures continuous improvement of the academic model informed by ongoing analysis of student performance data and input from school leaders
 - Anticipates challenges related to the academic model and proactively provides solutions to meet network needs
- Advancement of A Culture Focused on Academics and Equity
 - Promotes educational equity as a guiding principle across school network and ensures it is reflected in curriculum, instruction, and program offerings

Management of Schools

- Community Engagement
 - Makes decisions considering contextual factors that may arise, effectively considering trade-offs and their implications; continually seeks input from stakeholders in decision making
- Measurement and Improvement of Teaching and Learning
 - Contributes to and seeks out best practices in teaching and learning to k-12 field
 - Defines and monitors key metrics to determine success of school network
- School Director Management and Coaching
 - Acts as sounding board and advisor to principals to support and coach them in moments of challenge, continuously providing both thought partnership and moral support

Job Description: Executive Director of Curriculum and Instruction

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 With input from the CEO, collaborates with the CAO to develop network strategy for implementation of the academic model and ensures it is implemented with fidelity

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Sets organization culture around areas of strength and fosters culture improvement to ultimately improve student outcomes
- Career Path and Succession Planning
 - Leads succession planning for current and future school leadership roles (thought partner with CAO)
 - Ensures high-performing school leaders and teachers are supported and encouraged to rise up within organization if they desire
- Performance Evaluation
 - Ensures high quality performance evaluation system for principals and instructional staff, including clear performance framework, timely evaluations, and accessible data
 - Ensures evaluations provide actionable feedback linked with professional development opportunities, resulting in improved outcomes
- Professional Development
 - Sets vision for instructional staff professional development program
 - Ensures professional development for instructional staff supports implementation of academic model and drives improvement of student outcomes
 - Maintains up-to-date knowledge of approaches to and external partners in professional development and leads implementation of new methods as appropriate
 - Guides academics team to deliver feedback and manage hard conversations

Qualifications

Education and Certification

- Master's degree required, Master's degree in Curriculum and Instruction preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience as school principal preferred
- o Experience developing curriculum at the district level
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- O Strong communication skills, verbal and written
- o Ability to work with others to successfully complete multi-faceted projects

Job Description: Executive Director of Curriculum and Instruction

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• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Executive Director of Curriculum and Instruction

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Executive Director of School Quality
Reports to:	Chief Academic Officer
Status:	At-will, Exempt

A member of the Academic House Team, the Executive Director of School Quality is responsible for overseeing the development, implementation and evaluation of our program evaluation systems network wide. The Executive Director of School Quality leads the assistant director of school quality to support leaders across the network in monitoring the effectiveness of school and network improvement efforts and collaborates with the cao to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Application and Action
 - Communication for Data-Driven Decision Making
 - Communicates key findings to high priority internal and external stakeholder
 - Promotes user-centric approach to communicating data insights
- Data Analysis
 - Identification of Metrics
 - Ensures metrics are integrated into organizational routines at meaningful time intervals
 - Modeling and Tool Development
 - Ensures execution of high quality, efficient analysis
 - Synthesis and Implications
 - Ensures continuous improvement of data synthesis informed by stakeholder feedback
 - Ensures meaningful implications are communicated in a timely and accessible way to stakeholders

Data Management

- Data Collection
 - Creates roadmap to design, identify and implement data collection systems, informed by relevant data models and architecture used by leading school operators and organizations
 - Ensures roadmap is aligned to data strategy
- Data Quality Control
 - Sets expectations for data quality
- O Process Documentation
 - Sets expectations for documentation of data collection, management, and integration processes
- Data Strategy
 - Advancement of A Data-Driven Culture

Job Description: Executive Director of School Quality

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- Champions data as engine for achieving organization's mission, and influences management team to make data analysis part of all decision making
- Ensures data are reported in a timely, actionable way
- Ensures continuous growth in end users' ability to use data to inform decisions
- Implementation
 - Holds leadership team accountable for success against milestones
- O Strategy Development
 - Leads development of data strategy that drives to achieve organization's strategic plan and clear priorities

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- o Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Executive Director of School Quality

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SCHEDULE 9-4 FISCAL AGENT AGREEMENT

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to the Public School Academies of Detroit, an urban high school academy ("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 1.01. <u>Definitions</u>. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy 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 of 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 Grand Valley State 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 urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. <u>Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions</u>. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board 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 3.02.

Section 2.02. <u>Transfer to Academy</u>. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. <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 or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board 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, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

ARTICLE III

STATE DUTIES

Section 3.01 <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 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

- Section 4.01. <u>Compliance with State School Aid Act</u>. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.
- Section 4.02. 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 4.03. <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 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. <u>Deposit of Academy Funds</u>. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. <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 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, 2009, and annually thereafter, a written report dated as of August 31 summarizing 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 6.01. <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 6.02. <u>Limitation of Liability</u>. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

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

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

Acknowledgment of Receipt

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

RY.

Joseph L. Fielek, Director Bureau of Bond Finance

Michigan Department of Treasury

Date: 1an, 3 2008

LAN01\148342.1 ID\LCW

SCHEDULE 9-5

METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT

SCHEDULE 8-5, 9-5, 10-5

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. Criteria that the Grand Valley State University Charter Schools Office will use in its evaluation shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

Included in this evaluation shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the approved state standardized assessment designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the at a properly noticed open meeting held on the 3 day of Leve, 2011, at which a quorum was present.

Board of Directors

SCHEDULE 9-6 ACADEMY'S ADMISSION POLICIES AND CRITERIA

Public School Academies of Detroit (PSAD) Enrollment Guidelines & Admission Policies for the 2019-2020 School Year

A public lottery for each grade offered at each PSAD school will be held at each district when there are more applicants than openings for that particular PSAD school to assign seats to new students and to assign the order of the waitlist for any new seats that become available. Siblings of students returning for the 2018-2019 school year and newly accepted students for the 2019-2020 school year will be given priority for admission in the order detailed below. The priorities for admissions will be conducted in the following order:

Priority 1: Siblings* of 2019 Graduates and Students Returning for the 2019-2020 School Year

Siblings of students who graduated during the 2018-2019 school year or siblings of students returning for the 2019-2020 year are given 1st priority to their siblings PSAD district. If there are more of these siblings than classroom spaces available in a given grade, the PSAD School will hold a random selection lottery for the classroom spaces from among the siblings in that grade. The remaining siblings will be placed on the waitlist based on the number they receive in the sibling lottery <u>as long as they submitted an application</u> during the open enrollment period. Note: Sibling priority does not range across PSAD districts.

Priority 2: PSAD Transfer Students

Any student enrolled in the 8th, 9th, or 10th grade at any PSAD School in the preceding school year will be given transfer student priority (priority 2) provided there is sufficient classroom space available. Transfer student priority is given in the following manner: students enrolled in a PSAD School the previous academic year who apply for the 9th, 10th, or 11th grade during open enrollment to the school they wish to transfer to will receive second priority. Each PSAD School will hold a random selection lottery for the classroom spaces from among the transfer students in that grade. These students will be placed on the waitlist below the priority 1 students based on the number they receive in the transfer student lottery, Students who are transferring between University Preparatory Academy, University Prep Science & Math and University Prep Art & Design must declare which system they wish to enroll their child in for the 2019-20 school year by the school decision deadline date of April 30, 2019. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process and will be removed from the other school systems enrollment lists for the 2019-2020 school year.

Priority 3: Children of Salary Personnel working at PSAD schools or Children of PSAD Board of Directors

These children (including by Michigan law all adopted children or legal wards) are placed behind Priority 2 students based on the number they receive in the lottery as long as they submitted an application during the open enrollment period.

Priority 4: Siblings* of Newly Accepted Students

Siblings of newly accepted students (students who are accepted for enrollment for the 2019-2020 school year) are placed behind Priority 3 students based on the number they receive in the lottery on the waitlist within the same district their sibling was accepted <u>as long as they submitted an application during the open enrollment period</u>. Note: Sibling priority does not range across PSAD districts.

NOTE: Any sibling that DOES NOT submit an application during open enrollment will NOT be given sibling preference.

Priority 5: New Applicants with No Siblings at the PSAD district in which they are applying

Students who apply during open enrollment but do not win a seat in the lottery and who do not have a sibling at the PSAD district in which they are applying will be placed on the waitlist based on the number they received in the lottery below priority 4 students.

Priority 6: Applicants Applying After Open Enrollment

Students who apply after open enrollment (all applications received after the deadline date) will be placed on the waitlist behind the Priority 1, 2, 3, 4, and 5 applicants based on the date and time their application is received. **This includes siblings that submit applications after the deadline date.**

- *Sibling Determination--Siblings who receive preference include:
 - a. Full siblings (children who share the same mother and father) regardless of whether the full siblings live in the same household.
 - b. Step-siblings/half-siblings who live in the same household** Step-siblings and half-siblings who DO NOT live in the same household DO NOT receive the preference.
- **They must live in the same household at the time they apply. If the student moves in with their sibling they need to reapply at that time and the old application is deleted. The parent may be asked to supply some sort of proof of residence for the student.

Public School Academies of Detroit (PSAD) Enrollment Guidelines & Admission Policies for the 2019-2020 School Year

1.) Purpose

The purpose of this policy is to outline the enrollment policy and process for the Public School Academies of Detroit ("PSAD") for the enrollment of students into its urban academies. Grand Valley State University Board of Trustees ("University Board") has authorized PSAD under Part 6c of the Revised School Code to operate one or more urban academies, including but not limited to University Preparatory Academy, University Prep Science and Math, and University Prep Art & Design schools (individually a "PSAD School" or collectively "PSAD Schools").

2.) Open Enrollment Dates

Open Enrollment will last the duration of two months. Applications are on U Prep school's website. All applications must be received by 5:00pm on the last day of Open Enrollment, the deadline date, in order to be considered for the lottery.

3.) Re-enrollment of current students

Students currently enrolled in any PSAD school in the preceding school year will be automatically admitted for the next school year to that same PSAD district.

4.) PSAD Transfer Students

Any student enrolled in the 8th, 9th, or 10th grade at any PSAD School in the preceding school year will be given transfer student priority (priority 2) provided there is sufficient classroom space available. Transfer student priority is given in the following manner: students enrolled in a PSAD School the previous academic year who apply for the 9th, 10th, or 11th grade during open enrollment to the school they wish to transfer to will receive second priority. Each PSAD School will hold a random selection lottery for the classroom spaces from among the transfer students in that grade. These students will be placed on the waitlist below the priority 1 students based on the number they receive in the transfer student lottery. Students who are transferring between University Preparatory Academy and University Prep Science & Math must declare which system they wish to enroll their child in for the 2019-20 school year by the school decision deadline date of April. 30, 2019. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process and will be removed from the other school systems enrollment lists for the 2019-2020 school year.

5.) Siblings who receive preference include:

Siblings of currently enrolled students receive the 1st priority in enrollment with Siblings of newly accepted students receiving 4th priority. See Enrollment Guidelines (reverse) for more information regarding sibling priority.

6.) Children of PSAD Salary Personnel & PSAD Board of Directors

Children of Salary Personnel working in PSAD schools and children of PSAD board of directors who apply during open enrollment receive third priority before the random lottery. If there are more children of PSAD salary personnel and PSAD board of directors applying than classroom spaces available in a given grade, the PSAD school will hold a random selection lottery which will include these children and all other applicants. The children will be put on the waitlist for that grade in the order of random selection number received, just below the 2nd priority students.

7.) Enrollment for under-subscribed grades/sibling preference

Priority 1 students will be automatically admitted for the next school year to each grade that does not reach full enrollment by the Deadline Date. Transfer students have the next priority in enrollment. If Full Enrollment for a particular grade is not reached by the Deadline Date, PSAD will continue to receive applications for that grade level as long as necessary to complete Full Enrollment. Applications received after the Deadline Date

will be enrolled in order of receipt.

8.) Enrollment for over-subscribed grades

Students will be selected for admission by random lottery for each grade that exceeds Full Enrollment if their applications were received by the Deadline Date. Applications received after the Deadline Date for each grade that has reached Full Enrollment will be added to the official waiting list in the order in which they are received. Kindergarten students must attain the age of five (5) years on or before December 1st of the year for which they are applying, to be eligible for the lottery. PSAD schools have a goal to maintain an even ratio of male to female students and reserves the right to maintain this balance. In order to do so students that leave, if possible, will be replaced with students of the same gender.

9.) Lottery

If there are more applications submitted by the Deadline Date than available seats for any given class, Each PSAD District will hold a random selection lottery on the Lottery Date. All lottery applicants' names will be drawn and placed on the acceptance list and/or the waiting list for each grade based on the number they receive in the lottery. The University Board Charter Schools office may have a representative on site to monitor the public random selection lottery.

10.) Record of enrolled students

As students are selected for admission, their names will be recorded on the Chart of Admitted students.

11.) School Decision Deadline

Parents of students that applied to University Preparatory Academy, University Prep Science & Math and University Prep Art & Design school districts and are accepted to any one of the schools, must choose which school they wish to attend by the School Decision Deadline date of April 30, 2019. Students already enrolled the previous school year in either district will be considered applicants to that system for the coming school year. Declaring their school choice automatically moves that student off of the waitlist or acceptance list of the district they do not choose. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process.

12.) Enrollment Requirements

- PSAD shall not discriminate on the status as a handicapped person or any other basis that would be illegal for an existing school district.
 PSAD shall provide for the education of its pupils without discrimination as to religion, creed, race, sex, color or national origin, The Academy shall comply with all state and federal civil rights laws.
- PSAD shall not charge tuition (but may charge fees in the same manner as existing public schools).
- PSAD shall not enroll any student who is not a resident of this state, except a foreign exchange student. * PSAD shall comply with all state and federal laws applicable to public schools concerning church-state issues,
 PSAD may establish a policy providing enrollment priority to enrolled pupils of a PSAD School, siblings of currently enrolled pupils, children of a person who is employed by or at a PSAD School, or children of PSAD Board Members (See priority on reverse side).

PSAD shall provide legal notice indicating Open Enrollment for each PSAD school in a local newspaper.

SCHEDULE 9-7

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

UNIVERSITY PREP SCHOOLS UPA • UPSM • UPAD

2019

JULY **AUGUST** 1 2 10 10 19 17 17 13 23 24 25 26 22 24 31 SEPTEMBER OCTOBER s S 1 ❸ 2 3 5 10 30 NOVEMBER DECEMBER S 3

NOVEMBER DECEMBER S M T W T F S 1 2 1 2 3 4 5 6 7 3 4 5 6 7 8 9 8 9 10 11 12 13 14 10 11 12 13 14 15 16 15 16 17 18 19 20 21 17 18 19 20 21 22 23 22 23 24 25 26 27 28 24 25 26 27 28 29 30 29 30 31

2020

JANUARY						FEBRUARY							
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26	27	28	29	30	31		23	24	25	26	27	28	29
	MARCH				APRIL								
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17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30				
31													

FIRST DAY OF SCHOOL

♦ LAST DAY OF SCHOOL

NO SCHOOL

PROFESSIONAL DEVELOPMENT (NO STUDENTS)

EARLY RELEASE

PARENT CONFERENCE (PM)

ADMIN ONLY

RECORDS DAY (NO STUDENTS)

REPORTING TERMS

11/4 Q1 (43 DAYS) 01/30 Q2 (48 DAYS) 04/16 Q3 (45 DAYS) 06/19 Q4 (44 DAYS)

IMPORTANT DATES

FALL COUNT 10/2

SPRING COUNT 02/12

FALL PSAT 10/16

8TH GRADE SPRING PSAT 04/14

SAT/WORKKEYS 04/14 - 04/15

SAT/WK M/U 04/28-04/29

SEASONAL BREAKS

FALL BREAK 10/11-10/14 WINTER BREAK 12/23 - 01/03 MID-WINTER BREAK 02/14 - 02/18 SPRING BREAK 04/06 - 04/13



University Prep Academies					
School Address	Phone	Teacher Hours	Student Hours	School Director School Operations Manager	
University Prep - Ellen Thompson Elementary 957 Holden Street Detroit 48202	(313)874-9800	8:00am to 4:00pm	8:20am to 3:15pm	Tamara Johnson - <i>School Director</i> Autumn Dailey - <i>SOM</i>	
University Prep - Mark Murray Elementary 435 Amsterdam Detroit 48202	(313) 309-0552	8:00am to 4:00pm	8:30am to 3:30pm	Kim Llorens - <i>School Director</i> Rita Garcia - <i>SOM</i>	
University Prep - Nan Gill Middle 5310 St. Antoine Detroit 48202	(313)831-0100	7:45am to 3:30pm	8:15am to 3:15pm	Aisha Scott - <i>School Director</i> Santosha King - <i>SOM</i>	
University Prep - Ed Parks High 610 Antoinette Detroit 48202	(313)874-4340	7:40am to 3:30pm	8:00am to 3:30pm	Derrick Kellam - School Director Liz Hubbell - Asst. School Director Chris Waston - Asst. School Director Carmen Dotch - SOM	



University Prep Science & Math Schools						
School Address	Phone	Teacher Hours	Student Hours	School Director School Operations Manager		
University Prep Science & Math Miller Elementary 2251 Antietam Detroit 48207	(313)782-4400	7:40am to 3:45pm	8:00am to 3:15pm	Kimberly Solomon - School Director Georgan Redmond - SOM		
University Prep Science & Math Middle School 5100 John R Detroit 48202	(313)832-8400	7:30am to 3:20pm	7:45am to 3:00pm	LaTasha Goodall - <i>School Director</i> Denise Douglas - <i>SOM</i>		
University Prep Science & Math Dave Bing High School 2664 Franklin Detroit 48207	(313)393-9166	8:00am to 3:45pm	8:30am to 3:30pm	Zetia Hogan - School Director Phillip Robie - Asst School Director Tammy Johnson - SOM		
	Uni	iversity Prep Art & Design	n			
University Prep Art & Design Elementary 10225 3rd Street Detroit, MI 48202	(313)826-1159	8:00am to 4:00pm	8:30am to 3:40pm	Felicia Brimage - <i>School Director</i> Kenya Buchanan - <i>SOM</i>		
University Prep Art & Design 485 W. Milwaukee Street Detroit, MI 48202	(313)481-4000	7:50am to 3:15pm	8:00am to 3:05pm	Joseph Hines - School Director Clare McKenna - Asst School Director Abe Miller - SOM		

SCHEDULE 9-8

AGE/GRADE RANGE OF PUPILS ENROLLED

AGE/GRADE RANGE OF PUPILS ENROLLED

Proposed Enrollment Schedule for University Prep Schools

	UPA	UPSM	UPAD
Grade ES	K,1,2,3,4,5	K,1,2,3,4,5	K,1,2,3,4,5
Grade MS	6,7,8	6,7,8	6,7,8
Grade HS	9,10,11,12	9,10,11,12	9,10,11,12
Age Range	5-18 years old	5-18 years old	5-18 years old

UPA – University Prep Academy District
UPSM- University Prep Science & Math District
UPAD – University Prep Arts & Design District

SCHEDULE 9-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

SCHEDULE 9-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

A. Address and Description of the Central Administrative Office:

The Central Administrative Office for UPA will be:

600 Antoinette Detroit, MI 48202

B. Address and Description of the UPA High School (Grades 9-12):

The UPA High School is located on approximately 5.20 acres of land and includes four school/classroom buildings, one commons building, furnishings, fixtures, equipment, parking areas, and related site improvements. The buildings, all which are contiguous to one another, shall constitute a single site for the purposes of this Contract. The main address of UPA High School is:

600 Antoinette Detroit, MI 48202

The other camp-us buildings have the following addresses:

- 600 Antoinette, Detroit, MI 48202
- 610 Antoinette, Detroit, MI 48202
- 710 Antoinette, Detroit, MI 48202
- 5951 Second Avenue, Detroit, MI 48202
- 5950 Third Avenue, Detroit, MI 48202

Copies of inspection documents and certificates for the UPA High School are attached as **Exhibit 1.** The UPA High School Lease and Sublease are attached as **Exhibit 1.**

C. Address and Description of the UPA Middle School (Grades 6-8):

5310 St. Antoine Detroit, MI 48202

The UPA Middle School is located on approximately 1.25 acres of land and includes an existing renovated building, improvements, parking lots, paved areas, driveways, an ingress/egress to the Site, and all fixtures, furnishings and equipment. Copies of inspection documents and certificates for the UPA Middle School are attached as **Exhibit 2**. The UPA Middle School Lease and Sublease are attached as **Exhibit 2**.

D. Address and Description of the UPA Ellen Thompson Elementary (Grades K-5):

957 Holden Detroit, MI 48202

The UPA First Elementary School is located on approximately 2.0 acres of land and is a 52,000 square foot building which houses classrooms, dining and kitchen facilities and one 8,000 square foot gymnasium and entrance connector building, furnishings, fixtures, and equipment, parking areas and other site improvements. Relative to the UPA First Elementary, enclosed as Exhibit 3 is the Leasehold Installment Purchase Financing Agreement dated March 1, 2006; the Amended and Restated Leasehold Installment Purchase Finance Agreement dated June 30, 2008; and Sublease dated June 30, 2008. Copies of inspection documents and certificates for the UPA First Elementary School are attached as Exhibit 3.

The UPA First and Second Elementary Schools will include grades K-5 and combined student enrollment per grade will not exceed 135 students.

E.Address and Description of the UPA Mark Murray Elementary (Grades K-5):

435 Amsterdam Detroit, MI 48202

The UPA Second Elementary School is located on approximately 1.8 acres of land is a 70,000 square foot building which houses classrooms, dining and kitchen facilities, administrative offices, and one 8,000 square foot gymnasium and entrance connector building, furnishings, fixtures, equipment, parking areas and related site improvements. The UPA Second Elementary Lease is attached as **Exhibit 4.** Pursuant to the Management Agreement, Article III, Section N, between New Urban Learning ("NUL") and the Public School Academies of Detroit ("PSAD") dated August 20, 2008; NUL is compelled to grant a Right of Entry to the UPA Second Elementary to provide the building facility at no additional expense to the PSAD for the operation of the UPA Second Elementary. Appropriate copies of the inspection documents and certificates for the UPA Second Elementary will be provided when available.

The UPA First and Second Elementary Schools will include grades K-5 and combined student enrollment per grade will not exceed 135 students.

BLOOMFIELD 38030-4 1058144

UPA High School Lease

(TEF-One)

Schedule 9-9, Exhibit A

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-ONE, LLC, a Michigan limited liability company, owner and Landlord of the property located at 600, 610 and 710 Antoinette, 5951 Second and 5950 Third Ave., Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at 600, 610 and 710 Antoinette, 5951 Second and 5950 Third Ave., Detroit, MI 48202

RECITALS:

- A. WHEREAS, Landlord and Tenant are parties to that certain Lease Agreement, dated July 1. 2017 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the Lease to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

TEF-ONE, LLC, a Michigan nonprofit limited liability company

By:

Robert M. Thompson

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Joseph Aristeo

LEASE

Between

LANDLORD: TEF-ONE, LLC, a Michigan limited liability company,

And

TENANT: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated Effective: July 1, 2017

LEASE

SECTION 1 SCHEDULE

NAME: TEF-ONE, LLC ADDRESS: P.O. Box 6349

Plymouth, MI 48170

NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

600 Antoinette Detroit, MI 48202

DEMISED PREMISES: Land located in the City of Detroit, Wayne County,

Michigan at 600, 610 and 710 Antoinette, 5951 Second, and 5950 Third Avenue, Detroit, Michigan 48202, as described in the legal description attached as **Exhibit A** ("Site" or "Demised Premises"), together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment, parking areas and related site

improvements.

LEASE TERM: July 1, 2017 until June 30, 2022 unless terminated sooner

pursuant to Section 2.2.

LEASE COMMENCEMENT

DATE:

LANDLORD:

TENANT:

This Lease shall commence and is effective on July 1,

2017.

RENT COMMENCEMENT DATE: July 1, 2017

SCHOOL YEAR July 1 to June 30

TERMINATION DATE: June 30, 2022.

BASE RENT: The Annual Base Rent shall be \$1.00.

EXHIBITS ATTACHED: "A" - Legal Description of Demised Premises.

"B" – Performance Standards.

"C" – Schedule of Annual Cap Ex Amounts

SECTION 2 GRANT AND TERM

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1. The Demised Premises includes the following improvements: all non-structural improvements in the Demised Premises or exclusively serving the Demised Premises, and any structural improvements to the building made to accommodate Tenant's particular use of the Demised Premises (collectively, the "Landlord Improvements").

2.2 Term

The term of this Lease shall be for the Lease Term commencing on the Lease Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated December 14, 2007, as amended, by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract").

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Tenant acknowledges that is has heretofore occupied, on the date hereof occupies, the Demised Premises, pursuant to a Lease by and between Landlord and Tenant dated July 1, 2012 ("Original Lease Commencement Date"). On the Lease Commencement Date, Tenant will be deemed to have accepted the Demised Premises. The Rent, as defined herein, due under this Lease and the term of this Lease shall commence on the Rent Commencement Date.

4.2 Landlord Not Liable For Delays

Intentionally omitted.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated in Section 1, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in one annual payment on the

date of the full execution of this Lease and the first day of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that the Annual Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as Utilities (as defined below), maintenance, etc.), if provided direct to Tenant, excluding Annual Base Rent, including, without limitation, Utilities, Taxes (as defined below), maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any Additional Rent, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay the Annual Base Rent (the Annual Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to Tax, Utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

Lease Year shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2012 and ending on June 30, 2013. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of the Landlord Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Lease Year or partial Lease Year during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the Lease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Lease Years.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for (a) the purpose of establishing, managing, and operating an urban high school academy and attendant office use, or (b) uses authorized under the Charter School Contract, and for no other purpose

without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion. Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Original Lease Commencement Date. Tenant shall comply strictly with each and every term, condition, and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in a substantially similar condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by

the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Landlord as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Landlord. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Landlord. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Landlord prior to Tenant taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Subject to any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at Landlord's cost, Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided however, that Tenant shall not be responsible for latent defects at the Demised Premises. The plumbing system, including the sewage facility serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost

and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency and except custodial) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

Tenant hereby agrees to appropriate an annual amount ("Annual Cap Ex Amount") per Lease Year for the remaining Lease Term and any exercised Option Period for fixtures, furnishings and equipment (collectively, the "FF&E") mechanical, HVAC, plumbing, sewer, electrical, and other building system (collectively, the "Building Systems") repairs and replacement at the Demised Premises. The repair and/or replacement FF&E and Building Systems shall become the property of Landlord upon installation caused by Tenant and shall remain at the Demised Premises after termination and/or expiration of this Lease. FF&E and Building Systems expenditures shall be made prior to the commencement of the School Year during such Lease Year and if the Annual Cap Ex Amount is not expended by the start of the School Year, the remaining amount shall be placed in an escrow account or capital reserve budget line item ("Escrow Account") before the start of the School Year with a federally insured bank with withdrawal privileges requiring the signatures of both Landlord and Tenant for withdrawals in excess of \$10,000. Tenant's failure to expend the Annual Cap Ex Amount in each Lease Year and/or escrow the shortfall or full amount thereof after the fourth Lease Year and for each and every year thereafter, including any Option Period (if exercised), in a timely fashion as outlined herein shall constitute a Default under this Lease.

Tenant agrees the Cap Ex Amount currently held in an Escrow Account under the Lease, at the time of the execution of this Lease, shall continue to be held in such Escrow Account until June 30, 2018. Such Cap Ex Amount requirement shall expire on June 30, 2018. On or before June 30, 2018, Landlord and Tenant shall negotiate in good faith to determine through a comprehensive building evaluation, the Annual Cap Ex Amount and include a schedule of Annual Cap Ex Amounts as an additional **Exhibit C** to this Lease.

10.2 Compliance With Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or Restrictions or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Original Lease Commencement Date.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted

or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense, keep the Demised Premises and all Landlord owned FF&E insured for the benefit of Landlord:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Landlord from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Landlord in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Landlord owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the date of the full execution of this Lease. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of the actual taking. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be prorated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, and diminution in value of the leasehold interest only and loss of business.

13.2 Landlord's and Tenant's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Landlord.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All FF&E installed by Landlord shall remain the property of Landlord at the termination of this Lease. If Tenant installs any FF&E during the Lease Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Landlord upon installation and shall not be removed without Landlord's prior written consent, which may be granted or withheld in Landlord's sole and absolute discretion. All FF&E installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.

If Tenant installs any FF&E during the Lease Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Tenant may remove such FF&E at the termination of this Lease.

Annually, on or about April 15 of each calendar year, Tenant shall provide Landlord with an accounting as to any FF&E of Landlord which have been replaced or otherwise disposed of by Tenant. Except for any such items which have become damaged or unusable, Tenant shall offer Landlord the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Tenant. If Landlord does not exercise its right to claim such items, they may be disposed of by Tenant in such fashion as Tenant may deem appropriate.

SECTION 16 <u>ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT</u>

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant (collectively, a "Transfer"), without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the

Demised Premises, so long as Tenant is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

17.2 Sale or Transfer

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of a Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due;
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent, and such failure remains uncured for thirty (30) days following written notice thereof given by Landlord to Tenant;
- (c) Tenant files bankruptcy or Tenant becomes insolvent;
- (d) Tenant has abandoned for longer than thirty (30) days, except for the period from June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises;
- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in Board President of the Tenant's Board of Directors, or a change in the majority of members of the Tenant's Board of Directors from those holding office on the Lease Commencement Date, without the prior approval of Landlord having been obtained.
- In the event that a Change in Control of the Educational Management Company used by Tenant to operate the urban high school academy school district which is operating the building and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean any of the following: (1) a change in the President of the Board of Directors or Managing Member of the Educational Management Company; (2) a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date; or (3) change in the Chief Executive Officer (or similar title); or (4) any change of the actual person in primary control of the operation of the respective school on behalf of the Educational Management Company.

- (g) The failure of Tenant to establish policies required by the Charter School Contract in a timely manner, as required by the Charter School Contract.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend such Charter School Contract for any reason or no reason, unless replaced as provided in Section 2.2 prior to the commencement of the next School Year. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under any current Leases (or subleases) between Tenant, or any entity related to Tenant, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to TEF-TWO, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such Lease.
- (j) Failure by Tenant to provide all information reasonably requested by Landlord to permit Landlord to confirm compliance with the terms of any tax credit arrangements relating to the Demised Premises and any Mortgage.
- (k) Tenant fails to meet any one or more of the performance standards set forth on **Exhibit B** (collectively, the "Performance Standards").
- (l) In the event that there shall be a change in the Contract Administrator in place at the time of Lease Commencement Date, without the prior written approval of Landlord having been obtained.

18.2 Landlord's Remedies Upon Default

- (a) Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(k), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to re-enter the Demised Premises, in accordance with applicable law, to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.
- (b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if Landlord prevails, Tenant shall pay Landlord for expenses incurred in such action, including reasonable attorney's fees. Such expenses shall be deemed to have been incurred when the action commences and

shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorneys' fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 QUIET ENJOYMENT

Landlord covenants that so long no Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 20 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 21 OPTION TO EXTEND

21.1 Option to Extend Lease Term

So long as no Default has occurred and is continuing, and Landlord and Tenant shall have agreed upon the terms of a revised, updated and replacement **Exhibit B** setting forth the Performance Standards for the Option Period (as defined below) (the "Replacement Exhibit B"), Tenant shall have one (1) option to extend the Lease Term on the same terms and conditions set forth herein but including the Replacement Exhibit B for a period of five (5) years (the "Option Period") in accordance with the terms of this Section 21 (the "Option to Extend"). The Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

21.2 Exercise of Option

If this Lease is in full force and effect, and Tenant complies with Section 21.1, Tenant may exercise the Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the initial Lease Term, provided Tenant is in compliance with the Performance Standards, and the

Replacement Exhibit B has been incorporated into the Lease and is applicable for the Option Period.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Lease shall not be modified or amended unless in writing signed by Landlord and Tenant.

22.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to each party at the address set forth Section 1, except that after the Rent Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided in writing by Tenant and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile, e-mail or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery to such courier service.

22.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease.

22.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

22.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease effective as of the day and year first above written.

LANDLORD: TEF-ONE, LLC, a Michigan limited liability company By: Thompson Educational Foundation, its sole member By: Robert M. Thompson, President Dated: August 25, 2017 TENANT: THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation By: Joseph Aristeo, President Dated:

22.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferces.

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LANDLORD:

	ONE, LLC, higan limited liability company
Ву:	Thompson Educational Foundation, its sole member
Ву:	Robert M. Thompson, President
Dated:	
TENA	ANT:
DETR	PUBLIC SCHOOL ACADEMIES OF OIT,
By:	Joseph aull
Dated	oseph Aristeo, President = August 22, 2017



8165 Graphic Drive NE, P.O. Box 450 Belmont, Michigan 49306 (616) 866-6933

Fax: (616) 866-5262

www.rockfordconstruction.com

MEMORANDUM

TO:

Doug Ross, UPA

Terry Kochis, UPA

John Cleary, Thompson Foundation

Joe Kuhn, Granger Group

VIA FACSIMILE: (313) 831-4197

(248) 514-1310

(734) 453-6475

(616) 224-0148

FROM: Jayme Thayer

DATE: August 16, 2004

RE:

UPA

Attached are all five (5) final inspections for the UPA project for your files.

Please contact Roger Rehkopf with any questions, (616) 866-5211.

RR/jlt

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AUG. 16. 2004 2:45PM lent By: State of Michigan;

ROCKFORD. CONSTUCTION

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NO. 3233

Page 9/8

Bureau of Construction Codes & Fire Safely P.O. Box 30700 ensing, Mi 46909-8200 v.mlehigan.gov

DEPARTMENT OF CONSUMER & INDUSTRY SERVICES INSPECTION REPORT

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Detroit, MI 48202	Doug Ross		INSPECTION TYPE
700 Antoinette city, state zip cobe	School-Private PACILITY REPRESENTATIVE	RULERICODES School - 99	JOBALCIFAC, NO. 220317
FACILITY NAME University Prepatory Academy Academy	INSPECTION DATE 10-2-03 FACILITY TYPE	Wayne -	PROJECT 2778-02

RE: Building A Final

Project Closed - Final Approval

Fire Alarm 12A documented 9-2-03 Sprinkler 12A documented 7-15-03 Final electrical granted 8-20-03

CC:

Doug Ross University Prepatory Academy 700 Antoinette Detroit, MI 48202

Pat Corderman Fax: 616-869-5262

PIRE SAFETY CERTIFICATION		
Approved INSPECTING OFFICIAL	PROJECT STATUS Closed	REVIEWED BY
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DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
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RE: Building B Final

A final fire safety inspection was completed this date. The following deficiencies must be corrected prior to final approval of this project.

Fire Alarm 12A documented 10-24-03 Sprinkler 12A documented 8-25-03 Final electrical granted LE283985

Doug Ross University Prepatory Academy 700 Antoinette Detroit, MI 48202

Pat Corderman Reckford Construction Fax: 616-856-5262

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OFB 12A's Received

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cc: Integrated Architecture 4090 Lajor Drive Grand Rapids, III 49546 TX, 618-874-8220

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RE: New School Building BLDG E

Project Closed Full Approval

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UPA Middle School Lease

(TEF-Two)

Schedule 9-9, Exhibit B

LEASE

Between

LANDLORD: TEF-TWO, LLC a Michigan limited liability company,

And

TENANT: THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan non-profit corporation

Dated: March 21, 2017

LEASE

SECTION 1 SCHEDULE

NAME: TEF-TWO, LLC ADDRESS: P.O. Box 6349

Plymouth, MI 48170

NAME: THE PUBLIC SCHOOL ACADEMIES OF

DETROIT

ADDRESS: 600 Antoinette, Detroit, MI 48202

DEMISED PREMISES: Land located in the City of Detroit, Wayne County,

Michigan at 5310 St. Antoine, Detroit, Michigan as described in legal description attached as <u>Exhibit A</u> (the "Site"), together with all improvements located thereon, including without limitation the existing building, and the Landlord Improvements (defined herein)(collectively, the

"Demised Premises")

LEASE TERM: March 21, 2017 until June 30, 2027 unless terminated

sooner pursuant to Paragraph 2.2.

EFFECTIVE DATE

The date this Lease has been executed by Landlord and

Tenant below.

COMMENCEMENT

LANDLORD:

TENANT:

DATE:

The term of this Lease shall commence on the date hereof.

TERMINATION DATE: June 30, 2027.

BASE RENT: Base Rent for each Lease Year shall be as set forth in

Exhibit B attached hereto.

EXHIBITS ATTACHED: "A" - Legal Description

"B" - Base Rent Schedule

"C" - Schedule of Performance Standards
"D" - Description of Plans and Specifications

"E" – Form of Charter Impacts Report

"F" – Form of Tenant Estoppel Certificate

SECTION 2 GRANT, TERM AND TERMINATION OF PRIOR LEASE

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease. Also, the Lease Term shall immediately terminate if Tenant's authorization to operate the University Preparatory Academy Middle School is terminated in accordance with Article X of a certain Restated Contract to Charter One or More Urban High School Academies and Related Documents dated August 26, 2008, as amended, by and between Grand Valley State University Board of Trustees ("Authorizer") and Tenant (the "Charter School Contract").

2.3 Termination of Prior Lease

This Lease amends and restates in its entirety that certain Lease dated June 30, 2013 by and between Landlord and Tenant with respect to the Demised Premises, as amended (the "Prior Lease"). Effective as of the date hereof the Prior Lease is terminated and of no further force and effect except for those obligations set forth therein which expressly survive termination and any obligations for payments of Additional Rent Tenant arising or incurred during the term of the Prior Lease.

SECTION 3 CONSTRUCTION OF DEMISED PREMISES

3.1 Construction

Landlord agrees to cause Substantial Completion (defined below) of the certain improvements to the Demised Premises pursuant to the plans and specifications described on Exhibit D attached hereto (the "Landlord Improvements"), at Landlord's sole cost and expense, prior to September 1, 2017 (the "Delivery Date").

3.2 Delays

In the event Landlord's contractors shall be delayed or hindered in the construction of the Landlord Improvements or prevented from completing such construction or prevented from delivering possession of the Demised Premises on or prior to the Delivery Date because of any strike, lockout, labor dispute; fire, damage or destruction or casualty; unavailability of material; weather; power failures; unavailability of utilities; restrictive governmental laws or regulations; riots; insurrection; war; or any other reason, beyond the reasonable control of the Landlord or its contractors ("Force Majeure Event"), then

Landlord shall be excused for the period of delay caused by the Force Majeure Event and the Delivery Date shall be extended for such period of delay.

3.3 Substantial Completion

"Substantial Completion" shall mean the completion of the Landlord Improvements so that the Demised Premises is available and all required governmental permits and approvals have been obtained (including a certificate of occupancy) for occupancy and use by Tenant as an "urban high school academy" pursuant to MCL 380.1, et seq.

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Tenant acknowledges it currently has possession and occupancy of the Demised Premises and that the Lease Term shall commence on the date of this Lease.

4.3 Memorandum

Upon request of the Landlord, Tenant shall join with Landlord in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Lease Term. Tenant's failure to execute the Memorandum (if requested by Landlord) shall be a default by Tenant under this Lease.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord Base Rent during the Lease Term. Base Rent shall be payable in annual installments partially in advance and partially in arrears in the amount set forth in Exhibit B attached hereto for each Lease Year with the first such payment due on November 25, 2017 and then on the 25th day of each November of each Lease Year thereafter (except for 2027, in which Base Rent shall be pro-rated for the portion of the year during the Lease Term and shall be payable partially in advance and partially in arrears in the amount set forth in Exhibit B attached hereto on June 1, 2027), at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. To the extent permitted by law and without waiving any privilege or immunity, Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as utilities, maintenance, etc.), if provided directly to Tenant, excluding Base Rent, including, without limitation, utilities, taxes, maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any such amount, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay Base Rent (Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever except as otherwise specifically set forth herein. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to tax, utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

"Lease Year" shall mean a period of twelve (12) consecutive calendar months, except (a) the last year of the Lease Term, which shall expire on the Termination Date and (b) the first Lease Year, shall begin on the Commencement Date and expire on December 31, 2017.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone and all other utilities ("Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and to the improvements constituting the Landlord Improvements and separately metering the Utilities, which costs are included as part of the Landlord Improvements) as the same shall become due all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any such utilities, or for any interruption in the supply of any such utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined in Section 7.2) assessed against the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof. or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the lease term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees; provided, that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date basis.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for the purpose of managing and operating an urban high school academy for use as an middle school known as the University Preparatory Academy Middle School and attendant office use, and for no other purpose without the prior written consent of Landlord, which may be granted or withheld in its sole and absolute discretion. Without limiting the generality of the foregoing, in no event shall any use of the Demised Premises include (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1) private or commercial golf course, (2) country club,

(3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal business of which is the sale of alcoholic beverages for consumption off premises. ANY VIOLATION OF THE FOREGOING USE RESTRICTIONS SHALL BE A MATERIAL DEFAULT GIVING RISE TO AN IMMEDIATE RIGHT OF TERMINATION OF THE LEASE TO THE EXTENT PERMITTED BY APPLICABLE LAW SUBJECT TO THE MINIMUM NOTICE REQUIREMENTS OF APPLICABLE LAW.

Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Commencement Date. Tenant shall comply strictly with each and every term, condition and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in as good condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not use, cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any privilege or immunity, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or

expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required. however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, attorneys fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury or death or property damage occurring in, upon or about the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications. All liability policies shall contain aggregate limits applying on a per location basis and shall name landlord and any lender designated by landlord as additional insured on a primary non-contributory basis.

9.3 Delivery of Policy.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance and Repairs

Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided, however, that Tenant shall not be responsible for (a) latent defects at the Demised Premises, or (b) any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at its cost. The plumbing system, including the sewage facility, serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

10.2 Compliance with Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date, or to perform any obligation that was to be performed by Landlord as part of the Landlord Improvements.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having

a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All work done in connection with any change or alteration shall be done promptly and in a good and workmanlike manner and in compliance with the building and zoning laws of the place in which the Demised Premises are located and with all laws, ordinances, orders, rules, regulations and requirements of all governmental authorities. The cost of any such change or alteration shall be paid in cash so that the Demised Premises shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to the Demised Premises. All improvements and alterations made or installed by Tenant in or on the Demised Premises shall immediately upon completion or installation thereof be and become a part of the Demised Premises and subject as such to the terms of this Lease.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense keep the Demised Premises insured for the benefit of Landlord:

- (i) by a special form "All Risk of Physical Loss" policy subject to no coinsurance requirements including any endorsements reasonably required by Landlord and in an amount equal to the full replacement and reconstruction cost of the building and valued on a replacement cost basis. The limit shall take into account the replacement value of the building and improvements which are a part of the Demised Premises (including any alterations made by Tenant and incorporated into the Demised Premise) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings. This policy shall contain Ordinance /Increased Cost of Construction/Demolition coverage subject to a limit of no less than \$500,000:
- (ii) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (iii) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (iv) during the period of any construction, repair, restoration, or replacement of the Demised Premises, performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. The policy shall contain a standard mortgagee endorsement in favor of Lender (as defined below) and Landlord and any mortgagee shall be named as additional insureds and loss payees on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord and mortgagee. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore the Demised Premises or make it tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises. If Landlord shall elect to restore the Demised Premises, then in no event shall Tenant's obligation to pay Base Rent and all other Rent abate following any casualty or destruction of the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of a stipulation, agreement, or order of possession. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant, at its sole and absolute discretion, may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent

shall be pro rated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, diminution in value of the leasehold interest only, and other just compensation and reimbursement to which Tenant is entitled from the condemning authority.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises. Landlord and Landlord's agent shall comply with all Laws when accessing the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All furnishings, fixtures and equipment incorporated into and/or affixed to the Demised Premises by Landlord shall remain the property of Landlord at the termination of this Lease. Unless otherwise agreed to in a prior writing signed by Landlord and Tenant, if Tenant installs any furnishings, fixtures or equipment during the Term of this Lease that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then they shall become the property of Landlord at the termination of the Lease Term and shall not be removed without Landlord's prior written consent, which may be granted or withheld in its sole and absolute discretion. All fixtures and equipment installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such fixtures in accordance with all applicable Laws and shall repair any such damage or injury in a good and workmanlike manner. This Section shall not apply to the furnishings, fixtures and equipment leased by Landlord to Tenant pursuant to that certain Equipment Lease Agreement dated as of the date of this Lease.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant without the prior written consent of the Landlord, which may be granted or withheld in its sole and absolute discretion.

SECTION 17 SALE OR TRANSFER

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following non-exhaustive list of events shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due;
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent and other than any other default, breach or failure identified in a separate paragraph of this Section 18.1, and such failure remains uncured for thirty (30) days following written notice;
- (c) Tenant not operating the University Preparatory Academy Middle School ("Middle School") at the Demised Premises in accordance with the Charter School Contract;
- (d) Tenant has abandoned or vacated the Demised Premises;
- (e) The failure of Tenant to establish policies required by the Charter School Contract when and as required by the Charter School Contract;
- (f) The termination or expiration of the Charter School Contract or any failure to renew or extend the Charter School Contract for any reason or no reason; unless Tenant enters into a replacement charter contract which authorizes Tenant to operate an urban high school academy at the Demised Premises for the same grade range as the Charter School Contract;
- (h) The failure of Tenant to comply with any Reporting Requirement set forth in Section 19 of this Lease;
- (i) The failure of Tenant to comply with the restrictions on the use of the Demised Premises set forth in Section 8.1 of this Lease; and
- (j) The failure of Tenant to comply with the performance standards set forth in Exhibit C attached to this Lease.

18.2 Landlord's Remedies Upon Default

- (a) In the event of the occurrence of a Default, in addition to all of its other remedies under this Lease and available at law or in equity, Landlord shall have the right to re-enter the Demised Premises, in accordance with applicable law, to remove all persons and property therefrom. Upon the occurrence of a Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, relet the Demised Premises or any part thereof on such terms and conditions, as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.
- (b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if the Landlord prevails, the Tenant shall pay the Landlord for expenses incurred in the action, including reasonable attorneys fees. Such expenses shall be deemed to have an incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorney fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 REPORTING

19.1 School Reports

During the Lease Term, as soon as available, but in no event after the period set forth herein, Tenant shall furnish, upon written request and to the extent not otherwise prohibited by law, or, where information is maintained on government online databases or formats, make available to Landlord the following documents with respect to the School:

- a) within sixty (60) calendar days after the beginning of each fiscal year of Tenant, annual enrollment for the School, including, without limitation, federal free and reduced-price lunch eligibility and special education and ethnicity enrollment;
- b) within thirty (30) calendar days of Tenant's receipt as to the School and to the extent not otherwise prohibited by applicable law: (A) "Annual School Report Card" required by the Every Student Succeeds Act, and the following additional information if not included in the Annual School Report Card: performance on mandated state educational tests and internally-administered tests; (B) all programmatic quality reporting, including reports to the charter authorizer; and (C) all material correspondence from the charter authorizer; and
- c) promptly after request, Tenant shall furnish to Landlord such additional information, reports, statements, and certificates with respect to the School as Landlord may from time to time reasonably request, in form and content reasonably satisfactory to the Landlord.
- d) Tenant acknowledges and agrees that Landlord is subject to certain reporting requirements (the "Reporting Requirements") set forth in Community Benefits Agreement dated as of the date hereof by and among Landlord, Thompson Educational Foundation and the Lender (as defined below). Tenant has received a copy of the Reporting Requirements and agrees to provide such information to Landlord within fifteen (15) days of request in order to enable Landlord to comply with the Reporting Requirements, including but not limited to completion of the Charter Impacts Form attached hereto as Exhibit E.
- e) Tenant and Landlord acknowledge and agree that, notwithstanding anything to the contrary, certain student-identifying information (including, without limitation, names and social security numbers) may be redacted from documents provided to Landlord pursuant to this 19.1 to protect the privacy of students of the School prior to such documents being delivered to Landlord.

19.2 Financial Reports and Covenants;

- a) Tenant shall maintain a minimum Lease Payment Coverage Ratio of not less than 1.10 to 1.00, measured as of the end of each of Tenant's fiscal years, commencing with Tenant's fiscal year beginning on July 1, 2017 and ending with Tenant's fiscal year beginning July 1, 2023. For the purposes hereof, the "Lease Payment Coverage Ratio" shall be determined by dividing, with respect to Tenant's operation of the School, (A) Tenant's Earnings Before Interest, Taxes, Depreciation, Amortization and Tenant's Rent obligations under the Lease by (B) the sum of Tenant's interest expense, Tenant's rent obligations under the Lease, and Tenant's Current Portion of Long-Term Debt for the prior period.
- b) Tenant shall deliver to Landlord (i) within one hundred twenty (120) days of the end of Tenant's fiscal year, financial statements for Tenant (including, at a minimum, a balance sheet, an income statement showing breakeven or better financial performance, and a

statement of cash flow), which financial statements include specific details for Tenant Business and are certified as true and correct by an authorized officer of Tenant, in a form reasonably satisfactory to Landlord in all respects and audited by an independent certified public accountant reasonably approved by Landlord. All financial statements shall be prepared in accordance with generally accepted accounting practices for public school accounting in the State of Michigan. Tenant shall deliver to Landlord such other financial information with respect to Tenant and the Demised Premises as Landlord may reasonably request from time to time.

SECTION 20 QUIET ENJOYMENT

Landlord covenants that so long as no Tenant Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord

SECTION 21 SUBORDINATION AND ATTORNMENT; ESTOPPEL

21.1 Subordination

This Lease is and shall be subject and subordinate to all mortgages and ground or underlying leases which may now or hereafter affect the Demised Premises, including but not limited to that certain Mortgage dated as of the date given by Landlord in favor of Civic Builders Sub-CDE VI, LLC, a New York limited liability company ("Lender"), and to all renewals, modifications, consolidations, replacements and extensions thereof. In confirmation of such subordination, Tenant shall execute and deliver within five (5) days of demand by Landlord or Lender such further instrument or instruments subordinating this Lease to the lien of any such mortgage or mortgages as shall be desired by Landlord, Lender or any other mortgagees. Lender and any other mortgagee of the Landlord shall be entitled to rely upon and enforce the terms of this Section 21 as a third party beneficiary.

21.2 Attornment

If the holder of a mortgage (or any assignee, designee, or successor of such party) shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or otherwise, and this Lease is not extinguished by such foreclosure or other action, then, at the request of such party so succeeding to Landlord's rights (herein sometimes called "Successor Landlord") and upon such Successor Landlord's written agreement to accept Tenant's attornment, Tenant shall attorn to and recognize such Successor Landlord as Tenant's Landlord under this Lease. Upon such attornment, this Lease shall continue in full force and effect as, or as if it were, a direct lease between the Successor Landlord and Tenant upon all of the terms, conditions, and covenants as are set forth in this Lease and shall be applicable after such attornment. The foregoing attornment provisions shall be self-operative and no further instruments shall be required

to effect such attornment; provided, however, that Tenant hereby agrees to execute within five (5) days of demand by Successor Landlord any and all instruments in writing which may be required by Successor Landlord to confirm such attornment provisions. In the event of such attornment, Tenant recognizes such Successor Landlord shall not be liable for, subject to, or bound by (a) any payment of the Base Rent more than one (1) rental period in advance, except prepayments in the nature of security for the performance by Tenant of its obligations under this Lease, but only to the extent such prepayments have been actually delivered to such Successor Landlord, (b) any amendment of this Lease made without the consent of the holder of each mortgage or deed of trust existing as of the date of such amendment, (c) damages for any breach, act or omission of any prior landlord, (d) any offsets or defenses which Tenant might have against any prior landlord, including the Landlord, (e) any obligations with respect to construction or completion of any improvements for Tenant's use and occupancy, or following any fire or casualty, the restoration or repair of any improvement upon the Demised Premises, (f) warranties of any nature whatsoever, including any warranties respecting use, compliance with zoning, hazardous wastes or environmental laws, title, authority, habitability, fitness for purpose or possession; or (g) any assignment or subletting by Tenant made in a manner not expressly permitted under this Lease, unless such assignment or sublease was made with the consent of the holder of each mortgage or deed of trust existing as of the date of such assignment or sublease.

21.3 Estoppel Certificate.

Tenant shall execute and deliver within five (5) days of demand by Landlord or Lender an estoppel certificate in the form attached hereto as Exhibit F.

SECTION 22 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 23 OPTION TO EXTEND

23.1 Option to Extend Lease Term

So long as no Tenant Default has occurred and is continuing, Tenant shall have the option to extend the Lease Term for one additional ten (10) year term on the same terms and conditions set forth herein (each an "Option to Extend"). The Base Rent for each Lease Year of such extended term(s) shall be as set forth in Exhibit B. Each Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee

23.2 Exercise of Option

Tenant may exercise an Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the then current ten (10) year Lease Term.

SECTION 24 MISCELLANEOUS

24.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises and the buildings and improvements to be constructed thereon. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

24.2 Modification

This Lease shall not be modified or amended unless by a writing signed by Landlord and Tenant

24.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to the party at the address set forth Section 1, except that after the Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided in writing by such party and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery, prepaid, to such courier service.

24.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

24.5 Captions and Section Numbers

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe

the scope or intent of such sections or articles of this Lease nor in any way affect this Lease

24.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

24.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

24.8 **Joint Drafting**

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

24.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first written above.

LANDLORD:

TEF-TWO, LLC, a Michigan limited liability company

By: Thompson Educational Foundation, its sole member/

By:

Robert M. Thompson, President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Edward Parks, President

Joseph A. Arister

Legal Description

LAND IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN BEING MORE PARTICULARLY DESCRIBED AS:

Lots 5 through 8, both inclusive, Block 35, and the North 64.91 feet of Lots 1 through 3, both inclusive, and the North 64.91 feet of the West 30.27 feet of Lot 4, Block 34, of FERRY AND LYSTER'S SUBDIVISION OF BLOCKS 32, 34, 35, 36, 37 & 38, ANTOINE BEAUBIEN FARM BETWEEN FERRY AVENUE AND THEODORE ST, DETROIT, according to the plat thereof recorded in Liber 12 of Plats, Page 42 of Wayne County Records, also Lots 10 through 12, both inclusive, PLAT OF THE SUBDIVISION OF LAND LYING NORTH OF FREDERICK ST AND WEST OF HASTINGS ST AND BEING PART OF THE C. MORAN FARM, according to the plat thereof as recorded in Liber 7 of Plats, Page 23, Wayne County Records, also the North 64.91 feet of the East 30.00 feet of Lot 1, the North 64.91 feet of vacated Hiram Court (36 feet wide) lying adjacent to the West line of the East 30.00 feet of said Lot 1, the North 64.91 feet of the West 24.00 feet of Lot 2, and the North 64.91 feet of the West 11.73 feet of Lot 3, CHARLES C. YEMANS SUBDIVISION OF BLOCK E C. MORAN FARM, according to the plat thereof as recorded in Liber 9 of Plats, Page 80, Wayne County Records, also all that part of vacated Frederick Street, 60 feet wide, lying adjacent to the above described Lots; All of the land herein described being more particularly described as follows: Beginning at the point of intersection of the Easterly line of St. Antoine Street (50 feet wide) and the Southerly line of a public alley (20 feet wide) first Southerly of Kirby Avenue, 80.00 feet wide, said point being the Northwesterly corner of the aforementioned Lot 8, Block 35, FERRY AND LYSTER'S SUBDIVISION OF BLOCKS 32, 34, 35, 36, 37 & 38 ANTOINE BEAUBIEN FARM BETWEEN FERRY AVENUE AND THEODORE ST, DETROIT, as recorded in Liber 12 of Plats, page 42, Wayne County Records; thence along the Southerly line of said public alley (20.00 feet wide), North 63 degrees 52 minutes 25 seconds East 298.23 feet; thence along the Easterly line of Lot 10, South 26 degrees 09 minutes 05 seconds East 175.05 feet (measured South 26 degrees 09 minutes 45 seconds East 175.09 feet); thence along the centerline of said vacated Frederick Avenue, North 63 degrees 52 minutes 25 seconds East 1.77 feet; thence South 26 degrees 51 minutes 45 seconds East 94.63 feet (measured South 26 degrees 09 minutes 45 seconds East 94.91 feet); thence South 64 degrees 07 minutes 22 seconds West 300.00 feet (measured South 63 degrees 52 minutes 25 seconds West 300.00 feet) to a point on the Easterly line of St. Antoine Street (50 feet wide); thence along said line, North 26 degrees 09 minutes 05 seconds West 270.00 feet (measured North 26 degrees 09 minutes 45 seconds West 270.00 feet) to the Point of Beginning.

Commonly known as: 5310 St. Antoine Street and 5300 St. Antoine Street, Detroit, MI 48202 Tax Item Numbers: 001490/Ward 03 and 003270.002L/Ward 03

EXHIBIT B Base Rent Schedule

Lease Year	Base Rent
2017	\$1
2018	\$41,853
2019	\$41,853
2020	\$41,853
2021	\$41,853
2022	\$43,853
2023	\$43,853
2024	\$313,070
2025	\$313,070
2026	\$313,070
2027 (6 months)	\$156,535

If Option to Extend Exercised:

2027 (6 months)	\$156,535
2028	\$313,070
2029	\$313,070
2030	\$313,070
2031	\$313,070
2032	\$313,070
2033	\$313,070
2034	\$313,070
2035	\$313,070
2036	\$313,070
2037	\$313,070

EXHIBIT C

Performance Standards

Tenant's failure to meet in any school year during the Term any one or more of the standards relating to its operation of the University Preparatory Academy Middle School set forth below, is a default of Lease.

- 1. Average daily attendance rate for students shall be at least 90% for each school year.
- 2. Eighth graders will score within 10 percent of the state average in reading and math on the state exam, currently the MEAP, and outperform selected districts serving students from comparable demographic backgrounds.
- 3. The middle schools in the University Prep Schools system will administer the Explore—or the actual ACT—to prepare students for success on the high stakes exam.
- 4. Re-enrollment rates shall result in at least 75% of eligible eighth grade students entering the high schools upon graduation from the middle schools each year (students who migrate from middle schools, students who move to other high performing schools as defined by MDE, and students who move out of the area are included in the percentage.
- 5. University Prep Schools will meet whatever metric the state determines will replace Adequate Yearly Progress (AYP).

Additional Performance Standards

Annually, by October 31st of each school year, Tenant will provide Landlord certain reporting data regarding school operations as is outlined in the attached forms, labeled as Exhibit C.1.

1 of 3

PSAD - UPA Required Reporting - ENROLLMENT SUMMARY

Date of Report:

UNIVERSITY PREPATORY ACADEMY DISTRICT					
SUMMARY ENROLLMENT DATA	K-5 - Ellen Thompson	K-5 - Mark Murray	Middle School	High School	Total
LAST YEAR at 5/3/12					-
ORIGINAL BUDGET					-
DASHBOARD REPORT - PSAD BOARD MTG 9/25/12					-
ENROLLMENT - COUNT DAY - 10/3/12					

ENROLLI	MENT BY GRADE - COUNT DAY 10/X/1X
К	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
TOTAL	

	Individual Classroom Student Size - COUNT DAY 10/x/1x														
GRADE	K-5 - Ellen Thompson	K-5 - Ellen Thompson	K-5 - Ellen Thompson	K-5 - Ellen Thompson	Total for K-5 - Ellen Thompson	K-5 - Mark Murray	K-5 - Mark Murray	K-5 - Mark Murray	K-5 - Mark Murray	Total for K-5 - Mark Murray	Total for Both K-5's				
К					-					-	-				
1					-					_	-				
2					-					_	-				
3					-					_	-				
4					-					_	-				
5					-					_	-				
TOTAL								_							

NOTE: FOR Middle School and High School - Submit report named "Count of Studentid" generated through PowerSchool, by Detroit 90/90 Central Office Staff.

2 of 3

PSAD - UPA Required Reporting - GRADE TO GRADE STUDENT ATTRITION

						U	NIVERSI	TY PREF	PATORY	ACADE	EMY DIS	TRICT						
	K-5 - Ellen 1	hompson			K-5 - Mar	k Murray			Middle	School		High	School			ALL SCHOOL	BUILDINGS	
GRADI	# of Students @ end of # of Students school year - that left UPA 6/30/1x	# of new students enrolled	# of Students on Count day 10/3/1x next grade up	@ end of	# of Students that left UPA	# of new students enrolled	# of Students on Count day 10/x/1y nex grade up	@ end of	# of Students that left UPA	# of new students enrolled	# of Students on Count day 10/x/1y next grade up			# of Students on Count day- 10/x/1y next grade up		# of Students	# of new students enrolled	# of Students on Count day- 10/x/1y next grade up
К																-	-	
1															0	0	(0 0
2															0	0	(0 0
3															0	0	(0 0
4			-				-								0	0	(0 0
5			-				-	FOR SIXTH	GRADE BELOW,	USE TOTAL C	OF BOTH K-5'S					0	(0 0
6											-				0	0	(0 0
7											-				0	0	(0 0
8											-	FOR EIGHTH GRADE BELO	W, USE UPA	Middle School		0	(0 0
9															0	0	(0 0
10															0	0	(0 0
11															0	0	(0 0
12															0	0	(0 0
TOTAL	· <u> </u>		-		-	-			-		-	<u> </u>				-		-

	From 5th grade	From 8th grade	From other grades	-		-	-	-
OTE: NUMBER OF STUDENTS THAT MATRICULATED TO UPSM AND/OR HFA:SCS					Check	figures hori	izontally	

PSAD - UPA Required Reporting - GRADE TO GRADE TEACHER ATTRITION

UNIVE	ERSITY PREP	ATORY ACAI	DEMY DISTR	ICT
Building	# of Teachers @ end of 201x-1y school year	# of Teachers that left UPA	# of new Teachers hired	# of Teachers at start of school - Fall 201y
K-5 -Ellen Thompson				
K-5 - Mark Murray				-
Middle School				-
High School				-
TOTAL		-	-	-
Type of Employee	Number @ end of 201x-1y school year	Number that left UPA	# of new hires	Number at start of school - Fall 201y
	,			
Principal	, 			-
Principal Team Leaders	·			-
	, , , , , , , , , , , , , , , , , , ,			- - -
Team Leaders	, , , , , , , , , , , , , , , , , , ,			- - - -
Team Leaders Special Education	•			- - - -
Team Leaders Special Education Specialists				- - - - -
Team Leaders Special Education Specialists Counselors				- - - - - -

EXHIBIT D

Description of Plans and Specifications

Vertical addition and upgrades to the Demised Premises in substantial conformance with the plans and specifications set forth in the "For Pemit" drawings and the General Construction Project Manual each prepared by Resendes Design Group, LLC and dated 11-18-2016.

EXHIBIT E

Form of Charter Impacts Report

(attached)

	Report
Exhibit E	Form of Charter Impacts
	É

							Ci E	ommunity Benefits Repor xhibit A (Charter Impacts	rt							
								,	,							
		Schedule C Table 1														
		Charter History	Grades specified in	Total enrollment specified												
Charter	School years covered	Full or partial renewal	charter	in charter												
Initial First renewal																
Second renewal Third renewal																
Additional renewal	ABC	Full/Partial	ABC	0												
		Sched Tabl														
		Historical Enrollmen	t, Waitlist, Staffing													
Student and staff counts	Total # students	Grades served	Total # on waitlist	Total # staff, including teachers	Total # teachers											
School Year 2011-2012 School Year 2012-2013																
School Year 2013-2014																
School Year 2015-2016 School Year 2014-2016																
School Year []	0	ABC	0	0	0	1										
								Schedule C Table 3								
			1		Eligible for free and	Eligible for free and	Demographics: Prior S Eligible for free and	School Year ([]) vs.		1	1					
Grade	Prior school year enrollment	Prior school year waitlist	Enrollment at scale in th project - projected	e Enrollment at scale in the project - actual	reduced-price lunch	reduced-price lunch -	reduced-price lunch -	Special education prior school year	Special education - projected	Special education - actual	English language learners prior school year	English language leame - projected	s English language learners - actual	Minority prior school year	Minority - projected	Minority - actual
	# students	# students	# students	# students	prior school year # Students	projected # students	actual # students	# students	# students	# students	# students	# students	# students	# students	# students	# students
PK3 PK4				0			0			0			0			0
K 1				0			0			0			0			0
2				0			0			0			0			0
4				0			0			0			0			0
5 6				0			0			0			0			0
7 8				0			0			0			0			0
9				0			0			0			0			0
11				0			0			0			0			0
TOTAL				0			0		<u>.</u>	0			0		<u>.</u>	0
				_												
	Schedu Table															
	Current and Projected		Graduated - actual	4												
Student and staff counts School Year 2011-2012	# students	# students	# students													
School Year 2012-2013																
School Year 2013-2014 School Year 2015-2016																
School Year []	0	ABC	0													
				٦												
	Schedu Table	5														
	Current and Projected 0	College Acceptance Accepted to colleges -	Accepted to colleges -	4												
Student and staff counts	# students	projected # students	actual # students													
School Year 2011-2012		# Students	# Students													
School Year 2012-2013 School Year 2013-2014																
School Year 2015-2016 School Year []	0	ABC	0													
				*												

EXHIBIT F

FORM OF TENANT ESTOPPEL CERTIFICATE

TENANT ESTOPPEL CERTIFICATE

[CLOSING DATE]

Detroit, Michigan Attention:
Re: 5310 St. Antoine Street, Detroit, Michigan
Ladies and Gentlemen:
The undersigned (the "Tenant"), as tenant under a certain Lease dated (the "Lease") made with TEF-TWO, LLC (the "Landlord") hereby ratifies such Lease and certifies to you and your designees, successors and assigns (the "Lender") as follows:

- 1. Tenant is in full and complete possession of the premises described in the Lease (the "Demised Premises"), such possession having been accepted by the Tenant as complying with the terms of the Lease, subject to completion of construction, and is conducting business form the Demised Premises.
- 2. The Lease is in full force and effect.
- 3. Except as indicated above, the Lease has not been modified or amended and constitutes the entire and the only rental agreement between the Landlord and Tenant for the Demised Premises
- 4. There is no existing default on the part of the Tenant nor, to the Tenant's knowledge, the Landlord under the Lease.
- 5. There is no existing default under the Charter School Contract (as defined in the Lease). The Charter School Contract has not been modified or amended.
- 6. Tenant is not entitled to receive any concession (rental or otherwise) or other compensation in connection with renting the Demised Premises, other than as may be set forth in the Lease.
- 7. Tenant has not engaged in (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80)%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1)

private or commercial golf course, (2) country club, (3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal business of which is the sale of alcoholic beverages for consumption off premises.

8.	The amount of the current base monthly rent due and payable by the Tenant and the date to which rent has been paid under the Lease are as follows:
	Amount of Current Base Monthly Rent: \$
	Date to Which Rent Has Been Paid: \$
9.	Tenant does not currently have or hold any claim against the Landlord which might be offset or credited against future accruing rents. Excluding any security deposit which may have been paid to Landlord, no rent charges or other obligations have been prepaid for more than the current month.
10.	Tenant will not prepay rent under the Lease except for the current month and will not offset or withhold rent on account of any claims against the Landlord, except to the extent it may be permitted to do so under the Lease.
11.	Tenant has no option or right of first refusal to purchase the Lease Premises.
12.	The term of the Lease will commence on and expires on, unless sooner terminated pursuant to the terms and conditions thereof or renewed pursuant to the terms and conditions of the Lease.
13.	Tenant agrees that the estate created by the Lease and its leasehold interest in the Demised Premises are subject and subordinate to the lien and terms and conditions of the Mortgage, Security Agreement and Fixture Filing encumbering Landlord's interest in the Lease Premises, executed by the Landlord, as mortgagor, in favor of the Lender, as mortgagee, and all modifications, renewals, substitutions and extensions thereof.
	Tenant:
	THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation
	By: Joseph A. Aristeo, President

Exhibit A

Legal Description

EXHIBIT A LEGAL DESCRIPTION OF DEMISED PREMISES

LAND SITUATED IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AS DESCRIBED AS:

PARCEL A:

THE EASTERLY 321.06 FEET OF THE SOUTH 1/2 OF LOTS 1 THROUGH 25, BLOCK 16, AND THE EASTERLY 218.89 FEET OF THE NORTH ½ OF LOTS 1 THROUGH 25, BLOCK 16, CASS FARM COMPANY, LIMITED SUBDIVISION, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN LIBER 19, PAGE 35, WAYNE COUNTY RECORDS.

PARCEL B:

LOTS 1 THROUGH 7, INCLUSIVE, LOTS 21 THROUGH 25, INCLUSIVE, AND PART OF LOTS 8 AND 20 OF BLOCK 16, TOGETHER WITH VACATED PUBLIC ALLEYS WITHIN SAID BLOCK OF CASS FARM COMPANY LIMITED SUBDIVISION OF BLOCKS 111, 112, 113, 114, 115, 116, 118, 119 AND A PART OF BLOCK 117 CASS FARM AS RECORDED IN LIBER 19, PAGE 35, WAYNE COUNTY RECORDS AND ALSO THAT PART OF VACATED THIRD AVENUE (VARIABLE WIDTH) BETWEEN ANTOINETTE (60 FEET WIDE) AND YORK STREET (60 FEET WIDE) AS DESCRIBED IN QUIT CLAIM DEED LIBER 17416, PAGE 575, WAYNE COUNTY RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF BLOCK 16 OF SAID CASS FARM COMPANY LIMITED SUBDIVISION, THENCE SOUTH 66°58'00" WEST ALONG THE NORTHERLY LINE OF ANTOINETTE STREET (60 FEET WIDE) A DISTANCE OF 9.36 FEET TO THE EASTERLY LINE OF THIRD AVENUE (VARIABLE WIDTH) AS RELOCATED AND A POINT OF CURVATURE; THENCE ALONG THE EASTERLY LINE OF SAID THIRD AVENUE (VARIABLE WIDTH) AS RELOCATED ALONG A CURVE TO THE LEFT HAVING AN ARC LENGTH OF 93.31 FEET (93.29 FEET RECORD), A RADIUS OF 1947.00 FEET, A CENTRAL ANGLE OF 2°44'45" (2°44'43" RECORD), A CHORD LENGTH OF 93.30 FEET (93.28 RECORD) AND A CHORD BEARING OF NORTH 30°29'26" EAST (SOUTH 30°48'38" EAST RECORD); THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID THIRD AVENUE (VARIABLE WIDTH) AS RELOCATED NORTH 31°51'47" WEST (NORTH 32°10'59" WEST RECORD) A DISTANCE OF 114.92 FEET TO A POINT OF CURVATURE; THENCE CONTINUING ALONG THE EASTERLY LINE OF SAID THIRD AVENUE (VARIABLE WIDTH) AS RELOCATED, ALONG A CURVE TO THE RIGHT HAVING AN ARC LENGTH OF 114.39 FEET, A RADIUS OF 1873.00 FEET, A CENTRAL ANGLE OF 3°29'57", A CHORD LENGTH OF 114.37 FEET AND A CHORD BEARING OF NORTH 30°06'49" WEST (NORTH 30°26'01" WEST RECORD) TO THE SOUTHERLY LINE OF YORK STREET (60 FEET WIDE); THENCE NORTH 66°57'19" EAST ALONG THE SOUTHERLY LINE OF YORK STREET (60 FEET WIDE) A DISTANCE OF 406.17 FEET TO A POINT ON THE SOUTHERLY LINE OF YORK STREET (60 FEET WIDE); THENCE SOUTH 22°53'21" EAST A DISTANCE OF 159.82 FEET TO A POINT ON THE CENTER LINE OF AN ALLEY (20 FEET WIDE); THENCE SOUTH 66°57'39" WEST ALONG THE CENTER LINE OF AN ALLEY (20 FEET WIDE) A DISTANCE OF 102.17 FEET TO A POINT; THENCE SOUTH 22°53'21" EAST A DISTANCE OF 159.81 FEET TO A POINT ON THE NORTHERLY LINE OF ANTOINETTE STREET (60 FEET WIDE); THENCE SOUTH 66°58'00" WEST ALONG THE NORTHERLY LINE OF ANTOINETTE STREET (60 FEET WIDE) A DISTANCE OF 250.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

PARCEL C:

LOT 10, BLOCK 17, CASS FARM COMPANY LIMITED SUBDIVISION OF BLOCKS 111, 112, 113, 114, 115, 116, 118, 119 AND PART OF BLOCK 117 OF CASS FARM, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN LIBER 19 OF PLATS, PAGE 35, WAYNE COUNTY RECORDS.

PARCEL D:

LOTS 6, 7, 8, AND 9, BLOCK 17, CASS FARM COMPANY LIMITED SUBDIVISION OF BLOCKS 111, 112, 113, 114, 115, 116, 118, 119 AND PART OF BLOCK 117 OF CASS FARM, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN LIBER 19 OF PLATS, PAGE 35, WAYNE COUNTY RECORDS.

Exhibit B

Performance Standards

[The existing Performance Standards are included below for reference. The parties will agree upon revised Performance Standards.]

Tenant's failure to meet in any school year during the Term any one or more of the standards relating to its operation of the University Preparatory Academy High School set forth below, is a default of Lease.

- 1. 90% of the freshman high school class entering the high schools each year shall graduate within four years as measured by the Michigan Department of Education graduation rate formula. In applying the four year measurement test, a very limited exception will be made for certain students not entering the high school in the ninth grade.
- 2. 90% of the students who graduate each year shall attend college, other post-secondary studies or enlist in the military.
- 3. Average daily attendance rate for students shall be at least 90% for each school year.
- 4. University Prep Schools agree to set a goal of a 21 composite ACT score by the 11th grade administration of the MME. Progress toward that goal will be measured student—by-student using an agreed upon measure of "reasonable growth," such as the ACT's analysis of such.
- 5. At least 90% of the parents of students enrolled in the high schools shall attend the scheduled learning conferences each school year.
- 6. The enrollment of the incoming freshman class for every year for each of UPA and UPSM shall be 100 or more students.
- 7. Annually, the PSAD Board will be provided certain mandatory reporting data as outlined and in the format as depicted in attached Exhibit A. This data and the reports are to be provided by October 31st of each school year.

Exhibit C

Schedule of Annual Cap Ex Amounts

BLOOMFIELD 38030-1 1888657v1



State of Michigan John Engler, Governor

Inspection Report

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

Page 1 of 1 OFS-40 Office of Fire Safety General Office Building 7150 Hants Drive Lansing, MI 48909-7504

FACILITY NAME	NAME		
University Prepatory Academy ADDRESS 5310 St. Antoine Ave. CITY, STATE ZIP CODE Detroit, MI 48202	DATE 12/13/2001 FACILITY TYPE Charter School FACILITY REPRESENTATIVE Doug Ross	COUNTY Wayne RULES/CODES School - 99	Web Site www.cis.state.mi.us/fire PROJECT 0820-01 JOBALCFAG. NO. INSPECTION TYPE Annual

Re: Remodel existing building for new charter school

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

Ferlito Construction 313-237-2905

Detroit Fire Dept.

FIRE SAFETY CERTIFICATION Approved DISTRIBUTION	-	PROJECTSTATUS Closed	REVIEWED BY
Facility File	INSPECTING OFFICIAL Lawrence De Wachter SIGNATURE OF OFFICIAL Z	ADDRESS TELEPHONE FAX	24155 Drake Road Farmington, Michigan 48334 248-888-8761 248-888-8760 larry.dewachter@cis.state.mi.us

NO. UZUD T. Z

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. LB023778

UPA-Middle School Gym-Addition

5310 St. Antoine Street

Detroit, 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

January 18, 2007

UPA Ellen Thompson Elementary Lease

(Thompson School Foundation)

Schedule 9-9, Exhibit C

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, **THOMPSON SCHOOLS FOUNDATION**, a Michigan nonprofit corporation, owner and Landlord of the property located at 957 Holden, Detroit, MI 48202 ("TSF," or the "LANDLORD") and **PUBLIC SCHOOL ACADEMIES OF DETROIT** a Michigan nonprofit corporation, and Tenant of the property located at 957 Holden, Detroit, MI 48202 ("PSAD," or the "TENANT").

RECITALS:

- A. WHEREAS, Landlord and Tenant are parties to that certain Lease Agreement, dated July 1, 2018 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, Landlord to the Lease amended its name from Thompson Educational Foundation to Thompson Schools Foundation and filed such Certificate of Amendment to the Articles of Incorporation with the state of Michigan effective as of May 29, 2019; and
- C. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

- 1. <u>Landlord Name Change</u>. All references to "Thompson Educational Foundation" in the Lease shall be amended and replaced with "Thompson Schools Foundation."
- 2. <u>Authorizer Termination</u>. The Academy may terminate the Lease, without cost or penalty associated with the early termination of the Lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the Lease prior to site closure or reconstitution.

[signature page to follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

LANDLORD:

Thompson Schools Foundation, a Michigan nonprofit corporation

By:

Robert M Thompson

President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

President

BLOOMFIELD 38030-1 2398545v3

LEASE

Between

LANDLORD: THOMPSON EDUCATIONAL FOUNDATION a Michigan non-profit company,

And

TENANT: THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan non-profit corporation

Dated: July 1, 2018

LEASE

SECTION 1 SCHEDULE

NAME:

THOMPSON EDUCATION

LANDLORD:

FOUNDATION

ADDRESS: P.O. Box 6349

Plymouth, MI 48170

TENANT:

NAME:

THE PUBLIC SCHOOL ACADEMIES OF

DETROIT

ADDRESS: 600 Antoinette, Detroit, MI 48202

DEMISED PREMISES:

Land located in the City of Detroit, Wayne County, Michigan at 957 Holden, Detroit, Michigan as described in legal description attached as Exhibit A (the "Site"), together with all improvements located thereon, including without limitation the existing building, and the Landlord Improvements (defined herein)(collectively, the "Demised Premises").

LEASE TERM:

July 1, 2018 until June 30, 2023 unless terminated sooner

pursuant to Paragraph 2.2.

EFFECTIVE DATE

The date this Lease has been executed by Landlord and

Tenant below.

COMMENCEMENT

DATE:

The term of this Lease shall commence on the date hereof.

TERMINATION DATE:

June 30, 2023.

BASE RENT:

The Annual Base Rent shall be \$1.00.

EXHIBITS ATTACHED:

"A" - Legal Master Deed

"B" - Schedule of Performance Standards "C" - Form of Charter Impacts Report

SECTION 2 GRANT, TERM AND TERMINATION OF PRIOR LEASE

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease. Also, the Lease Term shall immediately terminate if Tenant's authorization to operate the University Preparatory Academy Elementary School Ellen Thompson is terminated in accordance with Article X of a certain Restated Contract to Charter One or More Urban High School Academies and Related Documents dated July 1, 2018, by and between Grand Valley State University Board of Trustees ("Authorizer") and Tenant (the "Charter School Contract").

2.3 Termination of Prior Lease

This Lease amends and restates in its entirety that certain Lease dated June 30, 2013 by and between Landlord and Tenant with respect to the Demised Premises, as amended (the "Prior Lease"). Effective as of the date hereof the Prior Lease is terminated and of no further force and effect except for those obligations set forth therein which expressly survive termination and any obligations for payments of Additional Rent Tenant arising or incurred during the term of the Prior Lease.

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Tenant acknowledges it currently has possession and occupancy of the Demised Premises and that the Lease Term shall commence on the date of this Lease.

4.2 Memorandum

Upon request of the Landlord, Tenant shall join with Landlord in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Lease Term. Tenant's failure to execute the Memorandum (if requested by Landlord) shall be a default by Tenant under this Lease.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated above, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in one annual payment in advance of the Rent Commencement Date and the first day of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. To the extent permitted by law and without waiving any privilege or immunity, Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as utilities, maintenance, etc.), if provided directly to Tenant, excluding Base Rent, including, without limitation, utilities, taxes, maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any such amount, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay Base Rent (Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lense, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever except as otherwise specifically set forth herein. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to tax, utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

"Lease Year" shall mean a period of twelve (12) consecutive calendar months, commencing July 1, 2018 and ending on June 30, 2019. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone and all other utilities ("Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and to the improvements constituting the Landlord Improvements and separately metering the Utilities, which costs are included as part of the Landlord Improvements) as the same shall become due all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any such utilities, or for any interruption in the supply of any such utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined in Section 7.2) assessed against the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the lease term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees; provided, that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be

prorated on a due date basis.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for the purpose of managing and operating an urban high school academy for use as an elementary school known as the University Preparatory Academy Elementary School Ellen Thompson and attendant office use, and for no other purpose without the prior written consent of Landlord, which may be granted or withheld in its sole and absolute discretion. Without limiting the generality of the foregoing, in no event shall any use of the Demised Premises include (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1) private or commercial golf course, (2) country club, (3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal business of which is the sale of alcoholic beverages for consumption off premises. ANY VIOLATION OF THE FOREGOING USE RESTRICTIONS SHALL BE A MATERIAL DEFAULT GIVING RISE TO AN IMMEDIATE RIGHT OF TERMINATION OF THE LEASE TO THE EXTENT PERMITTED BY APPLICABLE LAW SUBJECT TO THE MINIMUM NOTICE REQUIREMENTS OF APPLICABLE LAW.

Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Commencement Date. Tenant shall comply strictly with each and every term, condition and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the

buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in as good condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not use, cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat. store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any privilege or immunity, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indomnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury or death or property damage occurring in, upon or about the Demised

Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications. All liability policies shall contain aggregate limits applying on a per location basis and shall name landlord and any lender designated by landlord as additional insured on a primary non-contributory basis.

9.3 Delivery of Policy.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance and Repairs

Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided, however, that Tenant shall not be responsible for (a) latent defects at the Demised Premises, or (b) any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at its cost. The plumbing system, including the sewage facility, serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

10.2 Compliance with Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date, or to perform any obligation that was to be performed by Landlord as part of the Landlord Improvements.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All work done in connection with any change or alteration shall be done promptly and in a good and workmanlike manner and in compliance with the building and zoning laws of the place in which the Demised Premises are located and with all laws, ordinances, orders, rules, regulations and requirements of all governmental authorities. The cost of any such change or alteration shall be paid in cash so that the Demised Premises shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to the Demised Premises. All improvements and alterations made or installed by Tenant in or on the Demised Premises shall immediately upon completion or installation thereof be and become a part of the Demised Premises and subject as such to the terms of this Lease.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense keep the Demised Premises insured for the benefit of Landlord:

(a) by a special form "All Risk of Physical Loss" policy subject to no co-insurance requirements including any endorsements reasonably required by Landlord and in an amount equal to the full replacement and reconstruction cost of the building and valued on a replacement cost basis. The limit shall take into account the replacement value of the building and improvements which are a part of the Demised Premises (including any

alterations made by Tenant and incorporated into the Demised Premise) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings. This policy shall contain Ordinance/Increased Cost of Construction/Demolition coverage subject to a limit of no less than \$500,000;

- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises, performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. The policy shall contain a standard mortgagee endorsement in favor of Lender (as defined below) and Landlord and any mortgagee shall be named as additional insureds and loss payees on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord and mortgagee. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore the Demised Premises or make it tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises. If Landlord shall elect to restore the Demised Premises, then in no event shall Tenant's obligation to pay Base Rent and all other Rent abate following any casualty or destruction of the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of a stipulation, agreement, or order of possession. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant, at its sole and absolute discretion, may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be pro-rated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, diminution in value of the leasehold interest only, and other just compensation and reimbursement to which Tenant is entitled from the condemning authority.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises. Landlord and Landlord's agent shall comply with all Laws when accessing the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All furnishings, fixtures and equipment incorporated into and/or affixed to the Demised Premises by Landlord shall remain the property of Landlord at the termination of this Lease. Unless otherwise agreed to in a prior writing signed by Landlord and Tenant, if Tenant installs any furnishings, fixtures or equipment during the Term of this Lease that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then they shall become the property of Landlord at the termination of the Lease Term and shall not be removed without Landlord's prior written consent, which may

be granted or withheld in its sole and absolute discretion. All fixtures and equipment installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such fixtures in accordance with all applicable Laws and shall repair any such damage or injury in a good and workmanlike manner. This Section shall not apply to the furnishings, fixtures and equipment leased by Landlord to Tenant pursuant to that certain Equipment Lease Agreement dated as of the date of this Lease.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant without the prior written consent of the Landlord, which may be granted or withheld in its sole and absolute discretion.

SECTION 17 SALE OR TRANSFER

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following non-exhaustive list of events shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due.
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent and other than any other default, breach or failure identified in a separate paragraph of this Section 18.1, and such failure remains uncured for thirty (30) days following written notice.
- (c) Tenant files bankruptcy or Tenant becomes insolvent.
- (d) Tenant has abandoned for longer than thirty (30) days except for the period from

June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises.

- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in Board President of the Tenant's Board of Directors or a change in the majority of members of the Tenant's Board of Directors from those holding office on the Lease Commencement Date without the prior approval of Landlord having been obtained.
- In the event that a Change in Control of the Educational Management Company used by Tenant to operate the public school academy which is operating the building and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean any of the following: (1) a change in the President of the Board of Directors or Managing Member of the Educational Management Company; (2) a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date; or (3) change in the Chief Executive Officer (or similar title); or (4) any change of the actual person in primary control of the operation of the respective school on behalf of the Educational Management Company.
- (g) The failure of Tenant to establish policies required by the Charter School Contract when and as required by the Charter School Contract.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend the Charter School Contract, for any reason or no reason, unless Charter School Contract is otherwise replaced by new Authorizer prior to the commencement of the next School Year. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under any current Leases (or subleases) between Tenant, or any entity related to Tenant, and any subsidiary or related entity to Thompson Educational Foundation which may include, but are not limited to, TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-SIX, LLC, TEF-EIGHT, LLC, and TEF Franklin, LLC that is not cured within the time specified in such Lease.
- (j) Tenant fails to meet any one or more of the performance standards set forth on Exhibit B (collectively, the "Performance Standards").
- (k) The failure of Tenant to comply with any Reporting Requirement set forth in Section 19 of this Lease.
- (1) The failure of Tenant to comply with the restrictions on the use of the Demised Premises set forth in Section 8.1 of this Lease.

- (m) In the event that there shall be a change in the Contract Administrator in place at the time of Lease Commencement Date without the prior written approval of Landlord having been obtained.
- (n) Tenant not operating the University Preparatory Academy Elementary School-Ellen Thompson at the Demised Premises in accordance with the Charter School Contract.

18.2 Landlord's Remedies Upon Default

- (a) Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(e), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to reenter the Demised Premises in accordance with applicable law to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry, or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.
- (b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if the Landlord prevails, the Tenant shall pay the Landlord for expenses incurred in the action, including reasonable attorney's fees. Such expenses shall be deemed to have an incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorney fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 REPORTING

19.1 School Reports

During the Lease Term, as soon as available, but in no event after the period set forth herein, Tenant shall furnish, upon written request and to the extent not otherwise prohibited by law, or, where information is maintained on government online databases or formats, make available to Landlord the following documents with respect to the School:

- a) within sixty (60) calendar days after the beginning of each fiscal year of Tenant, annual enrollment for the School, including, without limitation, federal free and reduced-price lunch eligibility and special education and ethnicity enrollment;
- b) within thirty (30) calendar days of Tenant's receipt as to the School and to the extent not otherwise prohibited by applicable law: (A) "Annual School Report Card" required by the Every Student Succeeds Act, and the following additional information if not included in the Annual School Report Card: performance on mandated state educational tests and internally-administered tests; (B) all programmatic quality reporting, including reports to the charter authorizer; and (C) all material correspondence from the charter authorizer; and
- c) promptly after request, Tenant shall furnish to Landlord such additional information, reports, statements, and certificates with respect to the School as Landlord may from time to time reasonably request, in form and content reasonably satisfactory to the Landlord.
- d) Tenant acknowledges and agrees that Landlord is subject to certain reporting requirements (the "Reporting Requirements") set forth in Community Benefits Agreement dated as of the date hereof by and among Landlord, Thompson Educational Foundation and the Lender (as defined below). Tenant has received a copy of the Reporting Requirements and agrees to provide such information to Landlord within fifteen (15) days of request in order to enable Landlord to comply with the Reporting Requirements, including but not limited to completion of the Charter Impacts Form attached hereto as Exhibit C.
- e) Tenant and Landlord acknowledge and agree that, notwithstanding anything to the contrary, certain student-identifying information (including, without limitation, names and social security numbers) may be redacted from documents provided to Landlord pursuant to this 19.1 to protect the privacy of students of the School prior to such documents being delivered to Landlord.

19.2 Financial Reports and Covenants

a) Tenant shall maintain a minimum Lease Payment Coverage Ratio of not less than 1.10 to 1.00, measured as of the end of each of Tenant's fiscal years, commencing with Tenant's fiscal year beginning on July 1, 2018 and ending with Tenant's fiscal year beginning July 1, 2023. For the purposes hereof, the "Lease Payment Coverage Ratio" shall be determined by dividing, with respect to Tenant's operation of the School, (A) Tenant's Earnings Before Interest, Taxes, Depreciation, Amortization and Tenant's Rent obligations under the Lease

by (B) the sum of Tenant's interest expense, Tenant's rent obligations under the Lease, and Tenant's Current Portion of Long-Term Debt for the prior period.

b) Tenant shall deliver to Landlord (i) within one hundred twenty (120) days of the end of Tenant's fiscal year, financial statements for Tenant (including, at a minimum, a balance sheet, an income statement showing breakeven or better financial performance, and a statement of cash flow), which financial statements include specific details for Tenant Business and are certified as true and correct by an authorized officer of Tenant, in a form reasonably satisfactory to Landlord in all respects and audited by an independent certified public accountant reasonably approved by Landlord. All financial statements shall be prepared in accordance with generally accepted accounting practices for public school accounting in the State of Michigan. Tenant shall deliver to Landlord such other financial information with respect to Tenant and the Demised Premises as Landlord may reasonably request from time to time.

SECTION 20 OUIET ENJOYMENT

Landlord covenants that so long as no Tenant Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 21 MORTGAGE

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust, or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgage or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the Demised Premises so long as Tenant is not otherwise in Default beyond any applicable cure period in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SDNA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

SECTION 22 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 23 OPTION TO EXTEND

23.1 Option to Extend Lease Term

So long as no Tenant Default has occurred and is continuing, Tenant shall have the option to extend the Lease Term for one additional five (5) year term on the same terms and conditions set forth herein (each an "Option to Extend"). The Base Rent for each Lease Year of such extended term(s) shall be as set forth above. Each Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

23.2 Exercise of Option

Tenant may exercise an Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the then current five (5) year Lease Term.

SECTION 24 MISCELLANEOUS

24.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises and the buildings and improvements to be constructed thereon. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

24.2 Modification

This Lease shall not be modified or amended unless by a writing signed by Landlord and Tenant.

24.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to the party at the address set forth Section 1, except that after the Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided in writing by such party and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery, prepaid, to such courier service.

24.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

24.5 Captions and Section Numbers

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

24.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

24.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

24.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

24.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first written above.

LANDLORD:

THOMPSON EDUCATIONAL FOUNDATION, a Michigan non-profit company

Robert M./Thompson

President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

Joseph A Aristeo

President

EXHIBIT A Legal Description

LAND IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN BEING MORE PARTICULARLY DESCRIBED AS:

A parcel of land located in Private Claim 23 and Private Claim 247, City of Detroit, Wayne County, Michigan comprised of Lots 1 to 15, both inclusive, Lots 16 to 21 both inclusive and part of Lots 22 to 30 both inclusive of DUNCAN'S SUBDIVISION of Lots 23, 24, 25, 26, 27 and the North ½ of Lot 22, Connor's Subdivision of the Forsyth Farm, City of Detroit, Wayne County, Michigan, as recorded in Liber 20 of Plats, Page 42, Wayne County Records, along with the vacated portion of a 20 foot wide public alley adjacent to said Lots 12 through 17; and Lots 1, 2, 3 and 4 of ALBERT CRANE'S SECTION OF THE CRANE FARM, as recorded in Liber 1 of Plats, Page 151, Wayne County Records; Also the vacated portion of Forsyth Avenue South of Holden Avenue, and being more particularly described as follows:

Beginning at the intersection of the Westerly line of Fourth Street and the Southerly line of Holden Avenue, also being the Northeasterly corner of said Lot 4 of ALBERT CRANE'S SECTION OF THE CRANE FARM; thence along the Westerly line of Fourth Street (50 feet wide), South 22 degrees 50 minutes 59 seconds East, 73.00 feet; thence along the Northerly line of public alley adjacent to Lot 4, South 67 degrees 09 minutes 01 second West, 71.12 feet; thence South 70 degrees 56 minutes 10 seconds West, 43.98 feet; thence along the Westerly line of a 20 foot wide public alley adjacent to said Lots 17 through 30 of DUNCAN'S SUBDIVISION, South 22 degrees 50 minutes 59 seconds East, 392.45 feet; thence along the Easterly right of way line of John C. Lodge Freeway the following (9) courses: (1) North 57 degrees 28 minutes 35 seconds West, 26.75 feet; (2) North 55 degrees 51 minutes 37 seconds West, 35.79 feet; (3) North 53 degrees 14 minutes 13 seconds West, 34.79 feet; (4) North 48 degrees 56 minutes 46 seconds West, 33.42 feet; (5) North 42 degrees 58 minutes 51 seconds West, 31.96 feet; (6) North 43 degrees 19 minutes 00 seconds West, 32.03 feet; (7) North 41 degrees 16 minutes 49 seconds West, 31.63 feet; (8) North 43 degrees 19 minutes 00 seconds West, 32.03 feet; (9) North 40 degrees 35 minutes 25 seconds West, 31.50 feet (recorded as 31.51 feet); thence along the Southerly line of said Lot 21 and an extension thereof, South 67 degrees 11 minutes 13 seconds West (recorded as South 67 degrees 11 minutes 41 seconds West) 18.06 feet; thence along the Westerly line of vacated Forsyth Avenue (also being the Easterly line of the John C. Lodge Freeway), North 31 degrees 09 minutes 09 seconds West, 293.93 feet and North 22 degrees 50 minutes 59 seconds West, 102,43; thence along the Southerly line of Holden Avenue (66 feet wide), South 79 degrees 43 minutes 24 seconds East, 352.85 feet to the Point of Beginning.

Common Address:

957 Holden, Detroit, MI

Tax Identification Numbers:

001321 44

004319

EXHIBIT B

Performance Standards

Performance Metrics for Independent Contractor Agreement for the University Preparatory Academy (UPA) District

Elementary Level

1. Student Growth

- a. The median growth percentile for all students shall be at least 60 for ELA and 60 for math.
- b. If a school has reached its proficiency target before 2024, the median growth percentile for all students shall be at least 50.

2. Student Mastery

a. 75% of fifth graders who attended the elementary school since kindergarten, (except those whose identified special needs impact reading aptitude), will be proficient on the State's Benchmark for Math and ELA by 2024.

3. School and Student Culture

- a. Average district daily attendance rate for students shall be at least 90% each school year.
- b. 85% of students will have at least a 90% attendance rate every year.
- c. 90% of parents shall attend learning team meetings and/or student-led conferences/passages.
- d. The School must score adequate or higher every year as measured by the culture rubric for the UPA district.

4. Recruitment and Retention

a. Each year, at least 75% of the eligible fifth graders will enter UPA Middle School the following fall.

5. Reporting

 Annually, the PSAD board will be provided a year-end review report detailing the elementary school's performance in these areas, in addition to the PSAD Academic Dashboard.

EXHIBIT C

Form of Charter Impacts Report

Exhibit C
Form of Charter Impacts Report

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Contract of Section 1975 Contract of Sectio	Shekatan C Frame of Company States Company States States (Section States) Frame of Company States (Section Stat	Production vote: The control of the	Personal England State of Stat	Schools (Colors Schools School

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Building Permit No. LB021709
University Preparatory Academy Elementary
957 Holden
Detroit, 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 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

June 6, 2006

UPA Mark Murray Elementary Lease

(TEF-Four)

Schedule 9-9, Exhibit D

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-FOUR, LLC, a Michigan limited liability company, owner and Landlord of the property located at 435 Amsterdam, Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at 435 Amsterdam, Detroit, MI 48202

RECITALS:

- A. WHEREAS. Landlord and Tenant are parties to that certain Lease Agreement, dated July 1, 2015 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the Lease to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

LANDLORD:

TENANT:

TEF-FOUR, LLC,

a Michigan nonprofit limited liability company

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

D. Z.

By:

Joseph Aristeo

BLOOMFIELD 38030-1 2391511v2

LEASE

Between

LANDLORD: TEF-FOUR, LLC a Michigan limited liability company,

And

TENANT: PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

Dated: July 1, 2015

LEASE

SECTION 1 SCHEDULE

NAME: TEF-FOUR, LLC ADDRESS: P.O. Box 6349

Plymouth, MI 48170

NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

[ADDRESS]

DEMISED PREMISES: Land located in the City of Detroit, Wayne County,

> Michigan at 435 Amsterdam, Detroit, Michigan 48202, as described in legal description attached as Exhibit A ("Site" or "Demised Premises"), together with all improvements located thereon, including without limitation the existing buildings furnishings, fixtures, equipment, parking areas and related site improvements – The University Preparatory Academy Elementary School – Mark Murray

Campus.

LEASE TERM: July 1, 2015 until June 30, 2020 unless terminated sooner

pursuant to Paragraph 2.2.

LEASE COMMENCEMENT

DATE:

LANDLORD:

TENANT:

This Lease shall commence and is effective on July 1,

2015.

RENT COMMENCEMENT

DATE:

July 1, 2015

SCHOOL YEAR: July 1 to June 30

TERMINATION DATE: June 30, 2020

BASE RENT: The Annual Base Rent shall be \$1.00.

EXHIBITS ATTACHED: "A" - Legal Description of Site

"B" – Performance Standards

"B.1" - Reporting Requirements

"C" - Schedule of Annual Target Cap Ex Amounts

SECTION 2 GRANT AND TERM

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term commencing on the Lease Commencement Date state in Section 1 and expiring on the Termination Date stated in Section 1, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated December 14, 2007, as amended, by and between GVSU Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract").

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Landlord shall deliver actual possession of the Demised Premises to Tenant on the Lease Commencement Date specified in Section 1. On the Lease Commencement Date, Tenant will be deemed to have accepted the Demised Premises. The Rent, as defined herein, due under this Lease and the term of this Lease shall commence on the Rent Commencement Date.

4.2 Landlord Not Liable For Delays

Under no circumstances shall Landlord be liable for any delays in the delivery of possession to Tenant on the Rent Commencement Date. Tenant's sole and exclusive remedy shall be the abatement of Rent until the Demised Premises are ready for occupancy and possession is delivered to Tenant.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated in Section 1, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in one annual payment in

advance on the Rent Commencement Date and the first day of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that the Annual Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as Utilities (as defined below), maintenance, etc.), if provided direct to Tenant, excluding Annual Base Rent, including, without limitation, Utilities, Taxes (as defined below), maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any Additional Rent, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay the Annual Base Rent (the Annual Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to Tax, Utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

Lease Year shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2015 and ending on June 30, 2020. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of Landlord's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the Lease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Lease Years.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for (a) the purpose of establishing, managing, and operating an urban high school academy and attendant office use, for uses authorized under the Charter School Contract, and for no other purpose

without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion. Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Lease Commencement Date. Tenant shall comply strictly with each and every term, condition, and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in a substantially similar condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School

Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Landlord as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Landlord. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Landlord. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Landlord prior to Tenant taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Subject to any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord's Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at Landlord's cost, Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided however, that Tenant shall not be responsible for latent defects at the Demised Premises. The plumbing system, including the sewage facility serving the Demised

Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency and except custodial) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

Any repair and/or replacement FF&E and Building Systems (defined below) shall become the property of Landlord upon installation caused by Tenant and shall remain at the Demised Premises after termination and/or expiration of this Lease.

10.1.1 Fund Balance and Annual Operating Surplus Target for Maintenance

Tenant hereby agrees to use good faith efforts to set aside a cash fund balance per Lease Year for the Lease Term and any exercised Option or Extended Option Period in the targeted amount set forth in the PSAD – UPA School District Fund Balance and Annual Operating Surplus Target, **Exhibit C** (the "Annual Cap Ex Amount"). Tenant further agrees to appropriate the Annual Cap Ex Amount for capital expenditures including fixtures, furnishings and equipment (collectively, the "FF&E") mechanical, HVAC, plumbing, sewer, electrical, and other building system (collectively, the "Building Systems") repairs and replacement at the Demised Premises.

Tenant shall report the amount of fund balance associated with capital expenditures on a per school basis to the Landlord on or before July 1st of each school year during the Lease Term and any exercised Option or Extended Option Period. FF&E and Building Systems expenditures shall be made prior to the commencement of the School Year during such Lease Year and if the Annual Cap Ex Amount is not expended by the start of the School Year, the remaining amount shall be placed in an escrow account or capital reserve budget line item ("Escrow Account") before the start of the School Year with a federally insured bank with withdrawal privileges requiring the signatures of both Landlord and Tenant for withdrawals in excess of \$10,000.

Landlord shall have the sole discretion to waive all, or part of, any obligation under the Agreement for the set aside of capital expenditures for the UPA School District subject to all applicable laws and regulations.

10.2 Compliance With Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or Restrictions or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense, keep the Demised Premises and all Landlord owned FF&E insured for the benefit of Landlord:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Landlord from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Landlord in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Landlord owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to

Landlord upon delivery to Tenant of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of the actual taking. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be prorated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, and diminution in value of the leasehold interest only and loss of business.

13.2 Landlord's and Tenant's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Landlord.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all

inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All FF&E installed by Landlord shall remain the property of Landlord at the termination of this Lease. If Tenant installs any FF&E during the Lease Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Landlord upon installation and shall not be removed without Landlord's prior written consent, which may be granted or withheld in Landlord's sole and absolute discretion. All FF&E installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.

If Tenant installs any FF&E during the Lease Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Tenant may remove such FF&E at the termination of this Lease.

Upon the reasonable request by Landlord, Tenant shall provide Landlord with an accounting as to any FF&E of Landlord which have been replaced or otherwise disposed of by Tenant. Except for any such items which have become damaged or unusable, Tenant shall offer Landlord the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Tenant. If Landlord does not exercise its right to claim such items, they may be disposed of by Tenant in such fashion as Tenant may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant (collectively, a "Transfer"), without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgagee or

other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the Demised Premises, so long as Tenant is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

17.2 Sale or Transfer

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of a Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due;
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent, and such failure remains uncured for thirty (30) days following written notice thereof given by Landlord to Tenant;
- (c) Tenant files bankruptcy or Tenant becomes insolvent;
- (d) Tenant has abandoned for longer than thirty (30) days, except for the period from June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises;
- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in the majority of members of the Tenant's Board of Directors from those holding office on the Lease Commencement Date, without the prior approval of Landlord having been obtained.
- (f) In the event that a Change in Control of the Educational Management Company used by Tenant to operate the urban high school academy school district which is operating the building and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date.

- (g) The failure of Tenant to adhere to the terms and conditions of the Charter School Contract or Authorizer Policies.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend such Charter School Contract for any reason or no reason, unless replaced as provided in Section 2.2 prior to the commencement of the next School Year. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under any current Leases (or subleases) between Tenant, or any entity related to Tenant, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to TEF-ONE, LLC, TEF-TWO, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC and TEF Franklin, LLC, that is not cured within the time specified in such Lease.
- (j) Failure by Tenant to provide all information reasonably requested by Landlord to permit Landlord to confirm compliance with the terms of any tax credit arrangements relating to the Demised Premises and any Mortgage.
- (k) Tenant fails to meet any one or more of the performance standards set forth on **Exhibit B** (collectively, the "Performance Standards") or any one or more of the reporting requirements set forth on **Exhibit B.1** (the "Reporting Requirements").
- (l) Failure by Tenant to provide prior written notice of a change in the Contract Administrator in place at the time of Lease Commencement Date.

18.2 Landlord's Remedies Upon Default

- (a) Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(e), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to re-enter the Demised Premises, in accordance with applicable law, to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.
- (b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if Landlord prevails, Tenant shall pay Landlord for expenses incurred in such action, including reasonable attorney's fees. Such expenses shall be deemed to have been incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant

prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorneys' fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 QUIET ENJOYMENT

Landlord covenants that so long no Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 20 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 21 OPTION TO EXTEND

21.1 Option to Extend Lease Term

So long as no Default has occurred and is continuing, Tenant shall have one (1) option to extend the Lease Term on the same terms and conditions set forth in this Agreement and any and all Exhibits to the Agreement, for a period of three (3) years (the "Option Period") in accordance with the terms of this Section 21 (the "Option to Extend"). The Landlord may grant a longer option period (the "Extended Option Period") on the same terms and conditions set forth in this Agreement and any and all Exhibits to the Agreement, at its discretion. The Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

21.2 Exercise of Option

If this Lease is in full force and effect, and Tenant complies with Section 21.1, Tenant may exercise the Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the initial Lease Term, provided Tenant is in compliance with the terms and conditions set forth in this Agreement together with reporting and performance requirements in any and all Exhibits to the Agreement.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Lease shall not be modified or amended unless in writing signed by Landlord and Tenant.

22.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to each party at the address set forth Section 1, except that after the Rent Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided in writing by Tenant and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile, e-mail or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery to such courier service.

22.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease.

22.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

22.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year first above written.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day of July, 2015.

LANDLORD:

TEF-FOUR, LLC,

a Michigan limited liability company

Rv:

Robert M. Thompson, Manager

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonpposit corporation

By:

Edward Parks, President

EXHIBIT A

Also known as: 435 Amsterdam, Detroit, Michigan 48202

Land located in the City of Detroit, Wayne County, Michigan.

Property Description:

Lot 48, East 10 feet of Lot 47, MANDLEBAUMS SUBDIVISION, Liber 2, Page 8 of Plats, Wayne County Records, Lots 8 and 9 and the North 1/2 of vacated alley adjacent, Block 12, CASS FARM COMPANY LIMITED SUBDIVISION, Liber 19, Page 35 of Plats, Wayne County Records. (L. 44552, P. 931 Wayne County Records).

Lots 1 through 7, vacated alley in rear, Block 12, CASS FARM COMPANY LIMITED SUBDIVISION, Liber 19, Page 35 of Plats, Wayne County Records. (L. 44552, P. 999 Wayne County Records).

EXHIBIT B TO ICA

Recommended Performance Metrics for Independent Contractor Agreement for the University Preparatory Academy (UPA) District

Elementary Level

1. Student Growth

- a. School years 15-16 and 16-17: 60% of each cohort of students in grades 2-5 will meet or exceed their fall-to-spring MAP growth target in reading. 60% of students in grades 2-5 will meet their fall-to-spring MAP growth target in math as set by NWEA. These metrics will increase to 65% by years 17-18 and 18-19.
- b. 60% of students in 60% of teachers' classes will achieve their fall-to-spring MAP growth targets as set by NWEA.
- c. UPA Elementary schools will meet whatever metric the state determines will replace Adequate Yearly Progress (AYP).

2. Student Mastery

a. 75% of fifth graders who attended the elementary schools since kindergarten, except those whose identified special needs impact reading aptitude, will read at or above grade level as measured by reading benchmarking at the end of fifth grade.

3. School and Student Culture

- a. Average district daily attendance rate for students shall be at least 90% each school year.
- b. 85% of students will have at least a 90% attendance rate every year.
- c. 90% of parents shall attend learning team meetings and/or student-led conferences/passages.
- d. School must score adequate or higher every year as measured by the culture rubric for the UPA District.

4. Recruitment and Retention

a. Each year, at least 75% of the eligible fifth graders will enter UPA Middle School the following fall.

5. Reporting

 Annually, the PSAD board will be provided a year-end review report detailing each elementary school's performance in these areas, in addition to the PSAD Academic Dashboard.

Middle School Level

1. Student Growth

a. School years 15-16 and 16-17: 60% of each cohort of students will meet or exceed their fall-to-spring MAP growth target in reading. 60% of students will meet their fall-to-spring MAP growth target in math as set by NWEA. These metrics will increase to 65% by years 17-18 and 18-19.

EXHIBIT B TO ICA

- b. 60% of students in 60% of teachers' classes will achieve their fall-to-spring MAP growth targets as set by NWEA.
- c. UPA Middle School will meet whatever metric the state determines will replace Adequate Yearly Progress (AYP).

2. Student Mastery

- a. 75% of the eighth graders who attended the elementary schools will read at or above level as measured by NWEA MAP Reading Test.
- b. 60% of students who attended the elementary schools will perform at a readiness for Algebra I.
 - i. Students who are identified as special education and whose IEP goals impact grade level reading aptitude and math ability will be excluded.

3. School and Student Culture

- a. Average district daily attendance rate for students shall be at least 90% each school year.
- b. 85% of students will have at least a 90% attendance rate every year.
- c. 90% of parents shall attend learning team meetings and/or student led conferences/passages.
- d. School must score at adequate or higher every year as measured by the culture rubric for the UPA District.

4. Recruitment and Retention

a. Each year, at least 75% of eligible eighth graders will enter the high school the following fall.

5. Reporting

 Annually, the PSAD board will be provided a year end review report detailing the middle school's performance in these areas, in addition to the PSAD Academic Dashboard.

High School Level

1. Student Growth

a. A baseline data point for PSAT/SAT will be generated in the 2015-16 school year for UPA High School grades 9-11. A college readiness metric may be established as early as the 2016-17 school year. Once a college readiness metric is established by the State of Michigan, the PSAD Board Academic Sub-committee and Detroit 90/90 will meet to establish the performance metric moving forward.

2. Student Mastery

a. 85% of students will be on track for on-time graduation at the end of each year.

3. School and Student Culture

- a. Average district daily attendance rate for students shall be at least 90% each school year.
- b. 85% of students will have at least a 90% attendance rate every year.

EXHIBIT B TO ICA

- c. 90% of parents shall attend learning team meetings and/or student led conferences/passages.
- d. The School must score at adequate or higher every year as measured by the culture rubric for the UPA District.

4. Recruitment and Graduation

- a. 90% of the freshman high school class entering the high schools each year shall graduate within four years as measured by the Michigan Department of Education graduation rate formula.
- b. 90% of the students who graduate each year shall be enrolled at a four year college, two year college, enlist in the military or be enrolled to other post-secondary studies.

5. Reporting

a. Annually, the PSAD board will be provided a year end review report detailing the high school's performance in these areas, in addition to the data dashboards.

PSAD - UPA Required Reporting - ENROLLMENT SUMMARY

Date of Report: October 13,2014

UNIVERSITY PREPATORY ACADEMY DISTRICT								
SUMMARY ENROLLMENT DATA	K-5 - Ellen Thompson	K-5 - Mark Murray	Middle School	High School	Total			
LAST YEAR at 6/30/14 (a)	325	345	405	540	1,615			
ORIGINAL BUDGET	396	480	432	566	1,874			
DASHBOARD REPORT - PSAD BOARD MTG 9/16/2014	378	486	412	572	1,848			
ENROLLMENT - COUNT DAY - 10/1/14	375	485	416	576	1,852			

EN	ROLLMENT BY	GRADE - CC	UNT DAY 1	.0/1/14	
К	63	78			141
1	67	80			147
2	59	81			140
3	62	87			149
4	58	80			138
5	66	79			145
6			122		122
7			147		147
8			147		147
9				161	161
10				157	157
11				139	139
12				119	119
TOTAL	375	485	416	576	1852

	Individual Classroom Student Size - COUNT DAY 10/1/14										
GRADE	K-5 - Ellen Thompson	K-5 - Ellen Thompson	K-5 - Ellen Thompson	K-5 - Ellen Thompson	Total for K-5 - Ellen Thompson	K-5 - Mark Murray	K-5 - Mark Murray	K-5 - Mark Murray	K-5 - Mark Murray	Total for K-5 - Mark Murray	Total for Both K-5's
К	21	21	21		63	19	19	20	20	78	141
1	17	17	17	16	67	21	18	21	20	80	147
2	20	20	19		59	21	20	20	20	81	140
3	20	21	21		62	22	22	22	21	87	149
4	19	19	20		58	20	20	20	20	80	138
5	22	22	22		66	19	20	20	20	79	145
TOTAL	119	120	120	16	375	122	119	123	121	485	860

NOTE: FOR Middle School and High School - Submit report named "Count of Studentid" generated through PowerSchool, by Detroit 90/90 Central Office Staff.

PSAD - UPA Required Reporting - GRADE TO GRADE STUDENT ATTRITION

	UNIVERSITY PREPATORY ACADEMY DISTRICT																			
		K-5 - Ellen 1	hompson			K-5 - Mar	k Murray			Middle	School			High S	School			ALL SCHOOL	BUILDINGS	
GRADE	-	# of Students that left UPA	# of new students enrolled	# of Students on Count day 10/1/14 next grade up	_	# of Students that left UPA	# of new students enrolled	# of Students on Count day 10/1/14 nex grade up	_	# of Students - that left UPA	# of new students enrolled	# of Students on Count day 10/1/14 next grade up	-	# of Students - that left UPA	# of new students enrolled	# of Students on Count day 10/1/14 next grade up	-	# of Students - that left UPA	# of new students enrolled	# of Students on Count day 10/1/14 next grade up
к	1		62	. 63		-	78	78									1	0	140	141
1	68	(9)	8	67	67	(6)	1:	9 80									135	(15)	27	147
2	57	(12)	14	ı 59	68	(6)	1	9 81									125	(18)	33	140
3	63	(6)	5	62	72	(11)	2	6 87									135	(17)	31	149
4	67	(14)	5	5 58	69	(6)	1	7 80									136	(20)	22	2 138
5	69	(5)	2	2 66	69	(6)	1	6 79	FOR SIXTH	GRADE BELOW,	USE TOTAL (OF BOTH K-5'S					138	(11)	18	145
6									141	(73)	54	122					141	(73)	54	122
7									125	(19)	41	147					125	(19)	41	147
8									139	(22)	3	0 147	FOR EIGHTI	H GRADE BELOW	, USE UPA N	Middle School	139	(22)	30	147
9													138	(37)	60	161	138	(37)	60	161
10													152	(21)	20	6 157	152	(21)	26	5 157
11													127	(20)	32	139	127	(20)	32	139
12													123	(17)	13	119	123	(17)	13	3 119
TOTAL	325	(46)	91	375	345	(35)	17	5 485	405	(114)	12	5 416	540	(95)	131	1 576	1,615	(290)	527	1,852
	NOTE: NUMB	RED OE STUDENT	C TUAT 844	TRICULATED TO I	IDSM AND/OP	JEA-SCS	From 5th grade	From 8th grade 2	From other grades								1,615	(290) Check figures	527	·

PSAD- UPA	PSAD- UPA Required Reporting- GRADE TO GRADE TEACHER ATTRITION							
	University Preparatory Academy							
Building	# of Teachers @ end of 2013-14 school year	# of Teachers that left UPA	# of New Teachers Hired	# of Teachers at start of school- Fall 2014				
K-5 Ellen Thompson	28	10	6	24				
K-5 Mark Murray	28	6	6	28				
Middle School	28	10	9	27				
High School	39	12	9	36				
TOTAL	123	38	30	115				

Building	# @ end of 2013-14 school year	# that left UPA	# of New Hires	Number at start of school-Fall 2014
Principals	4	1	1	4
Team Leaders	5	3	6	8
Special Education	9	0	1	10
Specialists	0	0	0	0
Counselors	1	0	0	1
Other Teaching	0	0	0	0
Other	0	0	0	0
TOTAL	19	4	8	23

EXHIBIT C
PSAD – UPA School District Fund Balance and Annual Operating Surplus Target

Annual Minimum Operating Surplus Amount	Fund Balance Amount
\$232,344	\$2,237,176
\$221,509	\$2,459,225
	\$2,680,303
	\$2,893,880
	\$3,106,273
	Surplus Amount

ANNARBOR 38030-3 194563v2

CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Permit No. B026456
Umiversity Preparatory Academy
435 Amsterdam
Detroit, Michigan
Wayne County

The above named building of Use Group A-3-B/E and Construction Type 2B/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

January 7, 2009

6003 8

SCHEDULE 10

UNIVERSITY PREPARATORY ART & DESIGN (UPAD): SCHOOL INFORMATION AND SITE CONFIGURATION

SCHEDULE 10-1 EDUCATIONAL GOALS AND PROGRAMS

SCHEDULE 10-1

EDUCATIONAL GOALS

Academic Achievement

As measured by the state assessment, the school's percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready as reported by the Michigan Department of Education will meet or exceed the select peer schools' mean reported percentage of total tested students in all tested grades identified as proficient in all tested subjects or identified as college ready. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Academic Growth

As measured by the state assessment, the school's mean student growth percentile rank in English language arts and math will meet or exceed the select peer schools' mean student growth percentile rank. Select peer schools are the set of school buildings determined annually by GVSU to be the most demographically, socioeconomically, programmatically, and geographically similar to the school.

Board President/Vice President Signati

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Board of Directors at a properly noticed open meeting held on the study of the day, at which a quorum was present.

Board Secreta

SCHEDULE 10-2

CURRICULUM

The Academy will comply with the requirements of MCL 380.552(20). The Academy will submit a report to the MDE, in a form or manner prescribed by the MDE, that reports the number of pupils enrolled in an online or distance learning program during the immediately preceding month.

Please see separate folder on Contract CD for full Curriculum

SCHEDULE 10-3 STAFF RESPONSIBILITIES

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

- (a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and
- (b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

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.

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 sections 1249 and 1250 of 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 this section.

Performance Evaluation System Commencing with the 2013-2014 School Year. If the Academy Board adopts and implements for all teachers and school administrators a performance evaluation system that complies with section 1249(7) of the Code, then the Academy Board is not required to implement a performance evaluation system that complies with section 1249(2) and (3). 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 this section.

Parent Notification of Ineffective Teacher Ratings. Beginning with the 2015-2016 school year and continuing on during the term of this Contract, if a pupil is assigned to be taught by a teacher who has been rated as ineffective on his or her 2 most recent annual year-end evaluations under section 1249, the Academy Board shall notify the pupil's parent or legal guarding that the pupil has been assigned to a teacher who has been rated as ineffective on the teacher's 2 most recent annual year-end evaluations. The notification shall be in writing and shall be delivered to the pupil's parent or legal guardian by U.S. mail not later than July 15th immediately preceding the beginning of the school year for which the pupil is assigned to the teacher, and shall identify the teacher who is the subject of the notification.

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 earned and paid in accordance with Applicable Law. 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.



Entity:	University Prep Schools
School:	Various
Job Title:	Paraprofessional - Part-time
Reports to:	School Director
Status:	At-will, Exempt, School-year

U Prep Paraprofessionals are responsible for assisting the classroom teacher in the educational and social development of all of the students.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Duties and Responsibilities:

The primary duties and areas of responsibility include, but are not limited to, the following:

- Works under the guidance of a certified teacher
- Provide instructional support to individuals or small groups of students identified by a certified teacher
- Provide intervention tailored to individual student needs, under the guidance of a certified teacher
- Supervises students during non-academic times (i.e. lunch, choice time, recess, teacher planning periods, arrival and dismissal, etc.)
- Helps maintain an orderly, attractive classroom environment
- Participates in all staff meetings and professional development
- Maintains flexible daily routines that accommodate changing responsibilities and schedules
- Supports teaching staff in any way that promotes the goals of U Prep Schools
- All other duties as assigned

Qualifications

• Education and Certification Requirements

- Completion of two years of study or more at an institution of higher education (equal to 60 semester hours); OR
- o Obtained an associate's degree or higher; OR
- o ETS ParaPro Assessment with a passing score or 460; OR
- Michigan Test for Teacher Certification Basic Skills (MTTC); OR
- WorkKeys® through June 1, 2017. After June 1, 2017, MDE requires the use of the other credit
 or assessment options. Anyone that has passed the Reading for Information, Applied
 Mathematics, and Writing portions of the WorkKeys® prior to June 1, 2017 will still meet the
 state requirements.
- Must provide an official transcript
- Proficient in Microsoft Office Suite and Mac or PC platform (as applicable to location)

Experience

- Experience working with others to successfully complete multi-faceted projects
- Experience working with children in an educational setting preferred



Skills

- Proficient in Microsoft Office Suite and Mac or PC platform (as applicable to location)
- Strong communication skills, verbal and written
- Strong time management skills with attention to detail
- Must possess a disciplined work style with the ability to show comparable urgency with proactive work as with deadline-driven work
- Willing and able to adjust to multiple demands and shifting priorities while demonstrating flexibility and resilience
- Proven ability to thrive in a self-directed, fast-paced environment with constantly changing priorities
- Possess high degree of integrity and strong ability to handle sensitive and confidential information; and,
- Strong relationship building

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Compensation

Starting pay is \$15.00 an hour

About U Prep Schools:

If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U. Our mission: to give students the courage to pursue a future full of possibilities. Our students come to our network of schools looking for a rewarding and fulfilling education. Comprised of three public charter school districts; University Preparatory Academy, University Prep Science and Math and Henry Ford Academy; we educate over 4,500 students in the burgeoning city of Detroit. Help us to prepare our students for success in life and be a part of U.

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Entity: University Prep Schools

Level: High School Job Title: Restorative Practices Practitioner

Reports to: School Director

Status: Full-time, School-year, At-will

Summary: The Restorative Practices Practitioner is responsible for providing a safe space for students and staff to resolve conflict, providing techniques and best practices to ensure that all person-to-person interactions are respectful and productive, contributing to development of our school culture, and participating in all pertinent professional development

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities:

- Professional Development
 - o Seeks opportunities to develop their skills and knowledge
 - o Implements recommendations and best practices acquired through professional development, continuing education, observation, coaching, and evaluation
 - \circ Utilizes effective restorative justice practices responding to the needs of each student and staff member in the school community
- Data o Utilizes data to implement best practices and modify practices as

needed

o Works closely with Dean of Culture to create and lead effective Professional Development

School Culture

- o Ensures a safe, supportive, and productive environment for students and staff
- Sets and maintains high character expectations for students and staff
- o Implements effective conflict resolution, and helpful student support services
- o Promotes teamwork within the school community
- Demonstrates cultural competencies in being part of a multi-cultural institution
- \circ Incorporates school-wide expectations into all work, projects, and interactions with members of the school community
- o Community/Parental Outreach
- o Actively engages parents into restorative justice process as needed
- o Seeks and builds relationships with professional organizations

Compliance

- o Drafts, updates, and submits lesson plans and data analysis action plans on a consistent basis
- Responds to requests from the School Operations Team for any required actions or documents to maintain accurate and complete records and meet reporting deadlines

Job Description: Restorative Practices Practitioner

Page 1 of 2 Revised May 18, 2018

- Building Management
 - \circ Implements classroom procedures that promote a safe, clean, orderly, and productive classroom environment
- · All other duties as assigned

Qualifications

- Education
 - High School diploma or equivalent
- Experience
 - o Knowledge of restorative justice theory and practices preferred
 - o Experience in building positive relationships with colleagues, students, and parents
- Skills O Ability to nurture and develop the character of students
 - Ability to make decisions in a strategic way balancing building strong relationships and maintaining high expectations for character
 - Courage to make decisions in support of cultural goals while maintaining a steady pulse of team and school goals
 - o Meticulous organization and use of time
 - o Excellent written and oral communication skills
- Demonstrates U Prep's Core Values
 - We work well by ourselves and teams
 - We care about people
 - o Our actions have a purpose
 - We think big and do
 - Learning is exciting

Salary Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Performance & Core Value bonuses
- Career development

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Job Description: Restorative Practices Practitioner

Page 2 of 2 Revised May 18, 2018



School District/Entity:	University Prep Schools
School:	University Prep Science and Math High School, UPSM HS
Job Title:	Zoologist/ Zoology Teacher
Reports to:	UPSM HS School Director
Status:	At-will, Exempt

A member of the Zoology & Aquarium Studies Program, the Zoology teacher is responsible for facilitating learning experiences for students focused around studying animals in both a laboratory and natural environment. Additionally, helping students discover the science behind species, their habitat, environments, and interactions. Finally, exposing and involving students in conservation work.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Planning and Preparation

 Prepare and facilitate standards-aligned lessons and activities that require students to demonstrate mastery of concepts through employing scientific practices, displaying conceptual proficiency and making connections across multiple science disciplines.

Classroom Environment

Develop a classroom environment that is culturally responsive, adjusting to students needs.
 Learning experience ought to speak to the needs of each students learning modality with steadfast intention and awareness of equity, academic and, social-emotional growth.

Professional Responsibilities

- Keep abreast of developments in the field by reading current literature, talking with colleagues, and participating in professional conferences.
- Attend training sessions or professional meetings to develop or maintain professional knowledge.
- Maintain open communication with Detroit Zoo and other partners.

Instruction

- Employee key instructional strategies such as making student thinking visual, providing space for collaboration, notebooking, providing students opportunities to engage in and use data collected from investigations as evidence for arguments, and constructing and using models to communicate scientific concepts.
- Provide learning experiences where students make sense of naturally occurring phenomena to explain the animal behavior, ecology and the interactions of natural systems.
- Provide students with course-related experiences, such as fieldwork excursions in the Metro Detroit Area and using real-world science content in the classroom to make sense of the natural world.
- Evaluate and grade students' class work, group projects, fieldwork, capstone projects, assignments, and papers.
- Maintain student attendance records, grades, and other required records.
- Supervise students' capstone projects and fieldwork experiences

Job Description: Zoologist/ Zoology Teacher

Page 1 of 2 Revised (5/6/19)



- Generate, administer, and grade performance assessments.
- Assist students who need extra help with their coursework outside of class.
- Maintain regularly scheduled office hours to advise and assist students.
- Collaborate with colleagues to address teaching and learning
- Select and obtain materials and supplies such as textbooks and fieldwork equipment.
- Manage and organize students internship application process

Qualifications

Education and Certification

- 4-year BS or BA in Biology focused on Zoology or Biology with Zoology minor (preferably a Master's Degree in Biology or Zoology).
- DX, DI or DA all Acceptable Endorsements

Experience

 1-5 years or more research experience with studying animal behavior, observing them in the laboratory and in their natural habitat.

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values (Stay as is)

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year-round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Zoologist/ Zoology Teacher

Page 2 of 2 Revised (5/6/19)



School District/Entity:	Detroit 90/90 U Prep Schools
School:	N/A
Job Title:	Food Service Assistant
Reports to:	Assistant Director of Food Service
Status:	At-will, Year-round, Non-exempt

The Food Service Assistant serves as a primary source of administrative support for the Food Service Department.

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Role Responsibilities

- Provides coverage for absent lunch aides
- Verifies lunch aide time sheets
- Train and onboard new hires
- Processes lunch applications
- Evaluate lunch aide's performance
- Provides assistance to parents with questions regarding lunch eligibility, and account reconciliation and other lunch issues.
- Process help desk tickets.
- Process supply requests for lunch aides.
- Meal Magic password resets
- Perform additional tasks as requested.

Qualifications

Education

High School diploma or equivalent

Experience

- Previous experience in food service
- Customer Service experience
- Experience working with children

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Basic math skills
- Microsoft Word, Excel, Meal Magic

Job Description: Food Service Assistant

Page 1 of 2 Revised May 7, 2018



- Ability to lift up to 30 lbs
- Able to bend, stoop and stand for extended periods.

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Compensation

• \$12.00 per hour

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development

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Job Description: Food Service Assistant

Page 2 of 2 Revised May 7, 2018



School District/Entity:	Detroit 90/90
School:	Various
Job Title:	Information Technology Support Specialist
Reports to:	Executive Director of Operations
Status:	Full-time, At-will, Exempt,

A member of the Operations Team, the Information Technology Support Specialist is responsible for overall support and maintenance of assigned technology environment – Mac and Windows platform. This includes installation, deployment, maintenance, repair, and troubleshooting as it pertains to all technology devices and applications for the district.

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Role Responsibilities

- Provides workstation, application, and audiovisual equipment support and training; includes
 district hardware such as interactive whiteboards, multimedia carts, mobile computing carts,
 laptops, desktops, etc.
- Oversees physical and mobile computer cart labs district-wide.
- Setup and deploy new equipment, hardware and/or software; includes upgrades and/or system overhaul projects.
- Sets up and troubleshoots hardware and software for specialized testing and/or programs.
- Troubleshoots and repairs computer hardware, interactive whiteboards, tablets and other peripheral equipment.
- Customizes IT solutions for district initiatives.
- Assists Information Technology Manager as needed.
- Manages, prioritizes, and responds expeditiously to help desk ticket requests.
- Recommends and assists with technology purchases.
- Supports and repairs internal telephone systems and cellular devices.
- Ensures proper accounting, tagging and monitoring of district's inventory (hardware, software, warranty and repair logs).
- Makes needed changes and notes to inventory database; including adding, transferring, and end
 of life noting to assets.
- Reports equipment damage and needed replacements to IT Manager.
- Serves on District Technology Committee.
- Performs other duties as assigned.

Job Description: Informational Technology Support Specialist



Qualifications

Education

- Associates degree and/or at least 3 years of hands-on work experience in Information
 Technology support
- o Microsoft or Mac certification preferred

Experience

- O Experience with troubleshooting and repairing technology devices
- O Experience with telephone maintenance and repair
- Previous experience in an educational environment is desired

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- o We care about people
 - we care about peop
- Our actions have a purpose
- o We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Informational Technology Support Specialist



School District/Entity:	U Prep Schools
School:	Various
Job Title:	School Operations Manager
Reports to:	School Director
Status:	At-will, Exempt, Year-round

The School Operations Manager oversees all areas of school operations. As such, the Manager manages daily school operations, coordinates with the Central Management teams to ensure timely and thorough completion of projects and response to reporting and compliance matters, and helps develop and fully-execute the plans for the school in coordination with Central Management, district, and school-level leadership. In addition, the Manager is the primary troubleshooter for teachers, students, parents, guests, and employees from other divisions of the organization, finding effective solutions for their needs and concerns.

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Role Responsibilities

The primary duties and areas of responsibility include, but are not limited to the following:

Budget Monitoring

- Works with School Director and Accounting to develop and manage the school's budget and collaborates with the Assistant Director of School Quality to develop Title I budget
- Manage all budget-related compliance matters
- Reviews budget variances
- Reviews, monitors, and submits monthly credit card statements to Accounting Department
- Monitors budgets, flags low accounts, and elevates issues
- o Tracks and processes all cash collections and fundraising money

Procurement

 Works closely with Procurement Specialist to place orders and manage inventory at the school-site

Monitors Operational Performance

 Prepares campus for the start of the school year and works with network staff to resolve any outstanding issues

Job Description: School Operations Manager



- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

• Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: School Operations Manager

Page 2 of 3 Revised March 20, 2018

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: School Operations Manager

Page 3 of 3 Revised March 20, 2018



School District/Entity:	U Prep Schools
Location:	Central Management
Job Title:	Talent Coordinator
Reports to:	Assistant Director of Talent
Status:	Part-time, At-will, Exempt

The Talent Coordinator is responsible for recruiting, onboarding, and managing the substitute teachers in the U Prep network. Reporting to the Assistant Director of Talent, the Talent Coordinator would assist with interviewing for all roles, attend hiring fairs, updating personnel files and data management.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Substitute Teachers

- Source, screen and onboard substitute teachers for U Prep Schools
- Use networking, social media and all other available methods to attract substitutes to the organization
- Manage the AESOP absence management system to fill vacancies and when necessary add absences
- Develop a relationship with school leaders and school operations managers to address the needs of each location
- Develop a relationship with substitute teachers to gain feedback and retain talent
- All other duties as assigned

Talent

- Serve on the hiring team by screening resumes assisting with Core Value interviews
- Update personnel files
- Attend hiring fairs to recruit top talent
- All other duties as assigned

Qualifications

Experience

- Human resources experience preferred
- School experience preferred

Skills

- Strong communication skills
- Exceptional organizational skills

Job Description: Talent Coordinator

Page 1 of 2 Revised October 2, 2018



- Commitment to building relationships and trust with leaders, teachers, students, parents, and community.
- Comfortable working within the Microsoft and Google systems

Demonstrates U Prep's Core Values

- o We work well by ourselves and teams
- o We care about people
- o Our actions have a purpose
- o We think big and do
- o Learning is exciting

Salary

Compensation for this position is \$15.00 an hour

Benefits

- Performance & Core Value bonuses
- Career development

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Job Description: Talent Coordinator

Page 2 of 2 Revised October 2, 2018



School District/Entity:	University Prep Schools
School:	Various
Job Title:	Apprentice Teacher
Reports to:	School Director
Status:	At-will, Exempt

The Apprentice Teacher position provides a unique opportunity for talented individuals with limited experience to explore the many aspects of teaching. This position will provide hands-on practice and the training necessary to become a successful full-time classroom teacher in a Detroit 90/90 school. Apprentice Teachers will have an opportunity to observe best practices in classroom instruction and education reform from experienced teachers and school leaders. Apprentice Teachers observe and learn from experienced teachers, co-teach with teacher-leaders, provide in-house substitute teaching coverage for teachers, and support teachers with tutoring, grading, and individual or small group student instruction. Apprentice Teachers may also teach a class of students, allowing for direct teaching experience within a more limited teaching load. Apprentice Teachers will also offer teacher support with a variety of work inside and outside of the classroom, including tutoring classes, organizing student events, and developing mentoring relationships with students. Through school-year professional development, as well as regular meetings with an instructional coach, Apprentice Teachers will have many opportunities to gain the experience and support necessary to develop their teaching skills. By the end of the year, Apprentice Teachers will be very strong candidates for a full time teacher position.

Mission

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities for Apprentice Teachers

- Teach classes on behalf of coaches, dean and teacher-leaders who are observing other teachers
- Teach one class or small groups of students
- · Periodically plan and deliver instruction, gradually taking on more responsibility throughout the semester
- Develop teaching skills to potentially become a full-time teacher at the school
- Occasionally provide substitute teaching coverage for teachers within the school
- Support students by providing one-on-one and small group intervention daily
- Observe Master Teachers in order to improve instructional techniques and classroom management;
- Meet regularly with a coach to implement feedback on lessons and instruction;
- Assist with instruction, assessments, grading, and other classroom responsibilities; (especially in core subjects: ELA, Math, Science, Social Studies)

Job Description: Apprentice Teacher



As appropriate, perform all duties expected of classroom teachers, including but not limited to:

- Implementing curricula and activities to meet academic standards;
- Implementing assessments that measure progress towards academic standards;
- Using assessment data to refine curriculum and inform instructional practices;
- Participating in collaborative curriculum development, grade-level activities, and school-wide functions, events, and trips;
- Providing consistent rewards and/or consequences for student behavior;
- Helping to co-lead crew in the morning and afternoon;
- Supervising students during transitions and dismissal
- Being accountable for students' mastery of academic standards;
- Communicating effectively with students, families, and colleagues;

Qualifications

• Education and Certification

- Bachelor's degree in education required
- Candidate must have taken and passed the MTTC

Experience

Prior experience working in school communities is preferred but not required

Skills

- o Drive to improve the minds and lives of students in and out of the classroom
- Evidence of self-motivation, willingness to be a team player, and has a strong sense of personal responsibility
- Ideal candidates are hard-working, urgent, energetic, and are willing to learn and adapt
- Is extremely reflective and constantly wants to improve
- Is flexible and enjoys dealing with unpredictability
- Strong time management skills; ability to manage multiple tasks simultaneously and meet tight deadlines
- A strong candidate will possess strong organizational skills, communication skills (particularly with children), and problem solving skills
- Interest in performing a critical support role and the ability to excel in a fast-paced, entrepreneurial, results-oriented environment

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Full-time paid teaching apprenticeship beginning at \$32,000, after 90 days there will be a review to determine fit and increase to \$35,000. If hired for the 2019-2020 school year salary will be increased to a first year teacher salary.

Benefits

- Medical coverage through Blue Care Network, Delta Dental, Eyemed and Teladoc
- 401(k) up to 6% matching after one year of employment
- Teachers are equipped with a laptop, email, high-speed internet access and all necessary instructional supplies

Job Description: Apprentice Teacher



- · Eight sick and four personal days
- Performance & Core Value bonuses
- Career development and extensive professional development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Apprentice Teacher



Entity:	University Prep Schools
School:	Various
Job Title:	Advisor
Reports to:	School Director
Status:	At-will, Exempt, School-year

About U Prep Schools:

If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U. Our mission: to give students the courage to pursue a future full of possibilities. Our students come to our network of schools looking for a rewarding and fulfilling education. Comprised of two public charter school districts; University Preparatory Academy and University Prep Science and Math; we educate over 3,300 students in the burgeoning city of Detroit. Help us to prepare our students for success in life and be a part of U.

Summary:

U Prep teachers are responsible for implementing curriculum, maintaining a positive classroom culture, using assessments to drive instructional practice, using district resources in an efficient and responsible manner, contributing to the educational and social development of all students, and participating in the professional development of the learning community.

Desired Competencies:

- Knowledge of curriculum, instruction, and assessments;
- Mission-driven, connecting with overall teaching strategy to the goals of U Prep Schools;
- Ability to nurture and sustain high-quality teaching;
- Experience in building positive relationships with colleagues, students, and parents;
- Ability to make decisions in a strategic way balancing building strong relationships and maintaining high academic rigor;
- Courage to make decisions in support of academic and cultural goals while maintaining a steady pulse of team and school goals;
- Meticulous organization and use of time;
- Excellent written and oral communication skills.

Education/Experience:

- Bachelor's degree or higher
- Valid Michigan teaching certification
- Must meet highly qualified criteria in content area taught, which includes certificate endorsement in the appropriate area(s);
- Desire to teach in an urban environment.

Duties and Responsibilities:

The primary duties and areas of responsibility include, but are not limited to, the following:

Professional Development

 Actively contributes to a professional community that focuses on instruction and high student achievement;

Job Description: Advisor, University Prep Schools Page 1 of 2



- Seeks opportunities to develop their skills and knowledge;
- Implements recommendations and best practices acquired through professional development, continuing education, observation, coaching, and evaluation;
- Utilizes effective instructional practices responding to the needs of each student in the learning community;
- All other duties as assigned.

Curriculum/Learning Model

- Utilizes data to implement learning model and modify instructional practices and daily lesson plans as needed;
- Works closely with principal to create and lead an effective Data Team within the school;
- Coordinates curriculum within the team and school;
- Integrates all aspects of the learning model into classroom procedures, instruction;
- All other duties as assigned.

School Culture

- Ensures a safe, supportive, and productive environment for students;
- Sets and maintains high academic expectations for students;
- Implements effective student discipline, conflict resolution, and helpful student support services;
- Promotes teamwork within the learning community;
- Demonstrates cultural competencies in being part of a multi-cultural institution;
- Incorporates core values into all work, projects, and interactions with members of the school community;
- All other duties as assigned.

Community/Parental Outreach

- Actively engages parents in the learning process and school functions;
- Communicates on a regular basis with families through newsletters, announcements, and updates:
- Seeks and builds relationships with professional organizations;
- Resolves parent issues respectfully and effectively;
- All other duties as assigned.

Compliance

- Drafts, updates, and submits lesson plans and data analysis action plans on a consistent basis;
- Takes accurate attendance in a timely manner;
- Maintains professional credentials and submits updates to the Human Resources Department prior to expiration dates;
- Responds to requests from the School Operations Team for any required actions or documents to maintain accurate and complete records and meet reporting deadlines;
- All other duties as assigned.

Building Management

- Implements classroom procedures that promote a safe, clean, orderly, and productive classroom environment:
- All other duties as assigned.

Job Description: Advisor, University Prep Schools Page 2 of 2



School District/Entity:	U Prep Schools
School:	Various
Job Title:	Instructional Coach
Reports to:	School Director
Status:	At-will, Exempt

An Instructional Coach is responsible for ensuring highly effective instruction at the school level. This position fills the need for job-embedded professional development and instructional improvement. Through frequent observation of teachers, the Coach will provide professional support and feedback in a non-evaluative context that is intended to foster effective practices within the classroom. The Coach may also be responsible for leading professional development sessions related to pedagogy.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Develops program standards and supporting content aligned with federal, state, and college/career requirements
 - Assesses student performance data to drive continuous improvement of teaching and learning, with school leader input and considering differing student population needs
 - Elevates areas of potential conflict between the academic model and UPREP approach to teaching and learning
 - Advancement of A Culture Focused on Academics and Equity
 - Ensures instructional coaching invests teachers in driving educational equity within their classrooms

Management of Schools

- Community Engagement
 - Shares feedback and provides input on approach to teaching and learning, considering implications for students, teachers, administrators, parents, and broader community
- Measurement and Improvement of Teaching and Learning
 - Utilizes student data, informal classroom observations, feedback, and coaching techniques to coach teachers on areas of improvement in teaching and learning
 - Provides direct support to teachers and grade-level teams on effective unit and lesson planning through modeling and sharing of effective practices
 - Defines and monitors key metrics to measure effectiveness of every teacher

Job Description: Instructional Coach

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- Management and Coaching of School Director
 - Collaborates with School Directors to ensure consistent delivery and implementation of curriculum and instruction

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Aligns coaching efforts to talent-development
- Career Path and Succession Planning
 - Monitors and assists with development and implementation of individual career development plans
 - Encourages high performers to seek out growth opportunities within the organization
- o Performance Evaluation
 - Recommends performance standards for staff (in focus area)
- Professional Development
 - Collaborates with school and district leadership to structure, sequence, and deliver professional development to ensure effective implementation of curriculum and instruction
 - Identifies trends in student performance data to inform continuous improvement of professional development
 - Delivers feedback and adeptly navigates difficult, growth-oriented conversations with instructional staff

Qualifications

Education and Certification

- Bachelor's degree required; Master's degree preferred
- 4 or more years' teaching experience preferred
- Must maintain either a valid Michigan teaching certificate or a valid Michigan administrator certificate

Experience

- Proven success at implementing exceptional instructional practices in the subject area or at the grade level assigned;
- Leadership ability and the capacity to galvanize and motivate others to move towards achieving a common goal
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

We work well by ourselves and in teams

Job Description: Instructional Coach

Page 2 of 3 Revised June 20, 2018

- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn 10 vacation days
- Core Value bonuses
- Career development
- 50% 80% Masters program tuition scholarship through GVSU

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Instructional Coach

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School District/Entity:	U Prep Schools
School:	Various
Job Title:	School Director
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

The School Director serves as lead instructor and culture czar and is responsible for facilitating the development and implementation of curriculum, programs, positive school culture and climate, policies, and budgets in order to promote the educational and social development of all students. The School Director also ensures the professional development of all staff members through observation and feedback.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Instructional Leadership

- Sets Academic Vision and Goals
 - Ensures implementation of state and network curricula and assessments aligned with state standards, including college and career readiness standards
- Academics Model
 - Drives all school decisions with a focus on achieving level 4 on the Five Elements of the U
- Data Driven
 - Monitors and ensures high-quality instructional practices among teachers and staff that improve student performance
 - Ensures teachers analyze and use assessment data to plan, implement, and modify curriculum and instruction to produce optimal learning
 - Ensures that effective instruction maximizes growth of individual students and student groups, supports equity, and eliminates the achievement gap

Culture and Community

- Student-Centered Environment
 - Creates a student-centered environment focused on trust, respect, collaboration, and high expectations that will allow every student to achieve
 - Develops, implements, and sustains a shared vision of high expectations for all students and staff
- Visible Presence
 - Maintains a visible presence in classrooms and at extra-curricular events, cocurricular events, and network events as is appropriate to job responsibilities

Job Description: School Director



Operations, Systems, and Planning

- Strategic Planning
 - Collaborates with the Academics house to outline and track clear goals, targets, and strategies aligned to a school vision that continuously improves teacher effectiveness and student outcomes
- Maximized Learning Time
 - Implements daily schedules and a yearlong plan for regular data-driven instruction cycles, gives student access to diverse and rigorous instructional programs, and builds in time for professional development
- Resource Alignment
 - Aligns resources with the needs of the school and effectively monitors the impact of these resources and school goals
- Policy Implementation and Advocacy
 - Collaborates with network staff to implement policies and advocates for the needs of all network students and staff.

Growth and Development

- o Talent Recruitment, Retention, Development, and Evaluation
 - Coaches and develops teachers and staff by giving individual feedback and aligned professional development opportunities.
 - Implements collaborative structures and provides leadership opportunities for effective teachers and staff.
 - Provides clear expectations of performance and conducts rigorous evaluations of all staff using multiple data sources

Leadership

- Growth Mindset and Continuous Improvement
 - Is solutions-oriented, treats challenges as opportunities, and supports the school and community through continuous improvement.
- Cultural and Political Competence
 - Consistently articulates organization's vision and strategy clearly to others
- Decision-Making
 - Makes timely and effective decisions that drive the best outcomes for students.
 - Demonstrates excellent judgement communicating decisions and involving network staff as appropriate, based on decision-type (i.e. leaf, branch, trunk, root)
- Change Leadership
 - Anticipates and manages internal and external political dynamics around change efforts
- Motivation and Courage
 - Maintains focus and takes risks in pursuit of breakthrough results for students.
 - Strives to lead team in achieving results beyond what is expected.

Job Description: School Director



Qualifications

Education and Certification

- Master's degree or higher, preferably focused on educational leadership
- O Currently possess Michigan Administrator Certificate

Experience

- 3 years experience as principal preferred
- o 5 or more years teaching experience preferred
- O Experience in an urban school

• Skills

- Knowledge of rigorous curriculum and research supported instructional strategies
- Able to digest large amounts of information and communicate key messages appropriately
- o Project management, especially the ability to make effective strategic plans and bring ideas to fruition
- Adroit managers of adults' (teachers, administrators, parents) and students' expectations and emotions
- o Coaching others to improve their teaching and leadership practice

Demonstrates U Prep's Core Values

- o We work well by ourselves and in teams
- o We care about people
- Our actions have a purpose
- O We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: School Director



School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Assistant Director of Student Development/Special Education
Reports to:	Director of Student Development/Special Education
Status:	At-will, Exempt

A member of the Academic House Team, the Assistant Director of Student Development (ADSD) is responsible for supporting the development, implementation and evaluation of our special education services (including access to the general education curriculum). The ADSD assists the Director of Student Development (DSD) to support a team of special education teachers across the network and where appropriate, collaborates with the curriculum and instruction team and school leaders to support the strategic priorities within the student development team and those of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Implementation of Program

- Program Management and Design (Study Study Pro)
 - Leads the student study process
- Support and Monitor School-wide Intervention Programs
 - Ensures students are assigned appropriate interventions and that the programs are being executed with fidelity
 - Supports team to identify, assign, monitor and evaluate interventions; elevates challenges to Director
 - Observes student management support, noting strengths and gaps in practice
- Data Analysis
 - Assesses student data to drive continuous improvement of programs, with school leader input and considering differing student population needs

Implementation of SPED Program

- Identifying Interventions
 - Looks for opportunities to offer individualized supports at the school level
- IEP Meetings and Communication
 - Maintains thorough knowledge of student IEPs and represents U Prep Schools at all IEP and referral meetings

Learner-Centered

- Growth and Achievement
 - Observes and coaches instructional staff to ensure appropriate delivery of special education services and behavior management

School Leadership

- Planning and Executing Professional Development
 - Delivers and participates in differentiated professional development for special education/

Job Description: Assistant Director of Student Development/Special Education

instructional staff

Staff Engagement

- Collaboration
 - Collaborates with school directors to inform program needs and program improvement

Compliance

- Knowledge of Regulations and Compliance Requirements
 - Ensures staff are operating programs and interacting with students within compliance guidelines
- Reporting
 - Collaborates with school-based staff to ensure compliance reports are timely, complete and accurate
- Data-Driven
 - Uses data and systems to drive compliance, and elevates potential challenges to Executive Director

Qualifications

Education and Certification

- Master's degree required
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion
- O State Approval for Supervisor/Director status

Experience

- o Previous experience supporting district level special education preferred
- Experience with leading major initiatives from concept to implementation
- Experience working with others to successfully develop programing for students with disabilities

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- o Strong communication skills, verbal and written

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- o Our actions have a purpose
- O We think big and do
- o Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Assistant Director of Student Development/Special Education

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Assistant Director of School Quality
Reports to:	Executive Director of School Quality
Status:	At-will, Exempt

A member of the Academic House Team, the Assistant Director of School Quality is responsible for

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Application and Action

- Communication for Data-Driven Decision Making
 - Advises management team and school leaders on findings and implications and ensures they are prepared to publicly present
 - Communicates actionable data insights to stakeholders and supports use in effective decision making

Data Analysis

- Identification of Metrics
 - Integrates metric monitoring into organizational routines
- Modeling and Tool Development
 - Leads continuous improvement of models and tools
- Synthesis and Implications
 - Prioritizes continuous improvement of data synthesis informed by stakeholder feedback
 - Elevates key findings and communicates implications to various stakeholders

Data Management

- Data Collection
 - Develops implementation plan based on pathway and knowledge of relevant data models and architecture
 - Determines improvements to data system roadmap
- Data Quality Control
 - Defines operational standards for data quality
- Process Documentation
 - Ensures appropriate documentation of data collection, management, and integration processes

Data Strategy

- Advancement of A Data-Driven Culture
 - Supports management team to make data analysis part of all decision making and continuous improvement
 - Leads department to provide timely, actionable data
 - Develops plan to increase end users' ability to use data to inform decisions

Job Description: Assistant Director of School Quality



- Implementation
 - Monitors implementation plan and manages team to support rollout of data strategy
- Strategy Development
 - Translates data strategy into plan to achieve goals

Oualifications

- Education and Certification
 - Bachelor's degree required; Master's degree preferred
- Experience
 - Experience working with others to successfully complete multi-faceted projects
 - Experience with leading major initiatives from concept to implementation
- Skills
 - Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
 - Strong communication skills, verbal and written
 - o Strong leadership skills

• Demonstrates U Prep's Core Values

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- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition scholarships of 50% or 80% through GVSU

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Job Description: Assistant Director of School Quality

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director Crew to College
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

A member of the Academic House Team, the Director of Crew to College is responsible for overseeing the development, implementation, and evaluation of high-quality crew curricula and counseling programming to ensure students are matched and enroll in their best fit college. The DCC reports to the cao and leads a team of counselors while supporting deans of culture to meet organizational goals. The DCC collaborates with the edci and cao to support deans, as well as collaborates with the cao, edci, edsq and dsd to support the strategic priorities of the organization.

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Role Responsibilities

College-Going Culture

- Advancement of a College-Going Culture
 - Ensures operations and academic teams are informed, aligned and supporting the data needs of the crew to college team
 - Creates a college-going culture across all schools, K-12

Equity

- Advancement of a Culture Focused on Academics and Equity
 - Effectively promotes strong culture, ensuring staff focuses all activities on improving student outcomes in college, career, and civic readiness
 - Effectively determines approach to drive educational equity across the network, and allocates resources and programs accordingly

School-Based Responsibilities

- Modeling and Tool Development
 - Monitors the implementation of crew curriculum to address gaps in crew practices
- Program Model Development and Continuous Improvement
 - Structures, sequences, and delivers professional development in support of program and school goals
 - Coaches counselors and deans of culture in the use of best practices to achieve program goals
- Community Engagement
 - Effectively advises School Directors and curriculum/program leaders in how to consider and weigh school, community, and broader field and political implications when making key decisions
 - Effectively makes program decisions, considering implications for students, teachers, administrators, parents, and broader community

Job Description: Director of Crew to College

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 Consistently seeks input from Academic house, school leaders, and other key constituents in making effective decisions

Qualifications

Education and Certification

- Master's degree in Counseling
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Experience supporting college counseling
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Crew to College

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School District/Entity:	Detroit 90/90
School:	N/A
Job Title:	Director of Curriculum and Instruction- ELA
Reports to:	Executive Director of Curriculum and Instruction
Status:	At-will, Exempt

As member of the Academic House Team, the Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality ela curricula. The Director of Curriculum and Instruction-ELA collaborates with the curriculum and instruction team to support school leaders, as well as collaborates with the Chief Academic Officer, Executive Director of Curriculum and Instruction, and the Executive Director of School Quality to support the strategic priorities of the organization.

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Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Plays key role in developing academic model and recommending improvements over time, ensuring curriculum, instructional practices, and assessments are appropriately aligned
 - Uses insights from student performance data across school network to inform continuous improvement of curriculum, instruction, and assessments, incorporating input from school leaders
 - Elevates challenges that arise with the academic model and works with the Executive Director to inform and improve model
 - Advancement of A Culture Focused on Academics and Equity
 - Determines approach to drive educational equity across the network and allocates resources and programs accordingly

Management of Schools

- Community Engagement
 - Advises School Directors and curriculum/program leaders in how to consider and weigh school, community and broader field and political implications when making key decisions
- Measurement and Improvement of Teaching and Learning

Job Description: Director of Curriculum and Instruction- ELA

Page 1 of 3 Revised March 9, 2018

- Coaches School Directors in refined approach
- Promotes data-driven decision making
- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: Director of Curriculum and Instruction- ELA

Page 2 of 3 Revised March 9, 2018



Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Curriculum and Instruction- ELA

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School District/Entity:	Detroit 90/90			
School:	N/A			
Job Title:	Director of Curriculum and Instruction- Math			
Reports to:	Executive Director of Curriculum and Instruction			
Status:	At-will, Exempt			

Summary

As member of the Academic House Team, the Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality math curricula. The Director of Curriculum and Instruction-Math collaborates with the curriculum and instruction team to support school leaders, as well as collaborates with the Chief Academic Officer, Executive Director of Curriculum and Instruction, and the Executive Director of School Quality to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Design and Development of Academic Model
 - Academic Model Development and Continuous Improvement
 - Plays key role in developing academic model and recommending improvements over time, ensuring curriculum, instructional practices, and assessments are appropriately aligned
 - Uses insights from student performance data across school network to inform continuous improvement of curriculum, instruction, and assessments, incorporating input from school leaders
 - Elevates challenges that arise with the academic model and works with the Executive Director to inform and improve model
 - Advancement of A Culture Focused on Academics and Equity
 - Determines approach to drive educational equity across the network and allocates resources and programs accordingly

Management of Schools

- Community Engagement
 - Advises School Directors and curriculum/program leaders in how to consider and weigh school, community and broader field and political implications when making key decisions
- Measurement and Improvement of Teaching and Learning

Job Description: Director of Curriculum and Instruction- Math

Page 1 of 3 Revised March 9, 2018

- Coaches School Directors in refined approach
- Promotes data-driven decision making
- School Director Management and Coaching
 - Coaches School Directors on managing the multitude of challenges that arise in school management, providing moral support and empowering them to improve school outcomes

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Studies trends in employee feedback data to determine key areas of strength and improvement for region and recommends improvements to Chief Academic Officer
- Career Path and Succession Planning
 - Collaborates with management and leadership teams to develop succession plans for priority positions
 - Mentors school leaders and program leaders to grow within current roles and to seek stretch opportunities to rise up within network
- Performance Evaluation
 - Determines improvements to performance evaluation system and drives adoption across the system
 - Oversees performance evaluation of instructional coaches
- Professional Development
 - Structures, sequences and delivers program-specific professional development to ensure effective program implementation
 - Ensures that school leaders are able to coach and mentor instructional staff to improve student outcomes
 - Assesses impact of professional development and continuously improves based on performance data and knowledge of promising field practices
 - Develops school leader capacity to deliver feedback and manage hard conversations

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience supporting curriculum implementation preferred
- Experience developing curriculum at the school level
- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Job Description: Director of Curriculum and Instruction- Math

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Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Director of Curriculum and Instruction- Math

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School District/Entity:	Detroit 90/90			
School:	N/A			
Job Title:	Director of Student Development/Special Education			
Reports to:	Chief Academic Officer			
Status:	At-will, Exempt			

Summary

As member of the Academic House Team, the Director of Student Development (DSD) is responsible for overseeing the development, implementation and evaluation of our special education services (including access to the general education curriculum). The DSD leads the Assistant Director of student development to support a team of special education teachers and ancillary staff across the network and collaborates with the curriculum and instruction team and school leaders to support the strategic priorities within the student development team and those of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

• Implementation of Program

- Program Management and Design (Study Study Pro)
 - Structures, sequences, and delivers supports and training for a variety of stakeholders to engage in the student study process
- Support and Monitor School-wide Intervention Programs
 - Effectively anticipates challenges related to the intervention model and proactively provides solutions to meet student and school needs
- Data Analysis
 - Selects a variety of indicators to measure student progress towards academic, social, emotional and behavioral outcomes including 504 and special education inclusion programs

Implementation of SPED Program

- Identifying Interventions
 - Supports long-term planning and implementation of inclusion model
- IEP Meetings and Communication
 - Leads and establishes systems to drive frequent communication between students, families, staff and other stakeholders

Learner-Centered

- Growth and Achievement
 - Plans and oversees management of programs to implement the academic model

Job Description: Director of Student Development

with fidelity

School Leadership

- Planning and Executing Professional Development
 - Designs scope and sequence, identifies external opportunities, and plans for special education professional development activities

Staff Engagement

- Collaboration
 - Collaborates with school directors to inform program needs and program improvement

Compliance

- Knowledge of Regulations and Compliance Requirements
 - Understands current compliance requirements and ensures that the network staff is compliant with all local, state and federal special education laws
 - Stays abreast of evolving compliance requirements and considers impact on school programming
- Reporting
 - Approves reports created by Assistant Director for submission to local, state and federal agencies
 - Swiftly responds to and addresses compliance issues across the network
- Data-Driven
 - Collects and analyzes network-wide student data to drive continuous improvement of programs, with school leader input and considering differing student population needs

Qualifications

Education and Certification

- Master's degree required
- Currently possess Michigan Administrator Certificate or meet state requirements toward completion
- Michigan Approval for Directorship

Experience

- Previous experience supporting district level special education preferred
- Experience with leading major initiatives from concept to implementation
- Experience working with others to successfully complete multi-faceted projects

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people

Job Description: Director of Student Development



- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

Detroit 9090 is an equal opportunity employer and prohibits discrimination of any kind. All employment decisions with Detroit 9090 are based on district needs, job requirements, and individual qualifications, without regards to race, color, religion, national origin, age, gender, sex, ancestry, citizenship status, mental or physical disability, genetic information, sexual orientation, veteran status, or military status.

Job Description: Director of Student Development

Page 3 of 3 Revised March 13, 2018



School District/Entity:	Detroit 90/90			
School:	N/A			
Job Title:	Executive Director of Curriculum and Instruction			
Reports to:	Chief Academic Officer			
Status:	At-will, Exempt			

Summary

A member of the Academic House Team, the Executive Director of Curriculum and Instruction is responsible for overseeing the development, implementation, and evaluation of high-quality curricula and instruction across the network. The Executive Director of Curriculum and Instruction collaborates with the Chief Academic Officer, Executive Director of School Quality, and the Director of Student Development to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

Design and Development of Academic Model

- Academic Model Development and Continuous Improvement
 - Creates strategic vision for network academic model
 - Ensures continuous improvement of the academic model informed by ongoing analysis of student performance data and input from school leaders
 - Anticipates challenges related to the academic model and proactively provides solutions to meet network needs
- Advancement of A Culture Focused on Academics and Equity
 - Promotes educational equity as a guiding principle across school network and ensures it is reflected in curriculum, instruction, and program offerings

Management of Schools

- Community Engagement
 - Makes decisions considering contextual factors that may arise, effectively considering trade-offs and their implications; continually seeks input from stakeholders in decision making
- Measurement and Improvement of Teaching and Learning
 - Contributes to and seeks out best practices in teaching and learning to k-12 field
 - Defines and monitors key metrics to determine success of school network
- School Director Management and Coaching
 - Acts as sounding board and advisor to principals to support and coach them in moments of challenge, continuously providing both thought partnership and moral support

Job Description: Executive Director of Curriculum and Instruction

Page 1 of 3 Revised March 13, 2018



 With input from the CEO, collaborates with the CAO to develop network strategy for implementation of the academic model and ensures it is implemented with fidelity

Professional Learning and Development of Instructional Staff

- Advancement of Talent-focused Culture
 - Sets organization culture around areas of strength and fosters culture improvement to ultimately improve student outcomes
- Career Path and Succession Planning
 - Leads succession planning for current and future school leadership roles (thought partner with CAO)
 - Ensures high-performing school leaders and teachers are supported and encouraged to rise up within organization if they desire
- Performance Evaluation
 - Ensures high quality performance evaluation system for principals and instructional staff, including clear performance framework, timely evaluations, and accessible data
 - Ensures evaluations provide actionable feedback linked with professional development opportunities, resulting in improved outcomes
- Professional Development
 - Sets vision for instructional staff professional development program
 - Ensures professional development for instructional staff supports implementation of academic model and drives improvement of student outcomes
 - Maintains up-to-date knowledge of approaches to and external partners in professional development and leads implementation of new methods as appropriate
 - Guides academics team to deliver feedback and manage hard conversations

Qualifications

Education and Certification

- Master's degree required, Master's degree in Curriculum and Instruction preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Previous experience as school principal preferred
- o Experience developing curriculum at the district level
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- O Strong communication skills, verbal and written
- o Ability to work with others to successfully complete multi-faceted projects

Job Description: Executive Director of Curriculum and Instruction

Page 2 of 3 Revised March 13, 2018



• Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Executive Director of Curriculum and Instruction

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School District/Entity:	Detroit 90/90			
School:	N/A			
Job Title:	Executive Director of School Quality			
Reports to:	Chief Academic Officer			
Status:	At-will, Exempt			

Summary

A member of the Academic House Team, the Executive Director of School Quality is responsible for overseeing the development, implementation and evaluation of our program evaluation systems network wide. The Executive Director of School Quality leads the assistant director of school quality to support leaders across the network in monitoring the effectiveness of school and network improvement efforts and collaborates with the cao to support the strategic priorities of the organization.

Our mission is to prepare students for success in life. If you are dedicated to a pursuit of excellence both in yourself and our students; if you are self-motivated; if you are an innovator and if you want to play a key role in changing young lives --we are looking for U.

Role Responsibilities

- Application and Action
 - Communication for Data-Driven Decision Making
 - Communicates key findings to high priority internal and external stakeholder
 - Promotes user-centric approach to communicating data insights
- Data Analysis
 - Identification of Metrics
 - Ensures metrics are integrated into organizational routines at meaningful time intervals
 - Modeling and Tool Development
 - Ensures execution of high quality, efficient analysis
 - Synthesis and Implications
 - Ensures continuous improvement of data synthesis informed by stakeholder feedback
 - Ensures meaningful implications are communicated in a timely and accessible way to stakeholders

Data Management

- Data Collection
 - Creates roadmap to design, identify and implement data collection systems, informed by relevant data models and architecture used by leading school operators and organizations
 - Ensures roadmap is aligned to data strategy
- Data Quality Control
 - Sets expectations for data quality
- O Process Documentation
 - Sets expectations for documentation of data collection, management, and integration processes
- Data Strategy
 - Advancement of A Data-Driven Culture

Job Description: Executive Director of School Quality

Page 1 of 2 Revised May 15, 2018

- Champions data as engine for achieving organization's mission, and influences management team to make data analysis part of all decision making
- Ensures data are reported in a timely, actionable way
- Ensures continuous growth in end users' ability to use data to inform decisions
- Implementation
 - Holds leadership team accountable for success against milestones
- O Strategy Development
 - Leads development of data strategy that drives to achieve organization's strategic plan and clear priorities

Qualifications

• Education and Certification

- Bachelor's degree required; Master's degree preferred
- Currently possess Michigan Administrator Certificate (Central Office endorsed) or meet state requirements toward completion

Experience

- Experience working with others to successfully complete multi-faceted projects
- Experience with leading major initiatives from concept to implementation

Skills

- Ability to distill essential findings from analysis, determine root causes, and suggest ways to improve current practices
- Strong communication skills, verbal and written
- Strong leadership skills

Demonstrates U Prep's Core Values

- We work well by ourselves and teams
- We care about people
- Our actions have a purpose
- We think big and do
- Learning is exciting

Salary

Compensation for this position depends on prior experience and is competitive.

Benefits

- Medical coverage
- 401(k) up to 6% matching
- Eight sick and four personal days
- Year round staff earn vacation days
- Performance & Core Value bonuses
- Career development
- Masters program tuition reimbursement through GVSU

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Job Description: Executive Director of School Quality

Page 2 of 2 Revised May 15, 2018

SCHEDULE 10-4

FISCAL AGENT AGREEMENT

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to the Public School Academies of Detroit, an urban high school academy ("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 1.01. <u>Definitions</u>. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy 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 of 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 Grand Valley State 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 urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. <u>Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions</u>. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board 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 3.02.

Section 2.02. <u>Transfer to Academy</u>. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within ten (10) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. <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 or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board 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, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

ARTICLE III

STATE DUTIES

Section 3.01 <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 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

- Section 4.01. <u>Compliance with State School Aid Act</u>. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.
- Section 4.02. 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 4.03. <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 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. <u>Deposit of Academy Funds</u>. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. <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 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, 2009, and annually thereafter, a written report dated as of August 31 summarizing 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 6.01. <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 6.02. <u>Limitation of Liability</u>. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

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

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

Acknowledgment of Receipt

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

RY.

Joseph L. Fielek, Director Bureau of Bond Finance

Michigan Department of Treasury

Date: 1an, 3 2008

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SCHEDULE 10-5

METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT

SCHEDULE 8-5, 9-5, 10-5

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. Criteria that the Grand Valley State University Charter Schools Office will use in its evaluation shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

Included in this evaluation shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the approved state standardized assessment designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the at a properly noticed open meeting held on the 3 day of Leve, 2011, at which a quorum was present.

Board of Directors

SCHEDULE 10-6 ACADEMY'S ADMISSION POLICIES AND CRITERIA

Public School Academies of Detroit (PSAD) Enrollment Guidelines & Admission Policies for the 2019-2020 School Year

A public lottery for each grade offered at each PSAD school will be held at each district when there are more applicants than openings for that particular PSAD school to assign seats to new students and to assign the order of the waitlist for any new seats that become available. Siblings of students returning for the 2018-2019 school year and newly accepted students for the 2019-2020 school year will be given priority for admission in the order detailed below. The priorities for admissions will be conducted in the following order:

Priority 1: Siblings* of 2019 Graduates and Students Returning for the 2019-2020 School Year

Siblings of students who graduated during the 2018-2019 school year or siblings of students returning for the 2019-2020 year are given 1st priority to their siblings PSAD district. If there are more of these siblings than classroom spaces available in a given grade, the PSAD School will hold a random selection lottery for the classroom spaces from among the siblings in that grade. The remaining siblings will be placed on the waitlist based on the number they receive in the sibling lottery <u>as long as they submitted an application</u> during the open enrollment period. Note: Sibling priority does not range across PSAD districts.

Priority 2: PSAD Transfer Students

Any student enrolled in the 8th, 9th, or 10th grade at any PSAD School in the preceding school year will be given transfer student priority (priority 2) provided there is sufficient classroom space available. Transfer student priority is given in the following manner: students enrolled in a PSAD School the previous academic year who apply for the 9th, 10th, or 11th grade during open enrollment to the school they wish to transfer to will receive second priority. Each PSAD School will hold a random selection lottery for the classroom spaces from among the transfer students in that grade. These students will be placed on the waitlist below the priority 1 students based on the number they receive in the transfer student lottery, Students who are transferring between University Preparatory Academy, University Prep Science & Math and University Prep Art & Design must declare which system they wish to enroll their child in for the 2019-20 school year by the school decision deadline date of April 30, 2019. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process and will be removed from the other school systems enrollment lists for the 2019-2020 school year.

Priority 3: Children of Salary Personnel working at PSAD schools or Children of PSAD Board of Directors

These children (including by Michigan law all adopted children or legal wards) are placed behind Priority 2 students based on the number they receive in the lottery as long as they submitted an application during the open enrollment period.

Priority 4: Siblings* of Newly Accepted Students

Siblings of newly accepted students (students who are accepted for enrollment for the 2019-2020 school year) are placed behind Priority 3 students based on the number they receive in the lottery on the waitlist within the same district their sibling was accepted <u>as long as they submitted an application during the open enrollment period</u>. Note: Sibling priority does not range across PSAD districts.

NOTE: Any sibling that DOES NOT submit an application during open enrollment will NOT be given sibling preference.

Priority 5: New Applicants with No Siblings at the PSAD district in which they are applying

Students who apply during open enrollment but do not win a seat in the lottery and who do not have a sibling at the PSAD district in which they are applying will be placed on the waitlist based on the number they received in the lottery below priority 4 students.

Priority 6: Applicants Applying After Open Enrollment

Students who apply after open enrollment (all applications received after the deadline date) will be placed on the waitlist behind the Priority 1, 2, 3, 4, and 5 applicants based on the date and time their application is received. **This includes siblings that submit applications after the deadline date.**

- *Sibling Determination--Siblings who receive preference include:
 - a. Full siblings (children who share the same mother and father) regardless of whether the full siblings live in the same household.
 - b. Step-siblings/half-siblings who live in the same household** Step-siblings and half-siblings who DO NOT live in the same household DO NOT receive the preference.
- **They must live in the same household at the time they apply. If the student moves in with their sibling they need to reapply at that time and the old application is deleted. The parent may be asked to supply some sort of proof of residence for the student.

Public School Academies of Detroit (PSAD) Enrollment Guidelines & Admission Policies for the 2019-2020 School Year

1.) Purpose

The purpose of this policy is to outline the enrollment policy and process for the Public School Academies of Detroit ("PSAD") for the enrollment of students into its urban academies. Grand Valley State University Board of Trustees ("University Board") has authorized PSAD under Part 6c of the Revised School Code to operate one or more urban academies, including but not limited to University Preparatory Academy, University Prep Science and Math, and University Prep Art & Design schools (individually a "PSAD School" or collectively "PSAD Schools").

2.) Open Enrollment Dates

Open Enrollment will last the duration of two months. Applications are on U Prep school's website. All applications must be received by 5:00pm on the last day of Open Enrollment, the deadline date, in order to be considered for the lottery.

3.) Re-enrollment of current students

Students currently enrolled in any PSAD school in the preceding school year will be automatically admitted for the next school year to that same PSAD district.

4.) PSAD Transfer Students

Any student enrolled in the 8th, 9th, or 10th grade at any PSAD School in the preceding school year will be given transfer student priority (priority 2) provided there is sufficient classroom space available. Transfer student priority is given in the following manner: students enrolled in a PSAD School the previous academic year who apply for the 9th, 10th, or 1lth grade during open enrollment to the school they wish to transfer to will receive second priority. Each PSAD School will hold a random selection lottery for the classroom spaces from among the transfer students in that grade. These students will be placed on the waitlist below the priority 1 students based on the number they receive in the transfer student lottery. Students who are transferring between University Preparatory Academy and University Prep Science & Math must declare which system they wish to enroll their child in for the 2019-20 school year by the school decision deadline date of April. 30, 2019. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process and will be removed from the other school systems enrollment lists for the 2019-2020 school year.

5.) Siblings who receive preference include:

Siblings of currently enrolled students receive the 1st priority in enrollment with Siblings of newly accepted students receiving 4th priority. See Enrollment Guidelines (reverse) for more information regarding sibling priority.

6.) Children of PSAD Salary Personnel & PSAD Board of Directors

Children of Salary Personnel working in PSAD schools and children of PSAD board of directors who apply during open enrollment receive third priority before the random lottery. If there are more children of PSAD salary personnel and PSAD board of directors applying than classroom spaces available in a given grade, the PSAD school will hold a random selection lottery which will include these children and all other applicants. The children will be put on the waitlist for that grade in the order of random selection number received, just below the 2nd priority students.

7.) Enrollment for under-subscribed grades/sibling preference

Priority 1 students will be automatically admitted for the next school year to each grade that does not reach full enrollment by the Deadline Date. Transfer students have the next priority in enrollment. If Full Enrollment for a particular grade is not reached by the Deadline Date, PSAD will continue to receive applications for that grade level as long as necessary to complete Full Enrollment. Applications received after the Deadline Date

will be enrolled in order of receipt.

8.) Enrollment for over-subscribed grades

Students will be selected for admission by random lottery for each grade that exceeds Full Enrollment if their applications were received by the Deadline Date. Applications received after the Deadline Date for each grade that has reached Full Enrollment will be added to the official waiting list in the order in which they are received. Kindergarten students must attain the age of five (5) years on or before December 1st of the year for which they are applying, to be eligible for the lottery. PSAD schools have a goal to maintain an even ratio of male to female students and reserves the right to maintain this balance. In order to do so students that leave, if possible, will be replaced with students of the same gender.

9.) Lottery

If there are more applications submitted by the Deadline Date than available seats for any given class, Each PSAD District will hold a random selection lottery on the Lottery Date. All lottery applicants' names will be drawn and placed on the acceptance list and/or the waiting list for each grade based on the number they receive in the lottery. The University Board Charter Schools office may have a representative on site to monitor the public random selection lottery.

10.) Record of enrolled students

As students are selected for admission, their names will be recorded on the Chart of Admitted students.

11.) School Decision Deadline

Parents of students that applied to University Preparatory Academy, University Prep Science & Math and University Prep Art & Design school districts and are accepted to any one of the schools, must choose which school they wish to attend by the School Decision Deadline date of April 30, 2019. Students already enrolled the previous school year in either district will be considered applicants to that system for the coming school year. Declaring their school choice automatically moves that student off of the waitlist or acceptance list of the district they do not choose. Having declared their school choice, a family will not be eligible to transfer their child to the other system until the following school year via that system's open enrollment and lottery process.

12.) Enrollment Requirements

- PSAD shall not discriminate on the status as a handicapped person or any other basis that would be illegal for an existing school district.
 PSAD shall provide for the education of its pupils without discrimination as to religion, creed, race, sex, color or national origin, The Academy shall comply with all state and federal civil rights laws.
- PSAD shall not charge tuition (but may charge fees in the same manner as existing public schools).
- PSAD shall not enroll any student who is not a resident of this state, except a foreign exchange student. *PSAD shall comply with all state and federal laws applicable to public schools concerning church-state issues,
 PSAD may establish a policy providing enrollment priority to enrolled pupils of a PSAD School, siblings of currently enrolled pupils, children of a person who is employed by or at a PSAD School, or children of PSAD Board Members (See priority on reverse side).

PSAD shall provide legal notice indicating Open Enrollment for each PSAD school in a local newspaper.

SCHEDULE 10-7

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

UNIVERSITY PREP SCHOOLS UPA • UPSM • UPAD

2019

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31													

FIRST DAY OF SCHOOL

♦ LAST DAY OF SCHOOL

NO SCHOOL

PROFESSIONAL DEVELOPMENT (NO STUDENTS)

EARLY RELEASE

PARENT CONFERENCE (PM)

ADMIN ONLY

RECORDS DAY (NO STUDENTS)

REPORTING TERMS

11/4 Q1 (43 DAYS) 01/30 Q2 (48 DAYS) 04/16 Q3 (45 DAYS) 06/19 Q4 (44 DAYS)

IMPORTANT DATES

FALL COUNT 10/2

SPRING COUNT 02/12

FALL PSAT 10/16

8TH GRADE SPRING PSAT 04/14

SAT/WORKKEYS 04/14 - 04/15

SAT/WK M/U 04/28-04/29

SEASONAL BREAKS

FALL BREAK 10/11-10/14 WINTER BREAK 12/23 - 01/03 MID-WINTER BREAK 02/14 - 02/18 SPRING BREAK 04/06 - 04/13



University Prep Academies							
School Address	Phone	Teacher Hours	Student Hours	School Director School Operations Manager			
University Prep - Ellen Thompson Elementary 957 Holden Street Detroit 48202	(313)874-9800	8:00am to 4:00pm	8:20am to 3:15pm	Tamara Johnson - <i>School Director</i> Autumn Dailey - <i>SOM</i>			
University Prep - Mark Murray Elementary 435 Amsterdam Detroit 48202	(313) 309-0552	8:00am to 4:00pm	8:30am to 3:30pm	Kim Llorens - <i>School Director</i> Rita Garcia - <i>SOM</i>			
University Prep - Nan Gill Middle 5310 St. Antoine Detroit 48202	(313)831-0100	7:45am to 3:30pm	8:15am to 3:15pm	Aisha Scott - <i>School Director</i> Santosha King - <i>SOM</i>			
University Prep - Ed Parks High 610 Antoinette Detroit 48202	(313)874-4340	7:40am to 3:30pm	8:00am to 3:30pm	Derrick Kellam - School Director Liz Hubbell - Asst. School Director Chris Waston - Asst. School Director Carmen Dotch - SOM			



University Prep Science & Math Schools							
School Address	Phone	Teacher Hours	Student Hours	School Director School Operations Manager			
University Prep Science & Math Miller Elementary 2251 Antietam Detroit 48207	(313)782-4400	7:40am to 3:45pm	8:00am to 3:15pm	Kimberly Solomon - School Director Georgan Redmond - SOM			
University Prep Science & Math Middle School 5100 John R Detroit 48202	(313)832-8400	7:30am to 3:20pm	7:45am to 3:00pm	LaTasha Goodall - <i>School Director</i> Denise Douglas - <i>SOM</i>			
University Prep Science & Math Dave Bing High School 2664 Franklin Detroit 48207	(313)393-9166	8:00am to 3:45pm	8:30am to 3:30pm	Zetia Hogan - School Director Phillip Robie - Asst School Director Tammy Johnson - SOM			
	Uni	iversity Prep Art & Design	n				
University Prep Art & Design Elementary 10225 3rd Street Detroit, MI 48202	(313)826-1159	8:00am to 4:00pm	8:30am to 3:40pm	Felicia Brimage - <i>School Director</i> Kenya Buchanan - <i>SOM</i>			
University Prep Art & Design 485 W. Milwaukee Street Detroit, MI 48202	(313)481-4000	7:50am to 3:15pm	8:00am to 3:05pm	Joseph Hines - School Director Clare McKenna - Asst School Director Abe Miller - SOM			

SCHEDULE 10-8

AGE/GRADE RANGE OF PUPILS ENROLLED

AGE/GRADE RANGE OF PUPILS ENROLLED

Proposed Enrollment Schedule for University Prep Schools

	UPA	UPSM	UPAD
Grade ES	K,1,2,3,4,5	K,1,2,3,4,5	K,1,2,3,4,5
Grade MS	6,7,8	6,7,8	6,7,8
Grade HS	9,10,11,12	9,10,11,12	9,10,11,12
Age Range	5-18 years old	5-18 years old	5-18 years old

UPA – University Prep Academy District
UPSM- University Prep Science & Math District
UPAD – University Prep Arts & Design District

SCHEDULE 10-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

SCHEDULE 10-9

ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE

A. Address and Description of the Central Administrative Office:

The Central Administrative Office for the University Preparatory Art & Design will be:

A. Alfred Taubman Center for Design Education 435/485 W. Milwaukee Detroit, MI 48202-3222

B. Address and Description of the University Preparatory Art & Design Facilities:

1) Address and Description of the UPAD: Elementary School facility that will open with the beginning of the 2012-2013 Academic year:

Duane Doty Elementary 10225 3rd Street Detroit, MI 48202

Description: UPAD: Elementary School will be housed in the is housed in the former Duane Doty Elementary building at the address above in Detroit's Northend community.

History of Doty Elementary: The elementary school will operate in the Doty Elementary School building located on the corners of 3rd Street, Glynn and Calvert, on the edge of the historic Boston Edison neighborhood, just 12 blocks from the middle/high school campus. First opened in 1909, and named in honor of one of Detroit Public Schools' first superintendents, Doty Elementary stands as a prime example of the arts and crafts style of architecture prevalent in the early part of the last century and retains the grace and feel of that era.

Future of Doty Elementary: Once renovated, the facility and its 21st century school design will ensure HFA:SCS student safety and will support our educational program with: 26 grade specific learning studios, 2 art studios, 3 design/prototyping studios, 1 technology/media center, a dining hall, student support suite, administrative/reception area, large exhibition hall (entry/foyer), conference room, small formal exhibition space (former music room), and moderate-sized gym. The school also includes teacher collaboration spaces on each floor and outside physical education/recreation spaces.

Sufety and Security of HFA: SCS: The safety and security of the students at the Duane Doty Elementary is of top concern to HFA: SCS. This priority is reflected in the state-of-the-art and high-tech security plan which will include machinery and highly trained staff, and for the

specifically designated elementary facility and all shared and common spaces utilized by the students.

The attached Exhibit A contains the site plan, section drawing, and relevant floor plans, and the Lease Agreement to be executed between the parties. Appropriate copies of executed lease documents and inspection documents and certificates will be provided as they are obtained and will be included in Exhibit A.

2) Address and Description of the UPAD middle andigh school facility that opened with the beginning of the 2009-2010 Academic year:

A. Alfred Taubman Center for Design Education 485 W. Milwaukee Detroit, MI 48202-3222

Description: University Preparatory Art & Design is housed in the A. Alfred Faubman Center for Design Education (formerly known as the "Argonaut Building" and its transformation, the "Argonaut Project") at the address listed above in the New Center Area of Detroit. This location is the central administrative office for HFA: SCS. The property is bound on the north by Milwaukee, on the east by Cass Avenue, on the south by Baltimore Avenue, and on the west by Second Avenue. Woodward Avenue is one block east of Cass Avenue.

History of the Argonaut Building: The Argonaut Building has an interesting and relevant history in regards to the newUPAD. Built in 1927 for General Motors by architect Albert Kahn, the premier designer of reinforced concrete manufacturing facilities, especially Detroit's many automobile factories, the 700,000 square foot, 11-story Argonaut building was GM's first research center. Directly behind GM's sprawling headquarters on West Grand Boulevard, the General Motors Research Laboratory was home to hundreds of patents on automotive innovations, including the first fully automatic transmission. A hub of innovation and design for 30 years, the Argonaut Building's illustrious history provides a most symbolic and fitting platform upon which to establish a new generation of art and design education and leadership with Henry Ford Academy: School for Creative Studies and the College for Creative Studies.

Future of the Argonaut Building: The Argonaut Project is the creation of an art and designfocused Integrated Learning Community, extending from middle school through graduate school
andbeyond into the commercial design and creative economy arena. The A. Alfred Taubman
Center for Design Education houses a second and new campus for many studio-based college
design programs for College for Creative Studies, the new CCS graduate program, a significant
expansion of college student housing, the art and design-focused Henry Ford Academy: School
for Creative Studies and leased space. General Motor donated the building to CCS and providing
ussistance to create the financing and construction management packages. Other tenants will
likely include at least one office for a compatible non-profit organization. In conjunction with
Detroit Renaissance's new Road to Renaissance economic development plan for the region, CCS
seeks to develop and host a design accelerator space for start-up commercial creative-based

husinesses. This economic development concept will provide low-cost or subsidized space with shared back-office services for multiple, small start-up creative economy businesses. A new gymnasium, including gender-separate locker rooms and secure equipment storage space, has been built for the facility.

UPAD will be an integral part of this Integrated Learning Community in the Taubman Center. Students at all levels have proprietary instruction space, but also have the opportunity to share many of the resources, from a cafeteria and gym to a conference center, design studios and sophisticated design equipment. This concentrated learning model promotes an extremely rich and diverse educational environment for all sorts of creative and talented students of design.

This project not only provides an innovative Integrated Learning Community unlike any other in the country right in the heart of Detroit spanning sixth grade through graduate school; with attention and participation from other Detroit institutions it also has the potential to serve as an engine for community and economic development for our city at a time when it is most needed.

Specific UPAD Facilities: The Academy-designated facilities will occupy portions of the first through fourth floors of the Taubman Center. The first floor will hold the school's administration office and 6th grade space, including learning studios, design alcoves and storage, technology project studios, a college center, administrative spaces, teacher collaborative and individual spaces and dedicated spaces for HFA: SCS families to interact with the learning community. In addition to these Academy spaces, the 1st floor includes art gallery space, a bookstere and coffee shop, and the building's main entrances.

The second floor holds grades 7 and 8 of the Academy with student and teacher learning spaces similar to those described above. The Academy shares this floor with the café and food preparation and serving areas (all tenants in the Taubman Center have access to the café, with designated areas for Academy students to eat breakfast/lunch). Grades 9 and 10 are on the third floor, again with significant and relevant learning spaces. Grades 11 and 12 will occupy the fourth floor of the Argonaut, which they will share with another organization appropriate to the Integrated Learning Community.

Safety and Security of UPAD: While the opportunity for the 880 students and staff of HFA: SCS to learn in public spaces and among and with compatible community and educational organizations is an exciting one, being in this shared and public building produces the need to ensure that all residents of the Taubman Center are safe. Clearly the safety and security of the Academy is of top concern to HFA: SCS and the two organizations involved with it. This priority is reflected in the state-of-the-art and high-tech security plan which will include machinery and highly trained staff, for the Taubman Center overall, for all shared and common spaces and for the specifically designated middle and high school facilities. The security plan for the Taubman Center is constantly being updated based on the new and advanced technology available.

The Middle School and High School of the Academy will be located in a renovated building tacility, commonly known as the Taubman Center, pursuant to a Lease and Joint Use Agreement between TEF-SIX, LLC and the CCS Master Tenant located at 435-485 West Milwaukee,

Detroit Michigan 48202. TEF-SIX, LLC is a single member limited liability company whose single member is the Thompson Educational Foundation. It is anticipated that the Thompson Educational Foundation will provide the funding for renovations to portions of the Taubman Center, totaling approximately 120,000 square feet, dedicated solely to the Academy's Middle School and High School. TEF-SIX, LLC will sublease the building facility to Creative Urban Education (CUE) for a nominal amount, and CUE is obligated to provide the building facility at no additional expense to PSAD for the operation of the Academy's Middle School and High School, pursuant to the management agreement between CUE and PSAD.

The documents attached hereto contain the site plan, section drawing, and relevant floor plans, the Lease and Joint Use Agreement and related lease documents for the middle and high school and copies of inspection documents and certificates

UPAD Middle/High Lease

(TEF-Six)

Schedule 10-9, Exhibit A1

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-SIX, LLC, a Michigan limited liability company, owner and Landlord of the property located at 465-485 W. Milwaukee, Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at 465-485 W. Milwaukee, Detroit, MI 48202

RECITALS:

- A. WHEREAS. Landlord and Tenant are parties to that certain Lease Agreement, dated July 1, 2018 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the Lease to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

LANDLORD:

TENANT:

TEF-SIX, LLC,

a Michigan ponprofit limited liability company

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Robert M. Thompson

By:

Joseph Aristeo

President

President

BLOOMFIELD 38030-1 2391511v2

LEASE

Between

LANDLORD: TEF-SIX, LLC, a Michigan limited liability company,

And

TENANT: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated as of: July 1, 2018

LEASE

SECTION 1 SCHEDULE

LANDLORD:

NAME:

TEF-SIX, LLC

ADDRESS:

Thompson Educational Foundation

c/o P.O. Box 6349 Plymouth, MI 48170 Attn: John G. Cleary

TENANT:

NAME:

The Public School Academies of Detroit

ADDRESS:

c/o Board President 600 Antoinette

Detroit, MI 48202

DEMISED PREMISES:

(1) Unit 2 of the Argonaut Condominium, a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County designated as Wayne County Records, and Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended; also known as The Argonaut Building: located in the City of Detroit, Wayne County, Michigan at for 465-485 W. Milwaukee, Detroit, Michigan 48202 (the "Building"), consisting of Suites 101, 102, 201, 301, and 401, located on the first, second, third, and fourth floors of the Building and deemed to contain 123,552 rentable square feet; and (2) the Gym Unit, Unit 6 of the Argonaut Condominium, a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records, and Wayne County Condominium designated as Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended, also known as the Gymnasium: the gymnasium located on the property of the Building, including HVAC, electrical, gas, telecommunications and sprinkler system to the extent part of such Units 2 and 6 pursuant to the Master Deed (the "Gymnasium" Building"); together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment and related site improvements to the extent part of such Units 2 and 6 pursuant to the Master Deed and the Limited Common Elements appurtenant to such Units 2 and 6 pursuant to the Master Deed (collectively the "Site" or "Demised Premises").

LEASE TERM:

LEASE COMMENCEMENT DATE:

July 1, 2018 until June 30, 2023 unless terminated sooner pursuant to this Lease.

This Lease shall commence and is effective on July 1, 2018.

RENT COMMENCEMENT DATE: July 1, 2018.

SCHOOL YEAR July 1 to June 30.

TERMINATION DATE: June 30, 2023.

BASE RENT: The Annual Base Rent shall be \$1.00.

EXHIBITS ATTACHED: "A" - Legal Master Deed

"B" - Schedule of Performance Standards
"C" - Form of Charter Impacts Report

RECITALS:

- A. Landlord and Tenant were parties to a lease agreement with respect to the Demised Premises dated July 1, 2017 (the "Prior Lease") subject to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records, a copy of which is attached as **Exhibit A** (the "Master Deed") and the lease term under the Prior Lease shall expire on June 30, 2018.
- As described above, the Demised Premises is comprised of Units 2 and 6 of the Argonaut B. Condominium, a Condominium according to the Master Deed and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended, also known as the Building, including HVAC, electrical, gas, telecommunications and sprinkler system to the extent part of such Units 2 and 6 pursuant to the Master Deed; together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment and related site improvements to the extent part of such Units 2 and 6 pursuant to the Master Deed and the Limited Common Elements appurtenant to such Units 2 and 6 pursuant to the Master Deed. Pursuant to the Master Deed, the Argonaut Condominium Association, a Michigan nonprofit corporation (the "Association") administers, operates, manages and maintains the Condominium. The Association's Bylaws (the "Association Bylaws") govern the Association's administration of the Argonaut Condominium which includes the Demised Premises. Tenant's use and occupancy of the Demised Premises shall be subject in all respect to all terms and conditions set forth in the Master Deed and the Association Bylaws.
- C. Landlord has notified the Association of the name and address of Tenant as required pursuant to Article VI, Section 5 of the Master Deed.
- D. Landlord and Tenant shall enter into a Parking Sublicense Agreement with respect to parking for the Demised Premises (the "Parking Sublicense") and a Cafeteria Sublease Agreement with respect to the cafeteria to be used in connection with the Demised Premises (the "Cafeteria Sublease"). The Parking Sublicense and the Cafeteria Sublease are hereby incorporated into, and made a part of, this Lease.

SECTION 2 GRANT AND TERM

2.1 Demised Premises

(a) Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1. The Demised Premises includes the following improvements, subject to the terms and conditions of the Master Deed and the Association Bylaws: all non-structural improvements in the Demised Premises or exclusively serving the Demised Premises, and any structural improvements to the Building made to

accommodate Tenant's particular use of the Demised Premises (collectively "Landlord Improvements").

- The Landlord Improvements may exist in the Demised Premises as of the Rent (b) Commencement Date, or be installed by Landlord under this Lease at Landlord's cost. Subject to the terms and conditions of the Master Deed and the Bylaws, the Landlord Improvements include, but are not limited to: (1) interior walls and partitions (including those surrounding structural columns entirely or partly within the Premises); (2) the interior one-half of walls that separate the Demised Premises from adjacent areas designated for leasing; (3) the interior drywall on exterior structural walls, and walls that separate the Premises from the common areas of the Building, if any; (4) stairways and stairwells connecting parts of the Demised Premises on different floors, except those required for emergency exiting; (5) the frames, casements, doors, windows and openings installed in or on the improvements described in 1-4, or that provide entry/exit to/from the Demised Premises; (6) all hardware, fixtures, cabinetry, railings, paneling, woodwork and finishes in the Demised Premises or that are installed in or on the improvements described in 1-5; (7) if any part of the Demised Premises is on the ground floor, the ground floor exterior windows (including mullions, frames and glass); (8) integrated ceiling systems (including grid, panels and lighting); (9) carpeting and other floor finishes; (10) kitchen, rest room, laboratory or other similar facilities that exclusively serve the Demised Premises; and (11) the sprinkler, plumbing, heating, ventilating, air conditioning, lighting, communications, security, drainage, sewage, waste disposal, vertical transportation, fire/life safety, and other mechanical, electronic physical or informational systems that exclusively serve the Demised Premises, including the parts of each system that are connected to the Building's mechanical systems from the common point of distribution for each system to and throughout the Demised Premises.
- (c) The Demised Premises does not include: (1) any areas above the finished ceiling or integrated ceiling systems, or below the finished floor coverings that are not part of the Landlord Improvements; (2) janitor's closets; (3) stairways and stairwells to be used for emergency exiting or as common area of the Building, if any; (4) rooms for mechanical systems for the Building or connection of telecommunication equipment; (5) vertical transportation shafts; (6) vertical or horizontal shafts, risers, chases, flues or ducts; and (7) any easements or rights to natural light, air or view.
- (d) Tenant has full rights to the Gym Unit, Unit 6 of the Argonaut Condominium, as fully described in Subsection 2 of the Section 1 Demised Premises above, subject to and notwithstanding that Tenant shall grant the College for Creative Studies and its' students shared access to Unit 6 during Tenant's non-use of the Gym Unit, as coordinated between Tenant and the College for Creative Studies.

2.2 Term

The term of this Lease shall be for the Lease Term commencing on the Lease Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated July 1, 2018,

by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

2.3 Termination of Prior Lease

This Lease amends and restates in its entirety that certain Lease dated July 1, 2017 by and between Landlord and Tenant with respect to the Demised Premises, as amended (the "Prior Lease"). Effective as of the date hereof the Prior Lease is terminated and of no further force and effect except for those obligations set forth therein which expressly survive termination and any obligations for payments of Additional Rent Tenant arising or incurred during the term of the Prior Lease.

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Tenant acknowledges it currently has possession and occupancy of the Demised Premises and that the Lease Term shall commence on the date of this Lease.

4.2 Memorandum

Upon request of the Landlord, Tenant shall join with Landlord in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Lease Term. Tenant's failure to execute the Memorandum (if requested by Landlord) shall be a default by Tenant under this Lease.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord the Annual Base Rent stated in Section 1, for the Demised Premises during the Lease Term. The Annual Base Rent shall be payable in one annual payment in advance on the Rent Commencement Date and the first day of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord in writing.

5.2 Rent Net of Expenses

Landlord and Tenant intend that the Annual Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as Utilities (as defined below), if provided direct to Tenant, excluding Annual Base Rent, including, without limitation, Utilities, Taxes (as defined below), any and all assessments with respect to the Demised Premises pursuant to the Master Deed and the Association Bylaws and maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to Tax, Utility and other service bills, within five (5) days of Tenant's receipt thereof. Upon Tenant's failure to pay any Additional Rent, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay the Annual Base Rent (the Annual Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent").

5.4 Lease Year

"Lease Year" shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2018 and ending on June 30, 2019. The first Lease Year shall begin on the Rent Commencement Date. Each succeeding Lease Year shall commence on the anniversary of the commencement of the first Lease Year.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of Landlord's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Tenant. However, in the event any of the Utilities are not separately metered, Tenant shall pay the costs of such Utilities pursuant to an invoice provided by Landlord or the Association to Tenant based on the Percentages of Value of Units 2 and 6 pursuant to the Master Deed, the Association Bylaws or as otherwise required by the Master Deed or the Association Bylaws. Landlord shall not be liable to Tenant for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; (d) all costs and expenses incurred by Landlord during the Lease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Tenant pre-approves such contests for taxes or assessments; and (e) any and all assessments with respect to the Demised Premises pursuant to the Master Deed and the Association Bylaws. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Lease Years.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for the purpose of establishing, managing, and operating an urban high school academy and attendant office use, for uses authorized under the Charter School Contract, and for no other purpose without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion. Without limiting the generality of the foregoing, in no event shall any use of the Demised Premises include (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1) private or commercial golf course, (2) country club, (3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal business of which is the sale of alcoholic beverages for consumption off premises. ANY VIOLATION OF THE FOREGOING USE RESTRICTIONS SHALL BE A MATERIAL DEFAULT GIVING RISE TO AN IMMEDIATE RIGHT OF TERMINATION OF THE LEASE TO THE EXTENT PERMITTED BY APPLICABLE LAW SUBJECT TO THE MINIMUM NOTICE REQUIREMENTS OF APPLICABLE LAW.

Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease, the Master Deed, the Association Bylaws or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Rent Commencement Date. Tenant shall comply strictly with each and every term, condition, and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick-up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in a substantially similar condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any privilege or immunity, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Rent Commencement Date and during the Lease Term, (b) failure of Tenant to comply with any provision of this Lease, (c) failure of any subtenant of Tenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage, as well as all insurance required with respect to the Demised Premises by Co-owners under the Master Deed and the Association Bylaws. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications.

9.3 Delivery of Policy

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or

reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system, plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided however, that Tenant shall not be responsible for (a) latent defects at the Demised Premises, or (b) any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at its cost. The plumbing system, including the sewage facility serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency and except custodial) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted and in compliance with the Master Deed and the Association Bylaws. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

10.2 Compliance With Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or Restrictions or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. All work done in connection with any change or alteration shall be done promptly and in a good and workmanlike manner and in compliance with the building and zoning laws of the place in which the Demised Premises are located and with all laws, ordinances, orders, rules, regulations and requirements of all governmental authorities. The cost of any such change or alteration shall be paid in cash so that the Demised Premises shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to the Demised Premises. All improvements and alterations made or installed by Tenant in or on the Demised Premises shall immediately upon completion or installation thereof be and become a part of the Demised Premises and subject as such to the terms of this Lease.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense, keep the Demised Premises and all Landlord owned FF&E insured for the benefit of Landlord:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Landlord from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Landlord in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the Demised Premises and Landlord owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Demised Premises is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in HFA Middle &

High School Lease

statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the state of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of a stipulation, agreement, or order of possession. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant, at its sole and absolute discretion, may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be pro-rated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, diminution in value of the leasehold interest only, and other just compensation and reimbursement to which Tenant is entitled from the condemning authority.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises. Landlord and Landlord's agents shall comply with all Laws when accessing the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All furnishings, fixtures and equipment incorporated into and/or affixed to the Demised Premises by Landlord shall remain the property of Landlord at the termination of this Lease. Unless otherwise agreed to in a prior writing signed by Landlord and Tenant, if Tenant installs any furnishings, fixtures or equipment during the Term of this Lease that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then they shall become the property of Landlord at the termination of the Lease Term and shall not be removed without Landlord's prior written consent, which may be granted or withheld in its sole and absolute discretion. All fixtures and equipment installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such fixtures in accordance with all applicable Laws and shall repair any such damage or injury in a good and workmanlike manner. This Section shall not apply to the furnishings, fixtures and equipment leased by Landlord to Tenant pursuant to that certain Equipment Lease Agreement dated as of the date of this Lease.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant (collectively, a "Transfer"), without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole and absolute discretion.

SECTION 17 SALE OR TRANSFER

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due.
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent and other than any other default, breach or failure identified in a separate paragraph of this Section 18.1, and such failure remains uncured for thirty (30) days following written notice.
 - (c) Tenant files bankruptcy or Tenant becomes insolvent.
- (d) Tenant has abandoned the Demised Premises for longer than thirty (30) days, except for the period from June 30 to August 30 of any Lease Year, which shall not be deemed abandonments, or Tenant has vacated the Demised Premises.
- (e) In the event that a Change in Control of Tenant occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean a change in Board President of the Tenant's Board of Directors, or a change in the majority of members of the Tenant's Board of Directors from those holding office on the Lease Commencement Date, without the prior approval of Landlord having been obtained.
- (f) In the event that a Change in Control of the Educational Management Company used by Tenant to operate the urban high school academy school district which is operating the building and facility which is the subject of this Lease occurs without the prior approval of Landlord being obtained. "Change in Control" shall mean any of the following: (1) a change in the President of the Board of Directors or Managing Member of the Educational Management Company; (2) a change in the majority of members of the Board of Directors or membership of the Educational Management Company from those holding such positions on the Lease Commencement Date; or (3) change in the Chief Executive Officer (or similar title); or (4) any change of the actual person in primary control of the operation of the respective school on behalf of the Educational Management Company.

HFA Middle & High School Lease

- (g) The failure of Tenant to establish policies required by the Charter School Contract when and as required by the Charter School Contract.
- (h) The termination or expiration of the Charter School Contract or any failure to renew or extend such Charter School Contract for any reason or no reason. In the event the Charter School Contract is terminated during the School Year, thereby prohibiting the Tenant from operating a public school in accordance with Michigan law, this Lease shall terminate automatically.
- (i) A default by Tenant under the terms of any current leases (or subleases, or licenses) between Tenant, or any entity related to Tenant, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to the TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such lease.
- (j) Tenant fails to meet any one or more of the performance standards set forth on **Exhibit B** (collectively, the "Performance Standards").
- (k) The failure of Tenant to comply with any Reporting Requirement set forth in Section 19 of this Lease.
- (1) The failure of Tenant to comply with the restrictions on the use of the Demised Premises set forth in Section 8.1 of this Lease.
- (m) In the event that there shall be a chance in the Contract Administrator in place at the time of Lease Commencement Date without the prior written approval of Landlord having been obtained.
- (n) Tenant not operating the public school academy at the Demised Premises in accordance with the Charter School Contract.

18.2 Landlord's Remedies Upon Default

(a) Immediately upon Tenant's Default under this Lease, except (i) in the case of Tenant's Default under 18.1(e), one (1) year from Tenant's failure to meet any of the Performance Standards, and (ii) in the case of a Tenant's Default under 18.1(f), if during a School Year, by June 30, Landlord shall, in addition to all of its other remedies under this Lease and available at law or in equity, have the right to re-enter the Demised Premises, in accordance with applicable law, to remove all persons and property therefrom. Upon the occurrence of such Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, re-let the Demised Premises or any part thereof on such terms and conditions as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord

provides written notice of such intention to terminate to Tenant or unless termination is declared by a court of competent jurisdiction.

(b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if Landlord prevails, Tenant shall pay Landlord for expenses incurred in such action, including reasonable attorney's fees. Such expenses shall be deemed to have been incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorneys' fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 REPORTING

19.1 School Reports

During the Lease Term, as soon as available, but in no event after the period set forth herein, Tenant shall furnish, upon written request and to the extent not otherwise prohibited by law, or, where information is maintained on government online databases or formats, make available to Landlord the following documents with respect to the School:

- a) within sixty (60) calendar days after the beginning of each fiscal year of Tenant, annual enrollment for the School, including, without limitation, federal free and reduced- price lunch eligibility and special education and ethnicity enrollment;
- b) within thirty (30) calendar days of Tenant's receipt as to the School and to the extent not otherwise prohibited by applicable law: (i) "Annual School Report Card" required by the Every Student Succeeds Act, and the following additional information if not included in the Annual School Report Card: performance on mandated state educational tests and internally-administered tests; (ii) all programmatic quality reporting, including reports to the charter authorizer; and (iii) all material correspondence from the charter authorizer; and
- c) promptly after request. Tenant shall furnish to Landlord such additional HFA Middle & High School Lease

- information, reports, statements, and certificates with respect to the School as Landlord may from time to time reasonably request, in form and content reasonably satisfactory to the Landlord.
- d) Tenant acknowledges and agrees that Landlord is subject to certain reporting requirements (the "Reporting Requirements") set forth in Community Benefits Agreement dated as of the date hereof by and among Landlord, Thompson Educational Foundation and the Lender (as defined below). Tenant has received a copy of the Reporting Requirements and agrees to provide such information to Landlord within fifteen (15) days of request in order to enable Landlord to comply with the Reporting Requirements, including but not limited to completion of the Charter Impacts Form attached hereto as Exhibit C.
- e) Tenant and Landlord acknowledge and agree that, notwithstanding anything to the contrary, certain student-identifying information (including, without limitation, names and social security numbers) may be redacted from documents provided to Landlord pursuant to this 19.1 to protect the privacy of students of the School prior to such documents being delivered to Landlord.

19.2 Financial Reports and Covenants

- a) Tenant shall maintain a minimum Lease Payment Coverage Ratio of not less than 1.10 to 1.00, measured as of the end of each of Tenant's fiscal years, commencing with Tenant's fiscal year beginning on July 1, 2018 and ending with Tenant's fiscal year beginning July 1, 2023. For the purposes hereof, the "Lease Payment Coverage Ratio" shall be determined by dividing, with respect to Tenant's operation of the School, (i) Tenant's Earnings Before Interest, Taxes, Depreciation, Amortization and Tenant's Rent obligations under the Lease by (ii) the sum of Tenant's interest expense, Tenant's rent obligations under the Lease, and Tenant's Current Portion of Long-Term Debt for the prior period.
- b) Tenant shall deliver to Landlord (i) within one hundred twenty (120) days of the end of Tenant's fiscal year, financial statements for Tenant (including, at a minimum, a balance sheet, an income statement showing breakeven or better financial performance, and a statement of eash flow), which financial statements include specific details for Tenant Business and are certified as true and correct by an authorized officer of Tenant, in a form reasonably satisfactory to Landlord in all respects and audited by an independent certified public accountant reasonably approved by Landlord. All financial statements shall be prepared in accordance with generally accepted accounting practices for public school accounting in the State of Michigan. Tenant shall deliver to Landlord such other financial information with respect to Tenant and the Demised Premises as Landlord may reasonably request from time to time.

SECTION 20 QUIET ENJOYMENT

Landlord covenants that so long no Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 21 MORTGAGE

Landlord shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust, or other similar instrument which will enable Landlord to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Tenant shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Tenant under this Lease upon the condition that the Mortgagee executes and delivers to Tenant an agreement ("SNDA Agreement") in a form satisfactory to Tenant and Mortgagee that provides that the Mortgagee will recognize this Lease and not disturb Tenant's possession of the Demised Premises so long as Tenant is not otherwise in Default beyond any applicable cure period in the event of foreclosure or other enforcement activity. Tenant agrees, upon receipt of such SDNA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Lease to the lien of any such Mortgage.

SIGNS SECTION 22

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 23 OPTION TO EXTEND

23.1 Option to Extend Lease Term

So long as no Default has occurred and is continuing, Tenant shall have the option to extend the Lease Term for one additional five (5) year term on the same terms and conditions set forth herein ("Option to Extend"). The Base Rent for each Lease Year of such extended term shall be as set forth above. Each Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

23.2 Exercise of Option

Tenant may exercise an Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the expiration of the then current five (5) year Lease Term.

HFA Middle & High School Lease

SECTION 24 MISCELLANEOUS

24.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

24.2 Modification

This Lease shall not be modified or amended unless in writing signed by Landlord and Tenant.

24.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to each party at the address set forth Section 1. By notice to the other, either party may change its address for notices. Each notice must be in writing and will be validly given if either: (a) the notice is personally delivered and receipt is acknowledged in writing, or (b) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party two (2) business days after the deposit of the notice in the U.S. Mail.

24.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

24.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease.

24.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

24.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns, and permitted transferees.

24.8 Joint Drafting

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

24.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Signatures on following page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year first above written.

LANDLORD:

TEF-SIX, LLC, a Michigan limited liability company

Thompson Educational Foundation, its sole

member

By:

By:

Robert M. Thompson, President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By

Joseph A. Aristeo, President

Exhibit A Master Deed and Association Bylaws

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Bernard J. Youngblood 4 Wayne County Register a, Jeeds 2017236645 L: 53603 P: 506 90/26/2017 62:41 Ph TDC Tatal Pages: 71

EXAMINED AND APPROVED DATE JUN 2 3 2017

BY STK Alviv

AMY L MILLER-VANDAVAKER

PLAT ENGINEER

MASTER DEED OF

ARGONAUT CONDOMINIUM

WAYNE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 1061

This Master Deed is made and executed this 23 day of June, 2017, by Argonaut Campus Developer LLC, a Michigan limited liability company (hereinafter referred to as "Developer"), the address of which is 201 E. Kirby, Detroit, Michigan 48292-4034.

WITNESSETH:

WHEREAS, Developer desires, by recording this Master Deed, together with the Condominium Bylaws attached hereto as Exhibit A and the Condominium Subdivision Plan attached hereto as Exhibit B (both of which are hereby incorporated by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be thereon, and the appartenances thereto, as a condominium under the provisions of the Michigan Condominium Act (being MCLA 559.101 et seq.).

NOW, THEREFORE, upon the recording hereof, Developer establishes Argonaut Condominium as a Condominium under the Condominium Act and declares that the Condominium shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of said Act, and to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Master Deed and the Exhibits hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to Developer, its successors and assigns, and any persons acquiring or owning an interest in the said real property, their grantees, successors, heirs, executors, administrators and assigns.

ARTICLE I

The Condominium shall be known as Argonaut Condominium, Wayne County Condominium Subdivision Plan No. 1001. The number, boundaries, dimensions and volume of each Unit in the Condominium are set forth in the Condominium Subdivision Plan attached hereto as Exhibit B. Each Unit is capable of individual use, having its own access to a Common Element of the Condominium. Each Co-owner in the Condominium shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with other Co-owners the Common

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Elements of the Condominium as designated by the Master Deed. The plans and specifications for the Project have been filed with the City of Detroit (the "City").

ARTICLE II LEGAL DESCRIPTION

The land which comprises the Condominium established by this Master Deed is located in the City of Detroit, County of Wayne, State of Michigan, and described as follows (the "Condominium Premises").

PARCEL 1

ALL OF LOTS 27 THROUGH 80 AND THE ADJACENT VACATED ALLEY (16 FEET WIDE) OF "LEAVITT'S SUBDIVISION" AS RECORDED IN LIBER 9 OF PLATS, PAGE 17, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF MILWAUKEE AVENUE (60) FEET WIDE) AND CASS AVENUE (80 FEET WIDE), SAID POINT BEING THE NORTHEASTERLY CORNER OF LOT 27 OF SAID LEAVITT'S SUBDIVISION; THENCE S 26° 19' E (R), S 26° 18' 49" E (M) ALONG THE WESTERLY LINE OF CASS AVENUE, SAID LINE BEING THE EASTERLY LINE OF LOT 27, THE EASTERLY END OF A VACATED ALLEY (16 FEET WIDE) AND THE EASTERLY LINE OF LOT 60 OF SAID SUBDIVISION, 231,0 FEET (R), 231.07 FEET (M) TO THE NORTHWESTERLY CORNER OF BALTIMORE AVENUE (60 FEET WIDE) AND SAID CASS AVENUE, SAID POINT BEING THE SOUTHEASTERLY CORNER OF LOT 60; THENCE S 63° 11' W (R), S 63° 11' 25" W (M) ALONG THE NORTHERLY LINE OF BALTIMORE AVENUE, SAID LINE BEING THE SOUTHERLY LINE OF LOTS 60 THROUGH 44, 521.66 FEET (R), 522.05 FEET (M) TO THE NORTHEASTERLY CORNER OF SECOND AVENUE (80 FT WIDE) AND BALTIMORE AVENUE, SAID POINT BEING THE SOUTHWESTERLY CORNER OF LOT 44; THENCE N 26" 19' W (R), N 26° 18' 05" W (M) ALONG THE EASTERLY LINE OF SECOND AVENUE, SAID LINE BEING THE WESTERLY LINE OF LOT 44, THE WESTERLY END OF A VACATED ALLEY AND THE WESTERLY LINE OF LOT 43, 231.0 FEET (R), 231.07 FEET (M) TO THE SOUTHEASTERLY CORNER OF MILWAUKEE AND SECOND AVENUES, SAID POINT BEING THE NORTHWESTERLY CORNER OF LOT 43; THENCE N 63° 11' E (R), N 63° 11' 25" E (M), ALONG THE SOUTHERLY LINE OF SAID MILWAUKEE AVENUE, SAID LINE BEING THE NORTHERLY LINE OF LOTS 43 THROUGH 27, 521.66 FEET (R), 522.00 FEET (M) TO THE POINT OF BEGINNING AND CONTAINING 2,769 ACRES.

Ward 2, Items 1080-2 and 1090-2

PER ASSESSORS
(5/28/2011)

PARCEL 2

ALL OF LOTS 116 AND 117 OF "LEAVITT'S SUBDIVISION" AS RECORDED IN LIBER 9 OF PLATS, PAGE 17, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN,

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BEING MORE PARTICULARLY DESCRIBED AS

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 117, SAID POINT BEING THE NORTHWESTERLY CORNER OF BALTIMORE AVENUE (60 FEET WIDE) AND SECOND AVENUE (80 FEET WIDE); THENCE S 63° 11' 00" W (R&M), ALONG THE NORTHERLY LINE OF BALTIMORE AVENUE, SAID LINE BEING THE SOUTHERLY LINE OF LOTS 117 AND 116, 72.15 FEET (R), 72.31 FEET (M) TO THE SOUTHWESTERLY CORNER OF SAID LOT 116; THENCE N 26° 19' W (R), N 26° 13' 50° W (M), ALONG THE WESTERLY LINE OF LOT 116, 107.50 FEET (R&M) TO THE NORTHWESTERLY CORNER OF SAID LOT; THENCE N 83° 11' 00" E (R&M), ALONG THE SOUTHERLY LINE OF A PUBLIC ALLEY (16 FEET WIDE), SAID LINE BEING THE NORTHERLY LINE OF LOTS 116 AND 117, 72.15 FEET (R), 72.21 FEET (M) TO THE NORTHEASTERLY CORNER OF SAID LOT 117; THENCE S 26° 19' E (R), S 26° 16' 46" E (M), ALONG THE WESTERLY LINE OF SECOND AVENUE, SAID LINE BEING THE EASTERLY LINE OF LOT 117, A DISTANCE OF 107.50 FEET (R&M) TO THE POINT OF BEGINNING AND CONTAINING 0.178 ACRES.

Ward 4, Item 1399-400

ARTICLE III DEFINITIONS

PER ASSESSORS

Certain terms used in this Master Deed and the Exhibits hereto, and in the Articles of Incorporation of Argonaut Condominium Association are defined as follows:

- (a) The "Act" or "Condominium Act" means Act 59 of the Public Acts of Michigan of 1978, as amended.
- (b) "Association" means Argonaut Condominium Association, a Michigan nonprofit corporation, of which all Co-owners shall be members, which Association shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- (c) "Building" means the eleven story building located on the Condominium Premises and which constitutes part of the Project. The Building does not include the Gym Unit.
- (d) "Bylaws" means Exhibit A hereto, which are the Bylaws required for the Condominium and also the Bylaws required for the Association as a nonprofit corporation.
- (e) A "CCS Related Entity" means the College for Creative Studies, a Michigan non-profit corporation ("CCS"), or any successor or assign thereof or any entity controlled by, controlling or under common control with CCS or any such successor or assign or any other entity in which CCS or any such successor or assign has a direct or indirect interest.
- (f) "Class A Member" means any Co-owner, including Developer if Developer owns any Unit, other than the Co-owner(s) of the Gym Unit.

- (g) "Class B Member" means the Co-owner(s) of the Gym Unit, solely as the Co-owner of that Unit and not as the Co-owner of any other Unit.
- (h) "Common Elements" means the portions of the Condominium other than the Condominium Units.
- (i) "Condominium" or "Condominium Project" or "Project" means Argonaut Condominium as a condominium established pursuant to the provisions of the Act, and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to the Condominium.
- (j) "Condominium Documents", wherever used, means and includes this Master Deed and the Exhibits hereto and the Articles of Incorporation of the Association.
- (k) "Condominium Unit" or "Unit" means, except for the Gym Unit, the enclosed space constituting a single residential Unit designed and intended for separate ownership and use in the Condominium as such space may be described on Exhibit B hereto and all structures and improvements within such space (except for those improvements which constitute General Common Elements or Limited Common Elements).
- (1) "Condominium Subdivision Plan" or "Plan" means the Plan attached to this Master Deed as Exhibit B. The Plan assigns a number to each Condominium Unit and includes a description of the nature, location and approximate size of certain Common Elements.
- (m) "Co-owner" or "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium. Developer is a Co-owner as long as Developer owns one or more Units. Both land contract vendors and vendees shall be considered Co-owners and shall, except as otherwise expressly provided in the Condominium Documents, be jointly and severally liable for all obligations and responsibilities of Co-owners under the Condominium Documents and the Act.
- (n) "Developer" means Argonaut Campus Developer LLC, a Michigan limited liability company, and its successors or assigns. All development rights reserved to Developer herein are assignable in writing; provided, however, that conveyances of Units by Developer, including the conveyance of Units to a "successor developer" pursuant to Section 135 of the Act, shall not serve to assign Developer's development rights unless the instrument of conveyance or a separate recorded instrument expressly so states.
- (o) "Development and Sales Period" means the period beginning on the date this Master Deed is recorded and continuing as long as any CCS Related Entity uses or occupies all or any portion of the Project for any college or university purposes, including but not limited to use or occupancy for classrooms, dormitories or offices.
- (p) "First Mortgagee" means a Mortgagee who holds a recorded first mortgage on one or more Units.

- (q) "General Common Elements" means the Common Elements other than the Limited Common Elements.
- (r) "Gym Unit" means Unit 6, as shown on Exhibit B, which is a building that is connected to the Building and includes all structures and improvements within the Gym Unit (except for those improvements which constitute General Common Elements or Limited Common Elements).
- (s) "Limited Common Elements" means a partion of the Common Elements reserved in this Master Deed for the exclusive use of less than all of the Co-owners.
- (t) "Master Deed" means this document to which the Condominium Bylaws and Condominium Subdivision Plan are attached as Exhibits.
- (u) "Mortgagee" means the named mortgagee or owner of any mortgage on all or any portion of this Condominium.
- (v) "Percentage of Value" means the percentage assigned to each Condominium Unit in this Master Deed. The Percentages of Value of all Units shall total one hundred percent (100%). Percentages of Value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Condominium Documents or in the Act.
- (w) "Person" means an individual, firm, corporation, partnership, association, trust, the state or an agency of the state or other legal entity, or any combination thereof.
 - (x) "School Unit" means Unit 2, as shown on Exhibit B.
- (y) "Transitional Control Date" means the date on which the percentage of votes in the aggregate held by Directors appointed to the Board of Directors of the Association by the Developer and/or CCS Related Entities is less than fifty percent (50%).

ARTICLE IV COMMON FLEMENTS

The Common Elements of the Condominium described in Exhibit B attached hereto and the respective responsibilities for maintenance, decoration, repair, replacement, restoration or renovation thereof are as follows:

- (a) The General Common Elements are:
- (i) The land described in Article II hereof and beneficial easements, if any, including any drives, walkways, landscaped areas and parking areas, except to the extent any of the foregoing are designated herein or in the Plan as Limited Common Elements.
- (2) Except as otherwise provided in Section (b) below, the electrical system throughout the Condominium (excluding the Gym (Jmt) up to the point of connection to meters or submeters for Unit service.

- (3) Except as otherwise provided in Section (b) below, the gas transmission system throughout the Condominium (excluding the Gym Unit), up to the point of connection to meters or submeters for Unit service.
- (4) Except as otherwise provided in Section (b) below, the water distribution system throughout the Condominium (excluding the Gym Unit), up to the point of entry to each Unit. The water meter(s) for the Condominium are a General Common Element.
- (5) Except as otherwise provided in Section (b) below, the sanitary sewer system throughout the Condominium (excluding the Gym Unit), up to the point of entry to a Unit.
- (6) Except as otherwise provided in Section (b) below, the storm sewer and surface drainage system throughout the Condominium (excluding the Gym Unit).
- (7) Except as otherwise provided in Section (b) below, the telecommunications system, including the telephone and cable television transmission system, throughout the Condominium (excluding the Gym Unit), up to the point of connection to the service leads for Unit service.
- (8) Except as otherwise provided in Section (b) below, the heating, ventilation and air conditioning system (including the portion thereof consisting of boilers and related equipment) throughout the Condominium (excluding the Gym Unit).
- (9) Except as otherwise expressly provided in Section (b) below, the structural members, materials and components which comprise the roof, the foundations, supporting footings and columns, floors (including any subfloor but not including any finished floor), the ceilings, and Unit perimeter walls (excluding doors and windows), but excluding any of the foregoing located within or constituting part of the Gym Unit.
- (10) The common lighting system throughout the Project, both interior and exterior, including all related electrical transmission lines, lighting fixtures and related equipment and any meters which measure general common electricity, but excluding any lighting located on the exterior of the Gym Unit.
- (11) Except as otherwise expressly provided in Section (b) below, the clevators, elevator mechanical equipment, loading docks, and the mechanical, IT, electrical and elevator rooms as depicted on the Condominium Subdivision Plan.
- (12) The lobbies, common corridors, common restrooms, and common water fountains located on the first floor of the Building.
- (13) Stairwells (excluding stairwells within a Unit that provide access between floors of such Unit) that are not identified as a Llimited Common Element on the Plan.
- (14) Except as otherwise provided in Section (b) below, all signage located within the Project that is not within a Unit or Limited Common Element.

- (15) The elevator lobby located on the fourth floor of the Building that is identified as a General Common Element on the Plan
- (16) Such other elements of the Condominium not berein designated as Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

Some or all of the utility lines, systems (including mains and service leads) and equipment and the telecommunications system described above may be owned by a local public authority, municipality or a utility company or other private company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications system, shall be General Common Elements or Limited Common Elements only to the extent of the Co-owners' interest therein and Developer makes no warranty whatsoever with respect to the nature or extent of such interest.

- (b) Limited Common Elements shall be subject to the exclusive use and enjoyment of the owner(s) of the Unit(s) to which the Limited Common Elements are appurtenant. The Limited Common Elements are:
 - (1) The portions of the electrical, gas transmission, water distribution, sanitary sewer, storm sewer and surface drainage, telecommunications and HVAC systems, including submeters, located within the Condominium (excluding the Gym Unit) that serve less than all of the Units and are not located within any Unit shall constitute Limited Common Elements appurtenant to the Units served by such portions of such systems.
 - (2) The interior surfaces of the ceilings and perimeter walls and of the top of each subfloor (interior attachments to such walls, ceilings and subfloors being owned elements for which each Owner is individually responsible) of a Unit (excluding the Gym Unit) shall be Limited Common Elements appurtement to such Unit.
 - (3) The windows and doors which are located within the perimeter walls of a Unit (excluding the Gym Unit) are Limited Common Elements appurtenant to such Unit.
 - (4) A Unit, non-structural perimeter wall that constitutes a perimeter wall for two (2) Units shall, except as provided in (b)(2) above with respect to the interior surfaces of such perimeter walls, constitute a Limited Common Element appurtenant to such Units.
 - (5) All lighting and other items attached to or located on the Gym Unit shall constitute Limited Common Elements appurtenant to the Gym Unit.
 - (6) The portion of the basement of the Building identified on the Plan as a Limited Common Element (but in no event items described in Section (a)(9) above) and all other parking spaces located within the Project shall constitute Limited Common Elements appurtenant to Unit 1.
 - (7) The space that is contiguous to the Gym Unit and identified on the Plan as a Limited Common Element appartenant to the Gym Unit and all improvements located within

or enclosing such space shall constitute a Limited Common Element appurtenant to the Gym

- (8) Any elevator lobby located above the first floor of the Building that is identified on the Plan as a Limited Common Element appurtenant to one or more of the Units shall constitute a Limited Common Element appurtenant to such Unit(s).
- (9) Any sign tocated within the interior of the Building that identifies solely a Coowner or any tenant or other occupant of a Unit(s) and is permitted under this Master Deed shall constitute a Limited Common Element appurtenant to such Unit(s), it being acknowledged that any sign that identifies multiple Co-owners, tenants and/or occupants shall constitute a General Common Element.
- (10) The stairwell between the first and fourth floors of the Building that is identified as a Limited Common Element appurtenant to Unit 2 shall constitute a Limited Common Element appurtenant to such Unit.
- (11) The mechanical rooms identified on the Plan as a Limited Common Element shall constitute Limited Common Elements appurtenant to Unit 2.
- (12) Any other element or appurtenance, if any, that is identified as a Limited Common Element in the Condominium Subdivision Plan attached as Exhibit B, unless otherwise described in this Master Deed.

Limited Common Elements may be assigned and re-assigned pursuant to the provisions of the Act, including but not limited to in furtherance of the rights to subdivide, consolidate or relocate boundaries of Units described in Article X hereof.

- (c) The Association shall be responsible for the maintenance, repair and replacement of all General Common Elements, and the expense thereof shall be assessed to the Co-owners in proportion to the Percentages of Value stated in Article VI hereof, subject to any provision of the Condominium Documents expressly to the contrary.
- (d) The Co-owner(s) of a Unit(s) shall have the responsibility to maintain, repair and replace the Limited Common Elements that are appurtenant to such Co-owner(s)' Unit(s), except that the Association shall be responsible for any exterior painting of windows or window frames. Each Co-owner shall also be responsible for maintaining, repairing and replacing all improvements, equipment, fixtures and other items that are located within or constitute part of such Co-owner's Unit(s) and are not Common Elements.
- (e) None of the Units are separately metered or submetered for water and/or sewer service. The charges for such service to the Project charged by the municipality or other service provider shall constitute an expense of administration and shall be payable by the Co-owners to the Association in accordance with the Percentages of Value of their respective Units. To the extent that gas or electricity furnished to one or more Units or to the Limited Common Elements appurtenant to the Gym Unit that are described in Section (b)(7) (which, for purposes of this subsection (e) shall be deemed to be part of the Gym Unit) is separately submetered, including but not limited to gas and

electricity furnished to the Gym Unit, the Co-owner(s) of such Unit(s) shall pay to the Association the actual cost to the Association of all such electricity and gas based on readings of such submeters by the Association and/or a third party retained by the Association (the "Direct Electrical/Gas Charges"). Based on monthly readings of the submeters by the Association and/or a third party retained by the Association, the Association shall determine the Direct Electrical/Gas Charges for each Unit each month (or such other period of time as the Board of Directors may elect from time to time) and shall furnish each Co-owner with an invoice reflecting the Direct Electrical/Gas Charges for such Unit for such period, which invoice shall be payable by each such Co-owner to the Association within thirty (30) days after the issuance of such invoice. Notwithstanding anything to the contrary contained herein, the cost incurred by the Association in furnishing electricity to the Limited Common Element elevator lobbics and of operating the Building life safety system shall constitute an expense of administration and shall be payable by the Co-owners to the Association in accordance with the Percentages of Value of their respective Units.

ARTICLE V USE OF UNITS AND COMMON ELEMENTS

No person shall use any Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or any Common Element.

ARTICLE VI CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE

The Condominium consists of six (6) Units, numbered 1 through 6, inclusive. Each Unit is described in this Article VI with reference to the Condominium Subdivision Plan as prepared by Giffels Webster, a copy of which is attached hereto as Exhibit B. Each Unit, other than the Gym Unit (as defined in Article III above), shall include all that space contained within the unfinished perimeter walls and ceilings and to and from the unfinished subfloors that are shown on the floor plans and sections in the Condominium Subdivision Plan and delineated with heavy outlines. For all purposes, individual Units may hereafter be defined and described by reference to this Master Deed and the individual number assigned to the Unit in the Plan.

The Percentage of Value assigned to each Unit shall, except as otherwise provided in the Condominium Documents, be determinative of the proportionate share of each respective Co-owner in the proceeds and expenses of the Association and the value of such Co-owner's vote at meetings of the Association and the undivided interest of the Co-owner in the Common Elements. The total percentage value of the Condominium is one hundred percent (100%). Notwithstanding the foregoing or anything to the contrary contained in this Master Deed or the Bylaws (except as expressly provided in Section 15 of Article II of the Bylaws), no Percentage of Value shall be assigned to the Gym Unit and the Class B Member shall not share in the proceeds or expenses of the Association (except as expressly set forth in Section 15 of Article II of the Bylaws) and shall not be entitled to vote at any meetings of the Association or on any matter, including but not limited to the election of Directors.

The Percentages of Value assigned to Units 1 through 5 is as follows, which Percentages of Value were determined based on the approximate square footage of Units 1 through 5, without taking into account the square footage of the portion of Unit 1 that is currently used as a cafeterin:

Units	Percentage of Value
1	60.66%
2	19.69%
3	0.37%
4	14.94%
5	4.34%

ARTICLE VII EASEMENTS, RESTRICTIONS AND AGREEMENTS

The Condominium is subject to the following easements, restrictions and agreements:

- (a) Developer and/or the Association shall be empowered to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium (excluding a Unit or Limited Common Element appurtenant thereto unless the owner of such Unit consents thereto) for utility purposes or other lawful purposes as may be necessary or desirable for the benefit of the Condominium, subject to the approval of the Developer so long as the Development and Sales Period has not expired.
- (b) If any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling, or moving of a building, or due to survey errors or construction deviations, reconstruction or repair, reciprocal easements shall exist for the maintenance of such encroachment for as long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be permanent, non-exclusive easements to, through and over those portions of the Units and Common Elements for the installation, maintenance and servicing of all utilities in the Condominium, including, but not limited to, lighting, heating, power, sewer, water, communications, telephone and cable television lines. There shall exist easements of support with respect to any Unit interior wall which supports a Common Element.
- (c) Developer, the Association, Co-owners and all public or private utility companies shall have such easements over, under, across and through the Condominium, including all Units and Common Elements, as may be necessary or desirable to construct, market and operate the Condominium and to exercise or fulfill any rights or responsibilities of maintenance, repair, decoration or replacement which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium; provided, however, that such person exercising such easement rights shall be responsible for repairing and restoring any resulting damages to any Unit or Common Elements. Provided further, however, that the easements granted hereunder shall not entitle any person other than the Co-owner thereof to gain entrance to the interior of a Unit without prior advance notice as is reasonable under the then existing circumstances (except that no notice will be necessary in emergency circumstances).

(d) Co-owners, tenants and other occupants of Units and their respective agents, contractors, employees and invitees shall have a permanent, non-exclusive easement for ingress and egress over and across the stairwell that constitutes a Limited Common Element appartenant to Unit 2 during emergencies.

ARTICLE VIII AMENDMENTS

This Master Deed and any Exhibit hereto may be amended in the following manner:

- (a) Amendments may be made and recorded by Developer or by the Association without the approval of any Co-owner or Mortgagee if the amendment does not materially alter or change the rights of a Co-owner or Mortgagee.
- (b) If the amendment will materially change the rights of the Co-owners or Mortgagees, then such amendment requires the consent of not less than two-thirds (2/3) in value of the votes of the Co-owners and First Mortgagees. A First Mortgagee shall have one vote for each mortgage held. Notwithstanding anything to the contrary contained herein, First Mortgagees are entitled to vote on amendments to this Moster Deed or any Exhibit hereto only under the following circumstances:
 - (1) Termination of the Condominium;
 - (2) A change in the method or formula used In to determine the Percentage of Value assigned to a Unit subject to the Mortgagee's mortgage;
 - (3) A reallocation of responsibility for maintenance, repair, replacement or decoration of a Unit, its appurtenant Limited Common Elements, or the General Common Elements from the Association to the Unit subject to the Mortgagee's mortgage;
 - (4) Elimination of a requirement for the Association to maintain insurance on the Condominium as a whole or a Unit subject to the Mortgagee's mortgage or reallocation of responsibility for obtaining or maintaining, or both, insurance from the Association to the Unit subject to the Mortgagee's mortgage;
 - (5) The modification or elimination of an easement benefiting the Unit subject to the Mortgagee's mortgage;
 - (6) The partial or complete modification, imposition or removal of leasing restrictions for Units in the Condominium; or
 - (7) Amendments requiring the consent of all affected Mortgagees under Section (d) of this Article VIII.
- (c) Notwithstanding Section (a) or (b) above, but subject to the limitation of Section (d) below, Developer reserves the right to materially amend this Master Deed or any of its Exhibits for any of the following purposes without the consent of Co-owners or Mortgagees:

- (1) To modify the locations, types and sizes of unsold Units and the General and/or Limited Common Elements adjoining or appurtenant to unsold Units;
- (2) To correct arithmetic errors, typographical errors, survey errors, or any similar errors in this Master Deed, Plan or Condominium Bylaws;
- (3) To comply with the Act or rules promulgated thereunder or with any requirements of any governmental or quasi-governmental agency or any financing institution providing or proposing to provide a mortgage on any Unit or to satisfy the title requirements of any title insurer insuring or proposing to insure title to any Unit;
- (4) To convert the Convertible Areas of the Condominium and to redefine Common Elements and Units and adjust Percentages of Value in connection therewith and to make any other amendment expressly permitted by this Muster Deed or the Bylaws; and
- (5) To make, define or limit easements affecting the Condominium provided that any easements encumbering a Unit or Limited Common Element appurtenant thereto must be approved by the Co-owner thereof.
- (d) Notwithstanding any other provisions of this Article VIII, the method or formula used to determine the Percentages of Value for Units in the Condominium, as described above, may not be modified without the consent of each affected Co-owner and Mortgagee. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not be modified without the Co-owner's consent.
- (e) Any amendment to this Master Deed or any of the Exhibits hereto shall become effective upon the recordation of such amendment in the office of the Wayne County Register of Deeds.
- (f) Notwithstanding anything to the contrary contained in the Condominium Documents, any amendment or modification to this Master Deed or any Exhibit hereto shall require the prior written consent of Developer during the Development and Sales Period.

ARTICLE IX CONVERTIBLE AREAS

- (a) The Common Elements and all Units constitute Convertible Areas within which the Units and Common Elements may be modified and within which Units may be expanded, moved and eliminated as provided in this Article IX. Developer reserves the right, but not an obligation, to convert the Convertible Areas.
- (b) Developer reserves the right, in its sole discretion, during a period ending six (6) years from the date of recording this Master Deed, subject to the requirements of local ordinances and building authorities, to (1) modify the size, location, and configuration of any Unit that is owned by Developer or any other person (provided such other person consents thereto), and to make corresponding changes to the Common Elements, (2) eliminate any Unit that is owned by Developer or any other person (provided such other person consents thereto), and to substitute General and/or

Limited Common Elements therefor, and (3) relocate, modify, eliminate, expand or reduce General Common Elements and/or Limited Common Elements appurtenant to any Unit that is owned by Developer or any other person (provided such other person consents thereto), and, in connection therewith may, but shall not be obligated to, substitute Units, General Common Elements and/or Limited Common Elements therefor. The maximum number of Units in the Condominium, as established by the recording of this Master Deed, may not exceed thirty-three (33) Units.

- (c) The types of Units that may be created within the Convertible Areas will generally be consistent with other Units as described in Article VI of this Master Deed and the use of such Units shall be subject to the applicable restrictions contained in this Master Deed and the requirements imposed by local ordinances. There are no restrictions upon the improvements that may be constructed or installed within the Convertible Areas by Developer except those which are set forth in this Master Deed or are imposed by state law, local ordinances or building authorities. The extent to which any structure erected within the Convertible Areas will be compatible with structures located on other portions of the Condominium is not limited by this Master Deed but lies solely within the discretion of Developer, subject only to the restrictions contained in this Master Deed and the requirements imposed by state law, local ordinances and building authorities.
- Except as otherwise provided in Section (a) of this Article, the consent of any Coowner shall not be required to convert the Convertible Areas. Except as otherwise provided in Section (b) of this Article, all of the Co-owners and Mortgagees and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such conversion of the Convertible Areas and any amendment or amendments to this Moster Deed to effectuate the conversion and to any reallocation of Percentages of Value of existing Units which Developer may determine necessary in connection with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors or assigns, as agent and attorney for the purpose of execution of such amendment or amendments to this Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Dead and the Exhibits hereto. Mothing herein contained, however, shall in any way obligate Developer to convert the Convertible Areas. These provisions give notice to all Co-owners, Mortgagees and other persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of such amendment shall be required.
- (e) All modifications to Units and Common Elements made pursuant to this Article IX shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of Developer and in which the Percentages of Value set forth in Article VI hereof shall be proportionately readjusted, if Developer deems it to be applicable, in order to preserve a total value of one hundred percent (100%) for the entire Condominium resulting from such amendments to this Master Deed. The precise determination of the readjustments in Percentages of Value shall be made within the sole judgment of Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among Percentages of Value based upon the original method and formula described in Article VI of this Master Deed. Such amendments to this Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately

describe and service the Units and Common Elements being modified by such amendments. In connection with any such amendments, Developer shall have the right to change the nature of any Common Element previously included in the Condominium for any purpose reasonably necessary to achieve the purposes of this Article IX.

ARTICLE X SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Without the consent of any person other than an affected Mortgagee, one or more Co-owners may subdivide, consolidate or relocate the boundaries of a Unit and appurtenant Limited Common Elements, if any, by written request to the Association in accordance with Sections 48 and 49 of the Act and this Article, as follows except that in no event may the Gym Unit be subdivided without the prior written consent of the Developer during the Development and Sales Period (or thereafter, the Association) which consent shall be required only during any period of time any portion of the School Unit is being used as a middle school and/or high school:

- (a) <u>Subdivision of Umis</u>. Upon receipt of such request, the president of the Association shall cause to be prepared an amendment to the Master Deed, duly subdividing the Unit, separately identifying the resulting Umits by number or other designation, designating the Limited Common Elements in connection therewith, and reallocating the undivided interests in Common Elements and the Percentages of Value in accordance with the Co-owner's request. The Co-owner requesting such subdivision shall bear all costs of such amendment. Such subdivision shall not be effective until the amendment to the Master Deed, duly executed by the Association, has been recorded in the office of the Wayne County Register of Deeds.
- (b) <u>Consolidation of Units: Relocation of Boundaries.</u> Upon receipt of such request, the president of the Association shall cause to be prepared an amendment to the Master Deed duly relocating or deleting the boundaries between Units involved, reallocating the undivided interests in Common Elements and the Percentages of Value and providing for conveyancing between or among the Co-owners involved in the relocation of boundaries. The Co-owners requesting consolidation of Units or relocation of boundaries shall bear all costs of such amendment. Such relocation or deletion of boundaries shall not be effective until the amendment to the Master Deed has been recorded in the office of the Wayne County Register of Deeds.
- (c) <u>Limited Common Elements</u>. Limited Common Elements shall be subject to assignment and reassignment in accordance with Section 39 of the Act, including but not limited to and in furtherance of the rights to subdivide, consolidate or relocute boundaries described in this Article.

ARTICLE XI ASSIGNMENT

Any or all of the rights and powers granted or reserved to Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any

such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the office of the Wayne County Register of Deeds.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, Developer has caused this Master Deed to be executed the day and year first above written.

> Argonaut Campus Developer LLC, a Michigan limited liability company

College for Creative Studies, a

Michigan non-profit corporation, its

Manager

By:

Anne D. Beck, Vice President for Administration and Finance

STATE OF MICHIGAN

) 33.

COUNTY OF WAYNE

The foregoing instrument was acknowledged before me this 22 day of June, 2017, by Anne D. Beck, Vice President for Administration and Finance of College for Creative Studies, a Michigan non-profit corporation, the Manager of Argonaut Campus Developer LLC, a Michigan limited liability company, on behalf of the company.

OVANE NOSINGON
Notery Public - Michigan
Wayna County
My Commission Expires Jul, 19, 2018
Acting in the County of MAY ARE

PREPARED BY AND WHEN RECORDED RETURN TO:

Timothy M. Koltun, Esq. Clark Hill PLC 500 Woodward Avenue, Suite 3500 Detroit, Michigan 48226-3435

[Signature Page to Master Deed of Argonaut Condonlaium]

ARGONAUT CONDOMINIUM

EXHIBIT A

BYLAWS

ARTICLE I ASSOCIATION OF CO-OWNERS

Argonaut Condominium, a business Condominium Project located in the City of Detroit, Wayne County, Michigan, shall be administered by an Association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, casements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 8 of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers and prospective Mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

ARTICLE II ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act. Expenditures affecting the administration of the Project include but are not limited to the following costs: (a)

costs to maintain, repair, replace and clean the General Common Elements and other portions of the Project that the Association is responsible for maintaining, repairing or replacing, including but not limited to providing janitorial services to General Common Elements; (b) costs of insurance maintained by the Association pursuant to the Bylaws, including deductibles paid by the Association; (c) costs incurred by the Association with respect to electricity, gas, water, and heating, ventilation and air-conditioning furnished to Units or Common Elements; (d) security costs incurred with respect to the Project; (e) costs of operating the Project management office; (f) costs incurred to comply with insurance requirements or laws; (g) the fees and costs payable to a property manager; and (h) personal property taxes payable by the Association. The Association may enter into a single contract for trash removal and accounts payable by the Association pursuant to such contract shall constitute an expense of administration. Likewise, the Association may enter into such other contracts for goods and services for the benefit of the Co-owners as it may deem advisable, including but not limited to contracts for huildings and grounds maintenance, security service, leases of equipment, and ATM machines that are located within the General Common Elements.

Section 2. <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:

Annual Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for major repairs and replacements of those Common Elements which the Association is responsible for repairing and replacing under the Muster Deed shall be established in the budget and must be funded by regular payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a noncumulative basis. The minimum standard required by this subsection may prove to be inadequate for a particular project. The Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide repairs or replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding Ten Thousand and 00/100 Dollars (\$10,000.00) annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without a Coowner's consent, to levy assessments pursuant to the provisions of Article V. Section 3 hereof regarding the Association's responsibilities for repair and maintenance. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding Ten Thousand and 00/100 Dollars (\$10,000.00) for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty percent (60%) of all Class A Members both in number and in value. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Muster Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Class A Members in accordance with Article VI of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in monthly installments, commencing with such Co-owner's acceptance of a deed to or a land contract vendec's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late charge equal to five percent (5%) of each assessment or installment thereof which is in default for ten (10) or more days shall be imposed upon such assessment or installment. In addition, each assessment or installment thereof in default for thirty (30) or more days shall bear interest from the initial due date thereof at the rate of seven percent (7%) per annum until such assessment or installment thereof is paid in full. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including late charges, interest and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser who constitutes a Co-owner shall be so personally liable and such land contract seller shall not be personally liable for all such assessments or installments thereof levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of

assessments or installments thereof in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges, late fees and fines for late payment on such assessments or installments thereof; and third, to assessments or installments thereof in default in order of their due dates. Except as otherwise provided in Section 15 of this Article II, no Class B Member shall be liable for any assessments, annual or special, except for assessments made with respect to Non-Exempt Expenses.

Section 4. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 5. Liens. Sums assessed to a Co-owner by the Association that are unpaid, together with interest on such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorney fees, and fines in accordance with the Condominium Documents, constitute a lien upon the Unit or Units in the Condominium Project owned by the Co-owner at the time of the assessment before all other liens except tax liens on the Unit in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record, except that past due assessments that are evidenced by a notice of lien, recorded as set forth in Section 6 below, have priority over a first mortgage recorded subsequent to recording of the notice of lien. The lien upon each Unit owned by the Co-owner shall be in the amount assessed against the Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Units no longer owned by the Co-owner but which became due while the Co-owner had title to the Units.

Section 6. Enforcement,

Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclasure of the statutory lien that secures payment of assessments. An action for money damages and foreclosure may be combined in one action. An action to recover money judgments for unpaid assessments may be maintained without foreclosing or waiving the lien. In the event of default by any Caowner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. A Class A Member in default shall not be entitled to vote at any meeting of the Association so long as such default continues. During the redemption period following a foreclosure sale at which the Association is the purchaser of a Unit, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him, and may be empowered to take possession of the Unit if not occupied by the Coowner and to lease the Unit and to collect and apply the rental therefrom. All of these remedies shall be cumulative and not alternative.

- Forcelosure Proceedings. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lieu securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions, provided, however, that notwithstanding the foregoing, the Association shall be entitled to reasonable interest, expenses, costs and attorney's fees for foreclosure by advertisement or judicial action. The Association, acting on behalf of all Co-owners, may bid in at the foreclosure sale and acquire, hold, lease, mortgage or sell the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of any such lease, mortgage or sale in accordance with the priorities established by applicable law. The redemption period for foreclosure is six months from the date of sale unless the Unit is abandoned, in which event the redemption period is one month from the date of sale. The Co-owner of a Unit subject to forcelosure, and any purchaser, grantee, successor, or assignee of such Co-owner's interest in the Unit, is liable for assessments by the Association chargeable to the Unit that become due before expiration of the period of redemption, together with interest, advances made by the Association for taxes or other liens to protect the Association's lien, costs and attorney fees incurred in their collection.
- (c) Power of Sale. Further, each Co-owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent at public sale in accordance with the statutes providing therefor and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.
- (d) Notice of Lien. The Association may not commence proceedings to foreclose a lien for unpaid assessments without recording and serving a notice of lien in the following manner:
 - (1) The notice of lien shall set forth the legal description of the Unit or Units to which the lien attaches, the name of the Co-owner of record thereof, the amount due the Association as of the date of notice, exclusive of interest, costs, attorney's fees and future assessments.

- (2) The notice of lien shall be in recordable form, executed by an authorized representative of the Association, and may contain such other information as the Association deems appropriate.
- (3) The notice of lien shall be recorded in the office of the Washtenaw County Register of Deeds and shall be served upon the delinquent Co-owner by first class mail, possage prepaid, addressed to the last known address of the Coowner at least ten (10) days in advance of the commencement of the forcelosure proceedings.
- (e) <u>Expenses of Collection</u>. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.
- Section 7. <u>Linbility of Mortgagee</u>. Notwithstanding any of the provisions of the Condominium Documents, if the holder of any first mortgage covering, or other purchaser of, any Unit in the Condominium Project obtains title to the Unit as a result of foreclosure of the first mortgage, such person, and its heirs, representatives, successors and assigns, are not liable for the assessments chargeable to such Unit which became due prior to the acquisition of title to the Unit by such person.
- Section 8. Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.
- Section 9. <u>Personal Property Tax Assessment of Association Property.</u> The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.
- Section 10. <u>Construction Lien</u>. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.
- Section 11. Statement as to Unpaid Assessments. The purchaser or grantee of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special, interest, late charges, fines, costs and attorney fees thereon. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser or grantee holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments and related charges as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser or grantee to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments, together with interest, costs, fines, late charges and attorney fees incurred in the collection of such

assessments, and the lien securing the same fully enforceable against such purchaser or grantee and the Unit itself, to the extent provided by the Act

Section 12. Payment of Unpaid Assessments at Time of Sale. Upon the sale or conveyance of a Unit, all unpaid assessments, interest, late charges, fines, costs and attorneys' fees against such Unit shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid on the Unit and (b) payments due under a first mortgage having priority thereto.

Section 13. Foreclosure of First Montgage. The Montgagee of a first mortgage of record of a Unit shall give notice to the Association of the commencement of foreclosure of the first mortgage by advertisement by serving a copy of the published notice of foreclosure sale required by statute upon the Association by certified mail, return receipt requested, addressed to the resident agent of the Association at the agent's address as shown on the records of the Michigan Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, or to the address the Association provides to the Mortgagee, if any, in those cases where the address is not registered, within ten days after the first publication of the notice. The Mortgagee of a first mortgage of record of a Unit shall give notice to the Association of intent to commence foreclosure of the first mortgage by judicial action by serving a notice setting forth the names of the mortgagors, the Mortgagee, and the foreclosing assignee of a recorded assignment of the mortgage; the date of the mortgage and the date the mortgage was recorded; the amount claimed to be due on the mortgage on the date of the notice; and a description of the mortgaged premises that substantially conforms with the description contained in the mortgage, upon the Association by certified mail, return receipt requested, addressed to the resident agent of the Association at the agent's address as shown on the records of the Michigan Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, or to the address the Association provides to the Mortgagee, if any, in those cases where the address is not registered, not less than ten days before commencement of the judicial action. Failure of the Mortgagee to provide notice as required by this Section shall only provide the Association with legal recourse and will not, in any event, invalidate any foreclosure proceeding between the Mortgagee and mortgagor;

Section 14. Additional Default Provisions. Notwithstanding anything to the contrary contained herein, if the Co-owner of one or more Units, other than the Developer, fails to pay when due any assessment levied against such Co-owner by the Association (the "Defaulting Co-owner"), the Developer, prior to the expiration of the Development and Sales Period, may, but shall not be obligated, to pay all or any portion of such defaulting Co-owner's assessment to the Association, and the Developer shall have a lien against the Unit of the defaulting Co-owner for the amount so paid by the Developer, with the same rights and remedies that the Association has with respect to nonpayment of assessments under these Bylaws and the Act.

Section 15. <u>Class B Member Liability</u>. Notwithstanding anything to the contrary contained in the Condominium Documents other than as provided in this Section 15, a Class B Member shall not be liable for paying or reimbursing the Association for any expenses incurred

by the Association except for Non-Exempt Expenses. "Non-Exempt Expenses" means (i) Coowner Caused Costs (as defined in Section 12 of Article VI of these Bylaws) for which a Class B Member is responsible under Section 12 of Article VI of these Bylaws, (ii) the costs of gas or electricity furnished to the Gym Unit and the Limited Common Elements appurtenant to the Gym Unit that are described in Section (b)(7) of Article IV of the Master Deed, which is payable as provided in Section (e) of Article IV of the Master Deed, (iii) costs, loss or damages incurred by the Association that arise out of the failure of a Class B Member or any tenant, occupant or licensee of all or any portion of the Gym Unit or any Limited Common Elements appurtenant thereto or any of their respective agents, contractors, employees or invitees (the Class B Member and all such other persons are individually referred to herein as a "Class B Member Party") to comply with any provision of any of the Condominium Documents that applies to such Class B Member or any other Class B Member Party, including but not limited to costs incurred by the Association in performing any maintenance, repairs or replacements that the Class B Member is required, but fails, to perform under the Condominium Documents, (iv) costs incurred by the Association in repairing and restoring any damage to any Unit or Common Elements resulting from the exercise by a Class B Member of its easement rights under Section (c) of Article VII of the Master Deed, (v) coats, loss or damages incurred by the Association that arise out of the negligence or willful misconduct of a Class B Member Party, (vi) all expenses and other amounts that the Class B Member has agreed in writing to pay the Association, (vii) lines assessed against a Class B Member pursuant to Article XIX of these Bylaws and all late charges and interest payable by a Class B Member pursuant to Section 3 of Article II of these Bylaws and (viii) expenses incurred by the Association in collecting any of the foregoing sums, costs or other items from a Class B Member (whether any such sums, costs or other items are collectible as an assessment or a portion thereof or otherwise) or otherwise enforcing its rights against a Class B Member, including costs, actual attorney's fees and advances for taxes or other liens paid by the Association to protect its lien.

Notwithstanding the foregoing or anything to the contrary contained in the Condominium Documents, if the Gym Unit, as permitted under the Condominium Documents, is used for a purpose other than as a gympasium, then thereafter, pursuant to an amendment to the Master Deed recorded by the Developer or Association, the Gym Unit shall be assigned a Percentage of Value, and the Percentages of Value assigned to the other Units shall be proportionately decreased, based on the respective square footages of all of the Units, provided that, in determining such Percentages of Value, only seventy-five percent (75%) of the square footage of the Gym Unit shall be taken into account and the square footage of the portion of Unit 1 that is currently used as a cafeteria shall not be taken into account, and the Class B Member shall become a Class A Member and no longer constitute a Class B Member.

ARTICLE III ARBITRATION

Section 1. Scope and Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners or between Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes,

claims or grievances (which consent shall include an agreement of the parties that the judgment of any Circuit Court in the State of Michigan may be rendered upon any award pursuant to such arbitration) and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding. At the exclusive option of the Association, a contract to settle by arbitration shall be executed by Developer with respect to any claim that might be the subject of a civil action against Developer, which claim arises out of or relates to the Common Elements of the Condominium Project if the amount of the claim is Ten Thousand Dollars (\$10,000.00) or less. At the exclusive option of a Co-owner, any claim which might be the subject of a civil action against Developer which involves an amount less than Two Thousand Five Hundred Dollars (\$2,500.00) and arises out of or relates to a Co-owner's Unit or the Project, shall be settled by binding arbitration. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

- Section 2. <u>Judicial Relief.</u> In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.
- Section 3. <u>Election of Remedies</u>. The election and written consent by parties pursuant to Section 1 above to submit any dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV

- Section 1. Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the Common Elements of the Project, carry Special Perils Cause of Loss Form insurance or similar insurance (including standard and extended coverage endorsement perils, leakage from fire protective devices and other water damage), commercial general liability insurance (in a minimum amount to be determined by Developer or the Association in its discretion, but in no event less than \$1,000,000 per occurrence), excess or umbrella liability insurance (in a minimum amount to be determined by Developer or the Association in its discretion, but in no event less than \$4,000,000, officers' and directors' liability insurance (in a minimum amount to be determined by Developer or the Association, but in no event less than \$2,000,000, and workmen's compensation insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the Common Elements (except as otherwise provided below) and such insurance shall be carried and administered in accordance with the following provisions:
 - (a) Responsibilities of Association. All such insurance shall be purchased by the Association for the benefit of the Association, Developer and the Co-owners and their Mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of Mortgagee endorsements to the Mortgagees of Co-owners.

- (b) Insurance of Common Elements. All Common Elements (other than the Limited Common Elements appurtenant to the Gym Unit that are described in Section (b)(7) of Article IV of the Master Deed) shall be insured by the Association against fire (if appropriate) and other perils covered by special form coverage, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with its appropriate professional advisors.
- (c) <u>Premium Expenses</u>. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their Mortgagees, as their interests may appear, provided, however, whenever repair or reconstruction of damaged portions of the Condominium shall be required as provided in Article V of these Bylaws, the insurance proceeds received by the Association as a result of any loss requiring repair or reconstruction shall be applied to such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.
- (e) <u>Insurance Certificates</u>. Certificates of insurance maintained by the Association shall be issued to each Co-owner and Mortgagee upon request.
- Section 2. <u>Authority of Association to Settle Insurance Claims</u>. Each Co-owner appoints the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of special form insurance (including standard and extended coverage endorsement perils, leakage from fire protective devices and other water damage), linbility insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the Common Elements appurtenant thereto that the Association is responsible for insuring as provided above, with such insurer as may, from time to time, provide such insurance for the Condominium Project. The Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective Mottgagees, as their interests may appear (subject to limiting or defining provisions of the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of the Association and any of its Co-owners as shall be necessary or convenient to accomplish the foregoing.
- Section 3. <u>Insurance Responsibilities of Co-owners</u>. Each Co-owner shall be obligated and responsible for obtaining special form insurance with respect to the improvements located within his Unit (other than Common Elements), Limited Common Elements appurtenant to his Unit that the Association is not responsible for insuring and for his personal property located therein or thereon or elsewhere on the Condominium Project; provided, however, that the

Co-owner of the Gym Unit shall be obligated and responsible for obtaining special form insurance with respect to the entire Gym Unit, including all improvements located therein. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insumble replacement value, excluding foundation and excavation costs. Each Coowner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the boundaries of his Unit and Limited Common Elements appurtenant thereto and the improvements located therein (naming the Association and Developer as additional insureds thereunder), and also for any other personal insurance coverage that the Coowner wishes to carry. The liability insurance described in this Section 3 shall initially be cerried in a minimum amount equal to \$5,000,000,00 per occurrence, which minimum amount may be increased from time to time by Developer during the Development and Sales Period (and thereafter by the Association) to conform to, as reasonably determined by the Developer or Association, whichever is applicable, the minimum limits of liability insurance then being required of tenants or condominium unit owners of space in Class A or Class B office or commercial buildings located within the Detroit metropolitan area. A Co owner may satisfy the minimum amount of liability insurance required by the immediately preceding sentence by a combination of commercial general liability insurance and excess or umbrella liability insurance.

Each Co-owner shall, upon receipt of a request from Developer or the Association, promptly deliver certificates of such insurance to Developer or the Association as applicable. If a Co-owner fails to obtain any such insurance (which may be assumed to be the case if the Co-owner fails to timely provide evidence thereof to the Association), the Association may obtain such insurance on behalf of such Co-owner and the premiums therefor (if not reimbursed by the Co-owner on demand) shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof.

To the extent a Co-owner does or permits anything to be done or kept within his Unit or Limited Common Elements appurtenant to his Unit that will increase the rate of insurance each Co-owner shall pay to the Association, the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition shall be charged to the Co-owner responsible for such activity or condition.

Section 4. Waiver of Rights of Subrogation. The Association and all Co-owners shall cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association. The liability insurance carried by the Association and Co-owners shall, where appropriate, contain cross-liability endorsements to cover liability of the Co-owners as a group to another Co-owner.

Section 5. Additional Insurance. The Association may, as an expense of administration, purchase an umbrella or excess liability insurance policy which covers any risk required hereunder which was not covered due to lapse or failure to procure.

Determination of Primary Carrier. It is understood that there may be overlapping coverage between the Co-owners' policies and those of the Association, as required to be carried jursuant to this Article. In situations where both coverages/policies are applicable to a given loss, the provisions of this Section shall control in determining the primary carrier. In cases of property damage to the Unit or a Limited Common Element appurtenant to such Unit that the Co-owner of such Unit is responsible for insuring as provided above and/or its contents, the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of property demage to all other Common Elements, the Association's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or Limited Common Elements appurtenant thereto, the Co-owner's policy/earrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the General Common Elements, the Association's policy/corrier shall be deemed to be the primary carrier. In all cases where the Association's policy/carrier is not deemed the primary policy/carrier, if the Association's policy/carrier contributes to payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of the insurance proceeds, and shall not in any event require or result in the Association paying or being responsible for any deductible amount under its policies. In cases where the Co-owner's policy is deemed primary for the purpose of covering losses where the damage is incidental or caused by a General Common Element or the repair or replacement thereof, the insurance carrier of the Co-owner shall have no right of subrogation against the Association or its carrier

ARTICLE V RECONSTRUCTION OR REPAIR

- Section I. <u>Responsibility for Reconstruction or Repair</u>. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:
 - (a) If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenuntable, unless it is determined by an affirmative vote of eighty (80%) percent of the Co-owners in the Condominium in number and value that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.
 - (b) If the Condominium is so damaged that no Unit is tenantable, and if each institutional holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval of the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless eighty (80%) percent or more of the Co-owners in number and value agree to reconstruction by vote or in writing within ninety (90) days after the destruction.
- Section 2. Repair and Reconstruction To Condition Existing Prior to Damage. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the

plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.

Section 3. Co-owner Responsibility for Reconstruction or Repair.

- (a) If the damage is to a Unit or Limited Common Elements which are the responsibility of a Co-owner to maintain and repair and/or insure, it shall be the responsibility of the Co-owner to repair such damage in accordance with subsection (b) hereof. In all other cases, the responsibility for reconstruction and repair, although not necessarily the costs thereof, shall be that of the Association.
- Regardless of the cause or nature of any damage, including but not limited to incidents where the damage is incidental or caused by a Common Element or the repair or replacement thereof, each Co-owner shall be responsible for the reconstruction and repair of the interior of the Co-owner's Unit and all fixtures, trim and personal property, including, but not limited to, floor coverings, window shades, draperies, interior walls (but not any Common Elements therein that the Association is responsible for maintaining), wall coverings, interior trim, furniture, light fixtures, and all appliances, whether freestanding or built-in. In the event damage to interior walls within a Coowner's Unit or to pipes, wires, conduits, ducts or other Common Elements therein is covered by insurance held by the Association, then the reconstruction or repair of the same shall be the responsibility of the Association in accordance with Section 4 of this Article, although the responsibility for costs thereof shall be allocated in accordance with the provisions of this Section and Section 4. If any other interior portion of a Unit or a Limited Common Element appurtenant thereto is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, absent Co-owner coverage (but the Co-owner shall be responsible for any deductible amount), and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lies on any Unit in the Condominium.
- Section 4. Association Responsibility for Repair. Subject to the responsibility of the Co-owners as auttimed in Section 3 above, and other provisions of these Bylaws and the Master Deed applicable to such situations, the Association shall be responsible for the reconstruction and repair of the Common Elements. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or

repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

Section 5. <u>Timely Reconstruction and Repair</u>. If damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay and shall diligently pursue completion of such replacement.

Section 6. <u>Eminent Domain</u>. The following provisions shall control upon any taking by eminent domain:

- (a) Taking of Unit or Improvements Thereon. In the event of any taking of all or any portion of a Unit or any improvements therein (other than General Common Elements) or any Limited Common Elements appurtenant solely to such Unit by eminent domain, the award for such taking shall be paid to the Co-owner of the affected Unit and the Mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his Mortgagee shall, after acceptance of the condemnation award therefor, be divested of all interest in the Condominium Project.
- (b) Taking of General Common Elements. If there is any taking of any portion of the Condominium other than any Unit or a Limited Common Element appurtenant to only one (i) Unit, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their Mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
- (c) Continuation of Condominium After Taking. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article VI of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the Percentages of Value of the remaining Units based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an afficer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner.
- (d) Notification of Mortgagees. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- (e) Applicability of the Act. To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.

Section 6. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of First Mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

Section 7. Notification of FHLMC, FNMA, Etc. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), the Michigan State Housing Development Authority ("MSHDA"), or insured by the Veterans Administration ("VA"), Department of Housing and Urban Development ("HUD"), Federal Housing Association ("FHA") or any private or public mortgage insurance program, then the Association shall give the aforementioned parties written notice, at such address as they may from time to time direct, of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds Ten Thousand Dollars (\$10,000.00) in amount or damage to a Condominium Unit covered by a mortgage purchased, held or insured by them exceeds \$1,000.00.

ARTICLE VI RESTRICTIONS

The Condominium shall be subject to the following limitations and restrictions:

Section I. Use.

- (a) No Unit shall be used for any purposes in violation of applicable zoning or other ordinances or laws;
- (b) Pursuant to a deed dated May 29, 2008 and recorded in Liber 47425, Page 819, Wayne County Records (the "GM Deed"), the following restrictions were imposed upon the Condornium Premises:
- (i) "Hazardous substances", "hazardous wastes", or "toxic substances" as those terms are defined under CERCLA, 42 U.S.C. 9601 et seq., RCRA, 42 U.S.C. 6901 et seq., or TSCA, 15 U.S.C., 2601 et seq., or under similar Michigan law may not be treated, stored or disposed of on, at or below the Condominium Premises and generator-only status shall be maintained; provided, however, that (A) such substances or wastes muy be accumulated as allowed under and in accordance with all applicable laws and regulations for off-site treatment, off-site storage, or off-site disposal, and (B) commercial products which may contain such substances may be used or stored on the Condominium Premises.
- (ii) (A) Except as otherwise provided below, the Condominium Premises shall only be used for industrial use and the following commercial uses: those commercial uses specified in subcategories II, III or IV as defined in the Natural Resources and Environmental Protection Act of 1994 (Act 51), Part 201 Administrative Rules, most recently amended December 21, 2002.

- (B) Notwithstanding (ii)(A), the Condominium Premises may be used for a middle school, high school, or college or graduate school use, and for college or graduate school student housing and housing for participants in youth or pre-college programs, provided that no resident shall be less than seven (7) years of age and any residential use shall be confined to floors three-ten of the Building unless a change in such age limit or huilding location is approved by the successors or assigns of General Motors Corporation in its sole discretion, but subject to the requirement that such use shall be permitted only upon satisfaction of the terms and conditions set forth in the GM Deed.
- (iii) Use of groundwater at, in or under the Condominium Premises for any purpose, including potable and non-potable use, is prohibited.
- The School Unit may be used only for a middle school and/or high school and attendant office purposes by the Public School Academies of Detroit or any entity controlling, controlled by, or under common control with the Public School Academies of Detroit (a "PSAD Entity"), TEF-SIX, LLC, a Michigan limited liability company ("TEF"), or any entity controlling, controlled by, or under common control with TEF (a "TEF Entity"), or a non-profit charter school that TEF and the Thompson Educational Foundation, a Michigan nonprofit corporation, have determined is consistent with their charitable mission and which charter school is otherwise approved by Developer during the Development and Sales Period (or thereafter, the Association provided that the Association's consent shall not be required for a change in use of the School Unit after the Transitional Control Date), which approval shall not be unreasonably withheld (which approved charter school shall be referred to as an "Approved Charter School"), and for no other purpose without the written consent of the Developer during the Development and Sales Period (or thereafter, the Association provided that the Association's consent shall not be required for a change in use of the School Unit after the Transitional Control Date), which consent may be withheld in the Developer's or Association's sole and absolute discretion except that the Developer or Association shall not unreasonably withhold its consent to a use of all or a portion of the School Unit for general office purposes or for a use which is similar to or compatible with then existing uses of the Building except that the Developer may withhold, in its sole and absolute discretion, its consent to (i) a proposed use for a college or university, (ii) a proposed use for a middle school and/or high school by a person or entity other than a PSAD Entity or TEF Entity and except that the Developer may not unreasonably withhold its consent to an Approved Charter School described above, or (iii) a proposed use for art and/or design education, courses, or training except as part of a middle school and/or high school operated by a PSAD Entity or TEF Entity or an Approved Charter School.
- (d) The Gym Unit shall be used solely as a gymnasium in conjunction with the operation of all or any portion of the School Unit during any period that all or any portion of the School Unit is used as a middle and/or high school unless the Developer during the Development and Sales Period (or thereafter, the Association provided that the Association's consent shall not be required for a change in use of the Gym Unit after the Transitional Control Date) otherwise consents in writing to a contrary use, which consent may be withheld in the sole and absolute discretion of the Developer or Association, whichever is applicable. After the date no portion of the School Unit is used for a middle and/or high school, a use of the Gym Unit

other than for a gymnasium shall require the written consent of the Developer during the Development and Sales Period (or thereafter, the Association provided that the Association's consent shall not be required for change in the use of the Gym Unit after the Transitional Control Date), which consent may be withheld in the Developer's or Association's sole and absolute discretion except that the Developer or Association shall not unreasonably withhold its consent to a use of all or any portion of the Gym Unit for general office purposes or for a use which is similar to or compatible with then existing uses of the Building except the Developer may withhold, in its sole and absolute discretion, its consent to (i) a proposed use for a college or university, (ii) a proposed use for a middle school and/or high school by a person or entity other than a PSAD Entity, TEF Entity or an Approved Charter School as described above, or (iii) a proposed use for art and/or design education, courses or training except as part of a middle school and/or high school operated by a PSAD Entity, TEF Entity or Approved Charter School.

(c) Any Unit (other than the School Unit or Gym Unit, which are addressed above) sold or transferred by the Developer to a person or entity other than a CCS Related Entity shall after the sale or transfer be used only for a use the same or similar to the use of such Unit prior to such sale or transfer and for no other purpose without the written consent of the Developer during the Development and Sales Period (or thereafter, the Association provided that the Association's consent shall not be required for a change in use of such Unit after the Transitional Control Date), which consent may be withheld in the Developer's or Association's sole and absolute discretion except that Developer or Association shall not unreasonably withhold its consent to n use of all or a portion of such Unit for general office purposes or for a use which is similar to or comparable with then existing uses of the Building except that the Developer may withhold, in its sole and absolute discretion, its consent to (i) a proposed use for a college or university, (ii) a proposed use for a middle school and/or high school by a person or entity other than a PSAD Entity, TEF Entity, or (iii) a proposed use for art and/or design education, courses or training.

Rights of First Offer and Refusal of Developer. (a) The Gyra Unit may Section 2. not, without the prior written consent of the Developer during the Development and Sales Period (or thereafter, the Association), be sold or otherwise transferred or conveyed separately from a sale or other transfer or conveyance of all or any portion of the School Unit except for a sale or other transfer or conveyance to the Developer or an affiliate thereof. Notwithstanding the foregoing, the School Unit may be sold or otherwise transferred or conveyed separately from the Gym Unit and if the School Unit is sold or otherwise transferred or conveyed separately from the Gym Unit to a party other than a PSAD Entity, a TEF Entity or an Approved Charter School, the Gym Unit may thereafter be sold and transferred separate from the School Unit. Prior to the expiration of the Development and Sales Period, if the Co-owner of all or any portion of the School Unit desires to sell or transfer or offer for sale or transfer all or any portion of the School Unit (which sale or transfer may or may not include the Gym Unit) (such portion of the School Unit and, if applicable, the Gym Unit, are referred to herein as a "ROFO Premises") to any party other than a PSAD Entity, TEF Entity or an Approved Charter School, such Co-owner shall, prior to selling or transferring or offering for sale or transfer the ROFO Premises, give the Developer written notice of the material terms upon which such Co-owner would sell or transfer the ROFO Premises. If such Co-owner and the Developer fail to enter into a written agreement for the sale or transfer of the ROFO Premises within forty-five (45) days after the Developer's receipt of such notice, such Co-owner may thereafter sell or transfer the ROFO Premises to a third party, subject to the rights of the Developer under subsection (b) of this Section 2, free and clear of Developer's rights under this subsection (a) provided such sale or transfer is consummated within eighteen (18) months after the expiration of such forty-five (45) day period. If any such sale or transfer is not consummated within such eighteen (18) month period, the provisions of this subsection (a) and the Developer's rights hereunder shall again apply and the procedure set forth in this subsection (a) shall continue on a reoccurring basis until the ROFO Premises has been conveyed to the Developer or, in accordance with subsections (a) and (b) of this Section 2, to a third party.

If at any time prior to the expiration of the Development and Sales Period, the Coowner of all or any portion of the School Unit receives a bona fide offer from, or makes a bona fide offer to, any person to purchase or sell or transfer or receive a transfer of all or any portion of the School Unit (and which offer may or may not include the Gym Unit) (the "Offer"), which Offer such Co-owner or the other person or entity, whichever is applicable, has determined to accept or conclude a transaction pursuant thereto, and such prospective purchaser or transferee is not a PSAD Entity, TEF Entity or Approved Charter School, such Co-owner(s) shall promptly deliver to the Developer written notice of the receipt or making of the Offer and the desire of such Co-owner or the other person or entity, whichever is applicable, to accept the same or conclude a transaction pursuant thereto, together with a copy of the Offer. An "Offer" shall include a proposed option for sale and purchase or a donation or gift. The Developer may then elect to purchase or accept a transfer of the portion of the School Unit and, if applicable, the Gym Unit, that is to be sold or transferred pursuant to the Offer (referred to herein as the "ROFR Premises") upon all the terms and conditions of the Offer by giving such Co-owner written notice thereof within ten (10) business days after the Developer's receipt of such notice from such Co-owner. If the Developer fails to make such election within such ten (10) business day period, such Co-owner may then sell or transfer the ROFR Premises to the person that is the offeror or offeree under the Offer, free of any right of the Developer to purchase or accept a transfer of the ROFR Premises pursuant to the Offer. If between the time the time of the service of the Offer by such Co-owner upon the Developer and the consummation of the transaction contemplated by the Offer, any material change in any material term of the Offer is made (a reduction in the purchase price of more than five percent (5%) would constitute a uniterial change in a material term), such Co-owner shall promptly deliver to the Developer written notice of such change, and the Developer shall again have the right to purchase or accept a transfer of the ROFR Premises upon all of the terms and conditions of the Offer, as so revised, by giving written notice thereof to such Co-owner within ten (10) business days after Developer's receipt of such notice. Notwithstanding the foregoing and provided that the proposed sale or transfer of the ROFR Premises is not in violation of subsection (a) of this Section 2, if an Offer contains any contingencies to the prospective purchaser's or transferee's obligation to consummate the transaction that are based on the physical condition of the ROFR Premises or the Project and/or the Offer contains a general due diligence contingency to the prospective purchaser's or transferee's obligation to close the transaction, the period of time under the Offer within which any such contingency must be satisfied or waived by the purchaser or transferee shall, if such period exceeds fifteen (15) days, be limited, as between such Co-owner and the Developer, to fifteen (15) days.

Section 3. Improvements and Modifications. Except for Developer as long as Developer or any CCS Related Entity owns any Unit, no Co-owner or the Association shall make any improvements, changes or alterations to any Unit or Common Elements, except for interior, non-structural improvements, changes or alterations to a Unit that do not affect any of the base building systems within the Project, without the express written approval of the Developer during the Development and Sales Period (or thereafter, the Association). In addition, no improvement or alteration shall be made to any Unit or Common Element unless plans and specifications, if required by ordinance, have been approved by the City of Detroit and are in compliance with all applicable rules, regulations, statutes, ordinances or laws of the City or other applicable governmental authorities (collectively, "Laws"), and no action or inaction of the Developer or Association shall be deemed a waiver of the requirement to comply with such Laws.

Section 4. Proscribed Activities. Any activity involving the use of firearms, air rifles, pellet guns, or other similar dangerous weapons, projectiles or devices is prohibited anywhere within the Project. The following uses are not permitted within the Project: the sale, rented or display of materials that are pornographic in nature, any unusual fire, explosive or dangerous hazards (including the storage, display or sale of explosives or fireworks), manufacturing, any establishment that allows animals (other than service animals) to be brought into the Project, a pawn shop, a flea market, or a shooting gallery. No noxious or offensive activity shall be carried on, nor condition maintained by a Co-owner or any tenant or occupant of a Unit, within any Unit or upon the Common Elements, nor shall anything be done that intends to cause or in fact causes embarrassment, discomfort, annoyance or nuisance to the occupants or Co-owners of Units within the Condominium, including any unreasonable odor (odors generated by a normal operation of restaurants or other food service operations within the Building shall not constitute an unreasonable odor), noise or vibration or a fire hazard.

Section 5. Leasing and Rental: Right to Lease. A Co-owner (including the Developer) may lease its Unit and improvements within a Unit or any portion thereof for the same purposes set forth in Section I of this Article without notice (except as provided below) to or consent from any Co-owner or other person interested in the Project or the Association. The terms of all leases and occupancy agreements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. All Co-owners, including the Developer, waive their right as members of the Association to receive from any Co-owner notice of its intent to lease its Unit and a copy of the proposed lease form, as provided in Section 112 of the Act. A Co-owner that leases its Unit shall notify the Association of the name and address of the tenant under such lease.

Section 6. Aesthetics. The Common Elements, both Limited and General, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except that trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements. Nothing contained in the

foregoing or elsewhere in the Condominium Documents shall prohibit the Developer or an affiliate of the Developer that owns, leases or otherwise occupies a Unit or, with the Developer's approval during the Development and Sales Period, the Association from placing or displaying art, photographs, sculptures, bulletin boards, notices, promotional materials and other items within the General Common Elements located on the first floor of the Building or exterior to the Building.

Section 7. Vehicles. No house trailers, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal or commercial purposes related directly to a business conducted within a Unit may be parked or stored upon the Common Elements of the Condominium. No inoperable vehicles of any type may be brought or stored upon the Condominium, either temporarily or permanently, unless they are kept within the Building. The Association may make reasonable rules and regulations in implementation of this Section, provided that during the Development and Sales Period, the Developer must approve any such rules and regulations. The purpose of this Section is to accommodate reasonable Co-owner or occupant parking but to avoid unsightly conditions which may detract from the appearance of the Condominium as a whole.

Section 8. Rules and Regulations. It is intended that the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Coowners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by the Association, provided that no such rule or regulation or amendment thereto may be made or revoked during the Development and Sales Period without the Developer's written consent. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners. Any such rule, regulation or amendment may, subject to Developer's written consent during the Development and Sales Period, be revoked at any time by the affirmative vote of 2/3rds of all Class A Members entitled to vote.

Section 9. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner or tenant or occupant thereof, as may be necessary to carry out any responsibilities imposed on the Association by the Condominium Documents. The Association or its agents shall also have access to Units and Limited Common Elements appurtenant thereto as may be necessary to respond to emergencies. The Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to his or her Unit and any Limited Common Elements appurtenant thereto caused thereby.

Section 10. <u>Landscaping</u>. No Co-owner shall perform any landscaping or plant any trees, shruhs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Developer during the Development and Sales Period (or thereafter, the Association).

Section 11. <u>Use of Common Elements</u>. Common Element sidewalks, yards, landscaped areas, driveways, and parking areas shall not be obstructed, nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No Co-owner, except for the Developer or an affiliate of the Developer that owns, leases or otherwise occupies a Unit or the Association, may, except as otherwise provided in this Article VI, leave personal property of any description unattended on or about the General Common Elements except for bicycles in bicycle racks located outside of the Building. No Co-owner, except for the Developer or a CCS Related Party that owns, leases or otherwise occupies a Unit, may, without the prior written approval of Developer during the Development and Sales Period (or thereafter, the Association), creet, place or maintain any ornament, sculpture, statue, improvement or other item upon any General Common Elements, including holiday or other decorations.

Co-owner Maintenance. Each Co-owner shall maintain his or her Unit and any Limited Common Elements appurtenant thereto for which the Co-owner has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, the telephone, water, gas, plumbing, electrical or other ntility conduits and systems and any other Common Elements which are appurtenant to or which may affect any other Unit. Each Coowner shall be responsible for damages or costs to the Association or another Co-owner resulting from (a) damage to or misuse of any of the Common Elements or Units by the responsible Coowner or any tenant, occupant or licensee of all or any portion of such Co-owner's Unit or any of their respective agents, contractors, employees or invitees or (b) any maintenance, repairs or replacements performed by the responsible Co-owner or any tenant, occupant or licensee of all or any portion of such Co-owner's Unit or may of their respective agents, contractors or employees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Each Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, for which such Co-owners is responsible under the immediately preceding sentence and all such costs or damages to the Association (the "Co-owner Caused Costs") may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 13. Signs. No signs of any kind shall be placed or maintained within the Common Elements or on the exterior or any Unit except (a) with the written permission of Developer during the Development and Sales Period (or thereafter, the Association), (b) signs existing as of the date of recordation of this Master Deed or (c) signs installed by the Co-owner of Unit 2 pursuant to this Section 13. The Co-owner of Unit 2 shall have the right, at its cost, to install a sign on the wall that constitutes part of the entrance to Unit 2 on the first floor of the Building, provided that any such sign (a) identifies the Co-owner or any tenant or other occupant of such Units, (b) complies with all applicable laws, (c) is approved by all governmental authorities required to approve the same, and (d) is approved by the Developer, including but not limited to approving the location, dimensions, color and materials of any such sign, which approval shall not be unreasonably withheld or delayed.

Section 14. <u>Enforcement of Master Deed.</u> During the Development and Sales Period, Developer shall have the right to enforce this Master Deed, which right of enforcement shall include, without limitation, an action to restrain the Association or any Owner from any activity prohibited by this Master Deed.

Section 15. <u>Subdivision</u>. No Unit may be divided, subdivided, the boundaries thereof relocated or changed, or otherwise split or combined with any other Unit except as provided in Article X of the Master Deed.

Section 16. After Hours HVAC. Heating, ventilation and air-conditioning ("HVAC") shall be furnished by the Association to Units located within the Building and the Limited Common Elements described in Section (b)(7) or (8) of Article IV of the Master Deed and certain General Common Elements located within the Building during Business Hours (as defined below). "Business Hours" means from 7 a.m. to 6 p.m. on Monday through Friday excepting New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and other days that both the middle school and high school, if then operating within the Building, are closed to both students and staff. The Association shall furnish HVAC to a Unit during any non-Business Hours if the occupant thereof furnishes the Association with a request therefor at least twenty-four (24) hours prior to the commencement of such non-Business Hours. The Association may elect, from time to time, to impose an hourly charge on the Coowner of a Unit for which HVAC has been requested during non-Business Hours, which hourly charge may be adjusted from time to time by the Association, and such Co-owner shall pay such charges to the Association within thirty (30) days after receipt of an invoice therefor from the Association.

Section 17. Miscellaneous Restrictions.

The Developer or Association may require that Co-owners and tenants, occupants or licensees of all or any portion of Units and their respective agents, contractors, employees or invitees comply with each reasonable security measure that the Developer or Association may establish as a condition of entry to the Building or Project. These measures may include submitting to a search by persons or devices employed by the Developer or Association, presenting an identification eard or pass issued by the government, the Daveloper and/or Association, being announced to the Co-owner or tenant or occupant and accepted as a visitor by them, and signing a register on entry and exit. Any person who does not comply with these requirements may be excluded from the Project. If the Developer or Association requires a Building pass issued by the Developer or Association as a condition of cutry to the Project or Building, the Developer or Association will furnish a Building pass to all persons reasonably designated by a Co-owner in writing. The Developer or Association may exclude or expel from the Project any person who, in the Developer's or Association's reasonable opinion, is intoxicated or under the influence of alcohol or drugs. The Developer or Association may require Co-owners and tenants, occupants or licensees of all or any portions of Units and their respective agents, contractors, employees or invitees to enter and exit the Building from those entrances designated by the Developer or Association from time to time.

- (b) No littering in the Common Elements is permitted.
- (c) No person may throw anything out of doors, windows or skylights, down passageways or over walls.
- (d) HVAC convectors or diffusers may not be obstructed and no person may adjust or interfere with the HVAC system except that the HVAC system may be adjusted by the Developer or the Association.
- (e) Developer or the Association may specify the location of any business machines, mechanical equipment or other property within Units that are unusually heavy, may damage the Building, or may cause undue vibration, noise or annoyance to other occupants of Units in the Project.
- (f) No birds or animals, except service animals as approved by the Board of Directors of the Association in accordance with applicable law, may be brought into the Building or Gym Unit unless otherwise approved in advance, in writing, by the Developer during the Development and Sales Period (or thereafter, the Association).
- (g) Any use of elevators for purposes other than normal passenger use (such as moving to or from the Building or delivering freight), whether during or after business hours, must be scheduled through the office of the property manager, or if there is no property manager, through Developer or the Association. Persons requesting such non-passenger use of the elevators shall reimburse the Developer or Association for any extra costs incurred by either of them in connection with any such non-passenger use of the elevators.
- (h) Any person retained to move property into or from the Building must be reputable and maintain adequate insurance in form and amount reasonably satisfactory to Developer or the Association. The moving of personal property and deliveries of materials and supplies to Umis must be made during the times and through the entrances, elevators and corridors reasonably designated by the Developer or Association. Any hand truck or other conveyance used in the General Common Elements must be equipped with rubber tires and rubber side guards to prevent damage to the Project. The Co-owner of a Umit shall promptly reimburse the Association for the cost of repairing any damage to the General Common Elements or any other Limited Common Elements that the Association is responsible for maintaining under the Master Deed or any personal property of the Association caused by any person making deliveries to the Building.
- (i) Canvasing, soliciting and peddling in the Common Elements of the Project are prohibited except soliciting in connection with college, university, school or student activities, including fundraising activities, provided that any such soliciting shall be coordinated with the Association.
- (j) Only persons approved from time to time by the Developer during the Development and Sales Period (or thereafter, the Association) may prepare, solicit orders for, sell, serve or distribute food in or around the Project.

- (k) No smoking is permitted in any part of the Building or Gym Unit.
- No space heaters or similar devices may be used within a Unit without the Developer's consent.
- Section 18. <u>Intermption of Services</u>. Without creating any liability on the part of the Association, the Association may temporarily interrupt, limit or discontinue any utility or services the Association provides under any of the following circumstances:
 - (a) in an emergency;
- (b) to comply with laws or to conform to voluntary government or industry guidelines;
 - (c) to maintain, repair or replace any portion of the Project; or
 - (d) to modify, renovate or improve the Project.

The Association shall not be liable in any manner for any interruption in services to be provided by the Association; provided, however, that in the event of anticipated disruptions in any such services that may result from the activities of the Association or its agents, contractors or employees as described above, affected Co-owners shall be given as much notice as is reasonably practical of the anticipated interruption of such service.

- Section 19. <u>Telecommunication Services</u>. Co-owners or their tenants or other occupants shall contract directly with third party providers and shall be solely responsible for paying for all telephone, data transmission, video and other telecommunications services ("Telecommunication Services"), subject to the following:
- (a) <u>Providers</u>. Each Telecommunication Services provider that does not already provide service to the Building or Gym Unit as of the date of recordation of this Master Deed shall be subject to the approval of the Developer during the Development and Sales Period (or thereafter, the Association), which approval shall not be unreasonably withheld. Without liability to the Developer or Association, the license of any Telecommunication Services provider servicing the Building or Gym Building may be terminated under the terms of the license, or not renewed upon the expiration of the license. Notwithstanding the foregoing, at all times there shall be Developer or Association approved providers of all Telecommunication Services to the Building or Gym Unit.
- (b) Wiring. The Developer during the Development and Sales Period (or thereafter, the Association) may, in its reasonable discretion, designate the location of all wires, cables, fibers, equipment and connections for a Co-owner's or tenant's or other occupant's Telecommunication Services, and restrict and control access to telephone cubinets and rooms. Neither a Co-owner nor tenant or other occupant may use or access the General Common Elements, including the roof of the Building, for such Co-owner's Wiring without the written consent of the Developer during the Development and Sales Period (or thereafter, the

Association), which consent may be withheld in the Developer's or Association's reasonable discretion, or for which the Developer or Association may charge a fee as determined by the Developer or Association.

Section 20. <u>Consent</u>. Whenever the Developer's or Association's consent or approval is required under these Bylaws or the Master Deed with respect to any matter, such consent or approval may be withheld in the sole and absolute discretion of the Developer or Association, whichever is applicable, except as otherwise expressly provided in these Bylaws or the Master Deed.

ARTICLE VII MORTGAGES, MORTGAGE INSURERS AND MORTGAGE GUARANTORS

- Section 1. Notice to Association. Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the Mortgages, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a Mortgages of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.
- Section 2. Insurance. The Association shall notify each Mortgagee appearing in said book of the name of each company insuring the Condontinium against fire, perils covered by extended coverage, and vandalism and mulicious mischief and the amounts of such coverage.
- Section 3. <u>Notification of Meetings</u>. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.
- Section 4. Applicability to Mortgage Insurers and Guarantors. Any of the rights in the Condominium Documents which are granted to First Mortgagees shall also be extended to insurers and guarantors of such mortgages, provided that they have given the Association notice of their interests. However, when voting rights are attributed to a Mortgagee, only one vote may be east per mortgage as to the mortgage in question regardless of the number of Mortgagees, assignees, insurers and guarantors interested in the mortgage.
- Section 5. Notification of Amendments and Other Matters. All holders of first mortgages and insurers and guaranters thereof who have requested notice, are entitled to timely written notice of: (a) any amendment affecting a Unit in which they have an interest, (b) any amendment effecting a change in the General Common Elements or Limited Common Element appurtenant to a Unit in which they have an interest, (c) a material change in the voting rights or use of a Unit in which they have an interest, (d) any proposed termination of the Condominium, (e) any condemnation or casualty loss which affects a material portion of the Condominium or a

Unit in which they have an interest or (f) any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE VIII VOTING

- Section 1. <u>Vote</u>. Except as limited in these Bylaws, each Class A Member shall be entitled to one vote for each Unit owned when voting by number and one vote, the value of which shall equal the total of the Percentages of Value allocated to the Units owned by such Co-owner as set forth in Article V of the Master Deed, when voting by value. Voting shall be by value except in those instances when voting is specifically required to be both in value and in number. The Board of Directors shall be comprised of five (5) persons. The Class B Members shall have no voting rights.
- Section 2. Eligibility to Vote. No Class A Member, other than Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Class A Member may be east only by the individual representative designated by such Class A Member in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative.
- Section 3. Designation of Voting Representative. Each Class A Member shall file a written actice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Class A Member. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Class A Member, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Class A Member. Such notice shall be signed and dated by the Class A Member. The individual representative designated may be changed by the Class A Member at any time by filing a new notice in the manner herein provided.
- Section 4. Quorum. The presence in person or by proxy of Class A Members qualified to vote who own Units whose aggregate Percentages of Value exceed thirty-five percent (35%) shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is east.
- Section 5. Voting. Votes may be cast only in person or in writing duly signed by the designated voting representative not present at a given meeting in person or by praxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 6. <u>Majority</u>. Except as otherwise provided in these Bylaws or the Master Deed, a majority of the value of votes east by those qualified to vote in present in person or by proxy at a given meeting of the Class A Members constitutes the action of the members.

ARTICLE IX MEETINGS

- Section 1. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis Code of Parliamentary Procedure, Roberts Rules of Otder or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents or the laws of the State of Michigan. Notwithstanding anything to the contrary contained in any of the Condominium Documents, no Class B Member shall be catified to receive notice of, attend or participate in any meetings of the Association or the members of the Association held pursuant to these Bylaws.
- Section 2. Annual Meetings. Annual meetings of members of the Association shall be held on a date chosen by the Board of Directors of the Association in each succeeding year after the year in which this Master Deed is recorded, at such time and place as shall be determined by the Board of Directors. At such meetings there shall be appointed a Board of Directors by the Class A Members in accordance with the requirements of Article XI of these Bylaws. The Class A Members may also transact at annual meetings such other business of the Association as may properly come before them.
- Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Class A Members as directed by resolution of the Hoard of Directors or upon a petition signed by one-third (1/3) of the Class A Members in number and in value presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.
- Section 4. <u>Notice of Meetings</u>. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Class A Member of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Class A Member at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.
- Section 5. Adjournment. If any meeting of members cannot be held because a quorum is not in attendance, the Class A Members who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of election (at annual meetings or special meetings held for the purpose of electing Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of semiority of officers shall be President, Vice President, Secretary and Treasurer.

Action by Ballot. Any action which may be taken at a meeting of the Section 7. members may be taken without a meeting by ballot of the Class A Members. Ballots shall be provided to each member in the same manner as provided in Section 4 for the giving of notice of meetings of members. Such ballots shall (a) set forth each proposed action; (b) provide an opportunity for the Class A Members to approve or disapprove of each action; (c) specify the total number of Class A Members voting or votes east needed to approve the action; and (d) specify the time by which a ballot must be received by the Association in order to be counted as a vote of the Class A Member. The time specified for returning ballots must not be less than twenty (20) days or more than ninety (90) days after the date the Association provides the ballot to the Class A Members. Except as otherwise provided in these Bylaws or the Master Deed, an action shall be considered approved by written ballot if (i) the total number of Class A Member votes east in ballots received by the Association within the time specified in the ballot equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) the number of approvals equals or exceeds the number of votes which would be required to approve the action at a meeting at which the total number of votes cast by Class A Members was the same as the total number of votes cast by ballot.

Section 8. Consent of Absentees. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum of Class A Members is present either in person or by proxy; and if, either before or after the meeting, each of the Class A Members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 9. Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE X
INTENTIONALLY DELETED

ARTICLE XI BOARD OF DIRECTORS

- Section I. Number and Annointment of Directors. The Board of Directors shall be comprised of five (5) members. Excluding the Class B Members and the Co-owner(s) of Unit 6, each Co owner shall be entitled to appoint one (1) Director for each Unit owned by such Co-owner. In the event a Co-owner owns two (2) more Units, the Co-owner shall designate which Director is appointed with respect to which Unit. The value of the vote of a Director shall be equal to the Percentage of Value of the Unit or Units with respect to which such Director was appointed. The Class B Members shall not be entitled to appoint any Director. Notwithstanding anything to the contrary contained in these Bylaws, the Master Deed or otherwise, in the event a Unit is subdivided, all of the Co-owners of all of the Units resulting from the subdivision of such Unit or any further subdivisions of such Units shall, in the aggregate, be entitled to appoint only one (1) Director with respect to all such Units and all such Co-owners shall have to agree upon the appointment of such Director, it being acknowledged and agreed that no subdivision of a Unit shall increase the number of Directors that can be appointed to the Board.
- Section 2. <u>Powers and Duties.</u> The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.
- Section 3. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:
 - (a) To manage and administer the affairs of and to maintain the Condominium Project and the General Common Elements thereof;
 - (b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association;
 - (c) To carry insurance and collect and allocate the proceeds thereof;
 - (d) To rebuild improvements after casualty, subject to all of the other applicable provisions of the Condominium Documents;
 - (c) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project;
 - (f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association;

- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association, provided, however, that any such action shall also be approved by affirmative vote of seventy five percent (75%) of all of the Class A Members in number and in value;
- (h) To make rules and regulations in accordance with Article VI, Section 8 of these Bylaws;
- (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board; and
 - (j) To enforce the provisions of the Condominium Documents.

Management Agent. The Board of Directors may employ for the Section 4. Association a professional management agent (which may include Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 2 and 3 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by Developer, which is not terminable by the Association upon more than ninety (90) days written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act. Any contract entered into between the Board providing for services by Developer or an affiliate thereof shall not, without the unanimous consent of all of the Directors, provide for any profit or mark-up by the Developer or such affiliate, with the compensation of the Developer or such affiliate to, in the absence of such unanimous consent, be based solely on the costs incurred by the Developer or such affiliate in connection with the performance of such services, which costs may include the hourly rates charged by the Developer or such affiliate for its personnel performing any such services, which rates will be "fully loaded".

Section 5. Vacancies. Vacancies in the Board of Directors shall be filled by the Class A Member(s) which had designated the Director leaving office or if such Class A Member(s) is/are no longer a Co-owner, such new Director shall be designated by the Co-owner(s) that succeeded in title to such Class A Member(s)' Unit(s). Each person so selected shall be a Director until a successor is selected at the next annual meeting of the Association.

Section 6. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the Class A Member(s) that selected such Directors or if such Class A Member(s) no longer is/are a Co-owner, the Co-owner(s) that succeeded in title

to such Class A Member(s)' Unit(s) may remove any one or more of the Directors appointed by such Class A Member(s).

Section 7. <u>First Meeting</u>. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the whole Board shall be present.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 9. <u>Special Meetings.</u> Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) Directors.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Onorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business provided that more than fifty percent (50%) of the Directors appointed by the Developer are present at any meeting held during the Development and Sales Period, and the acts of the Directors present at a meeting at which a quorum is present that hold a majority of the value of the votes of the Directors present at such meeting shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon twenty four (24) hours prior written notice delivered to all Directors not present. At any such adjourned meeting, my business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

Section 12. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE XII OFFICERS

- Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one (1) person.
 - (a) President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.
 - (b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.
 - (c) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he or she shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.
 - (d) Treasurer. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for kneping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all mornes and other valuable effects in the name and to the credit of the Association, and in such depositorics as may, from time to time, he designated by the Board of Directors.
- Section 2. <u>Election</u>. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.
- Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the motter shall

have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an apportunity to be heard at the meeting.

Section 4. <u>Duties</u>. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE XIII SEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereon the name of the Association, the words "corporate seal", and "Michigan".

ARTICLE XIV FINANCES

Records. The Association shall keep detailed books of account showing all expenditures and receipts affecting the Condominium Project and its administration, and which shall specify operating expenses of the Condominium Project, including but not limited to the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their Mortgagees during normal business hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. Except as provided below, if the Association has annual revenues of greater than Twenty Thousand and 00/100 Dollars (\$20,000.00), then for each such year the books, records and financial statements of the Association shall be independently audited or reviewed by a certified public accountant. The nudit or review shall be performed in accordance with the statements on auditing standards or the statements on standards for accounting and review services, respectively, of the American institute of Certified Public Accountants. The Association may opt out of the requirements of the two immediately preceding sentences on an annual basis by an affirmative vote of a majority of the members of the Association. Any First Mortgagee and any other agency or corporation which has an interest or prospective interest in the Condominium shall be entitled to receive a copy of any such audited or reviewed financial statement within a reasonable time after the Association is provided with a written request therefor. The costs of any such audit or review and any accounting expenses shall be expenses of administration. The Association shall make available for inspection upon request, during normal business hours, to Co-owners and First Mortgagees, current copies of the Condominium Documents and the rules and regulations, if any, made pursuant to Article VI, Section 3(cc) of these Bylaws. The Association shall make available for inspection upon request, during normal business hours, to prospective purchasers of Units current copies of the Condominium Documents, the rules and regulations, if any, made pursuant to Article VI, Section 3(cc) of these Bylaws, and the most recently audited financial statement of the Association.

Section 2. <u>Fiscal Year</u>. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement

date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

Section 3. <u>Bank.</u> Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resulution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or their current statutory successors and may also be invested in interest bearing obligations of the United States Government.

ARTICLE XV INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement, incurred by or imposed upon him in connection with any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases where a Director or officer is adjudged guilty of willful and wenton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and Directors of the Association in such amounts as it shall deem appropriate.

ARTICLE XVI COMPLIANCE

The Association and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or using the Project in any manner are subject to and shall comply with the Act, as amended, the Master Deed, these Bylaws, Laws and the rules and regulations of the Association, if any, promulgated pursuant to Section 8 of Article VI of these Bylaws, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium shall signify that the Condominium Documents are accepted and ratified.

ARTICLE XVII DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in the Act.

ARTICLE XVIII REMEDIES FOR DEFAULT

Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

- Section 1. <u>Legal Action</u>. Failute to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.
- Section 2. <u>Recovery of Costs</u>. In any proceeding arising because of an elleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner be entitled to recover such attorney's fees.
- Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained century to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.
- Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XIX below.
- Section 5. <u>Non-Waiver of Right</u>. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.
- Section 6. <u>Cumulative Rights, Remedies and Privileges</u>. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an

election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 7. <u>Enforcement of Provisions of Condominium Documents</u>. A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XIX ASSESSMENT OF FINES

- Section 1. General. The violation by any Co-owner or any tenant, occupant or licensee of all or any portion of such Co-owner's Unit or any of their respective agents, contractors, employees or invitees of any provisions of the Condominium Documents, including any duly adopted rules and regulations other than the failure to pay when due any sum payable to the Association, shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against such Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of any such tenant, occupant, licensee, agent, contractor, employee or invitee.
- Section 2. <u>Procedures.</u> Upon any such violation being alleged by the Board, the following procedures will be followed:
 - (a) Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.
 - (b) Opportunity to Defend. The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than ten (10) days from the date of the Notice.
 - (c) Default. Failure to respond to the notice of violation constitutes a default,
 - (d) <u>Hearing and Decision</u>. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

Section 3. Amounts. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the Board as recited above, the following fines shall be levied:

- (a) First Violation. No fine shall be levied.
- (b) Second Violation. A fine of Seventy-Five Dollars (\$75.00).
- (c) Third Violation. A fine of One Hundred Dollars (\$100.00).
- (d) Fourth Violation and Subsequent Violations. A fine of One Hundred and Fifty Dollars (\$150,00) for each violation.

The Association, acting through its Board of Directors, may increase or decrease the fine schedule set forth above by Board resolution after giving prior written notice to the Co-owners of the proposed change. The resolution and a proof of notice shall then be recorded in Wayne County Records and the new schedule shall be effective upon recording.

Section 4. <u>Collection</u>. Fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first day of the next following month. Pailure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and this Article XIX of these Bylaws.

ARTICLE XX RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or entities or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to Developer. Except as otherwise provided below or elsewhere in the Condominium Documents, any rights and powers reserved or granted to Developer or its successors shall terminate, if not sooner assigned to the Association, upon the expiration of the Development and Sales Period. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to Developer is intended to apply, insofar as Developer is concerned, only to Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause a termination of any rights of Developer under Articles VII(c), VIII(c), IX or XI of the Master Deed or the first sentence of Section 3 of Article VI or the first sentence of Section 11 of Article VI of the Bylaws or any amendments to the Master Deed made pursuant to any such Sections, or any real property rights granted or reserved to Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other interests or easements created, excepted or reserved in such documents) which shall not be terminable by reason of the expiration of the Development and Sales Period and which shall be governed only in accordance with the terms of their creation, exception or reservation.

ARTICLE XXI REMOTE COMMUNICATION AND ELECTRONIC TRANSMISSION

- Section 1. Participation of Directors by Conference Telephone or Remote Communication. A Director may participate in a meeting of the Directors by conference telephone or other means of remote communication by which all persons participating in the meeting may communicate with each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.
- Section 2. <u>Notices by Electronic Transmission</u>. In addition to the methods of providing notice of nectings set forth in Article IX, Section 5 and Article XI, Sections 9 and 10 of these Bylaws, notice may also be given by electronic transmission, as defined below. Notice by electronic transmission will be deemed given when electronically transmitted to the person entitled to notice in a manner authorized by the person.
- Section 3. Use of Electronic Transmission. As used in these Bylaws, "written" or "writing" will include communications by electronic transmission, including but not limited to fax and email. Notices of meetings, waivers of notice of meetings, proxies, written consents and ballots may be transmitted by electronic transmission. When a notice or communication is transmitted electronically, the notice or communication is deemed to be given when electronically transmitted to the person entitled to the notice or communication in a manner authorized by the person. A Co-owner or Director will be deemed to have consented to the use of email upon providing the Association with a valid email address.
- Section 4. <u>Definition of Electronic Transmission</u>. As used in these Bylaws, electronic transmission refers to any form of communication that does not directly involve the physical transmission of paper, creates a record that may be retained and retrieved by the recipient and may be directly reproduced in paper form by the recipient through an automated process.

ARTICLE XXII SEVERABILITY

In the event that any of the terms, provisions or covenants of these Bylaws or the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

WAYNE COUNTY CONDOMINIUM

EXHIBIT "B" TO THE MASTER DEED OF WAYNE COUNTY CONDOMINIUM SUBDIVISION PLAN NO 1061

ARGONAUT CONDOMINIUM

CITY OF DETROIT, WAYNE COUNTY, MICHIGAN

ARGONAUT CAMPUS DEVOLOPER LLC 201 E. KIRBY DETROIT, WICHIGAN 46292-4034

ENGINÉERS & SURVEYORS
GIFELS WEBSTER
29 W. ADAMS, SUITE 1200
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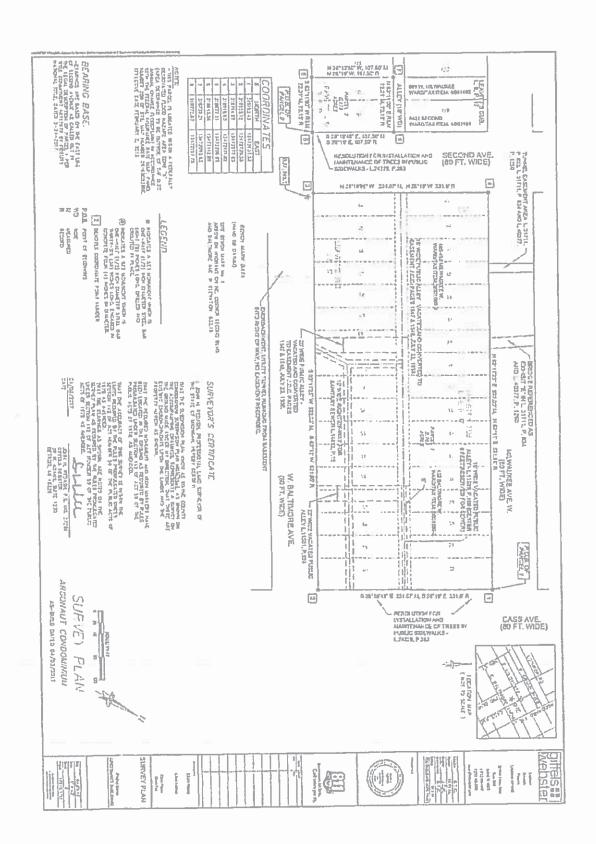


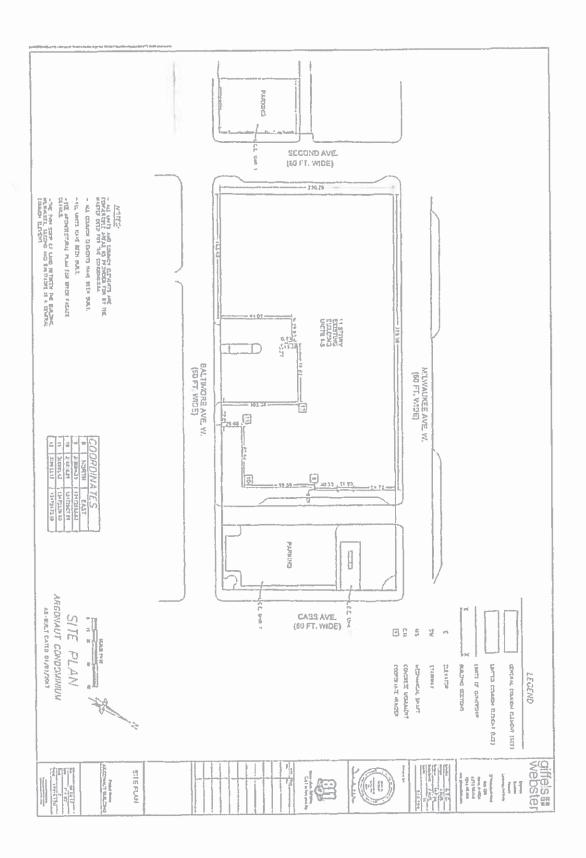
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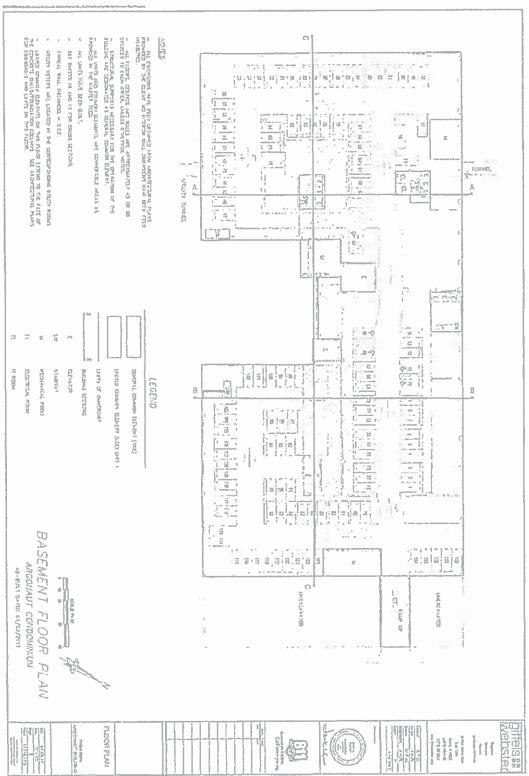


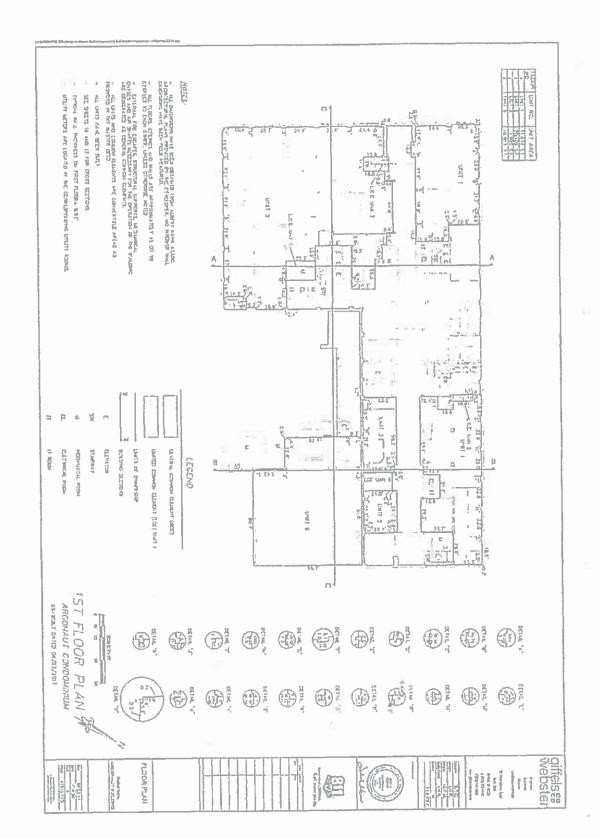


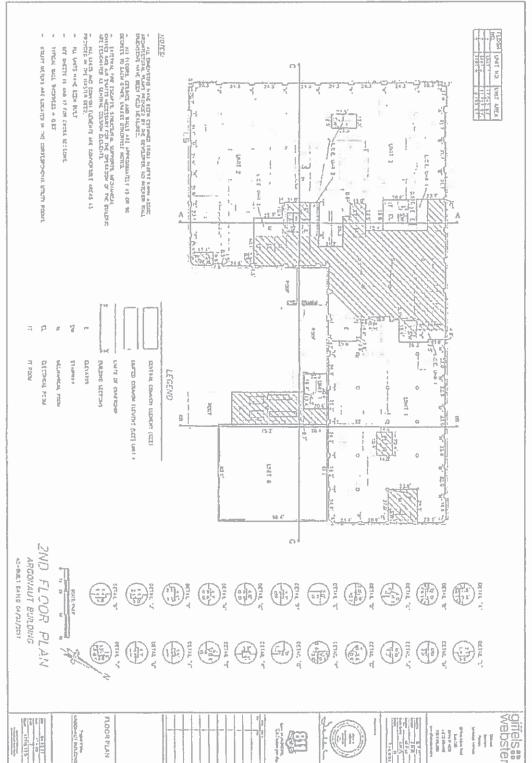
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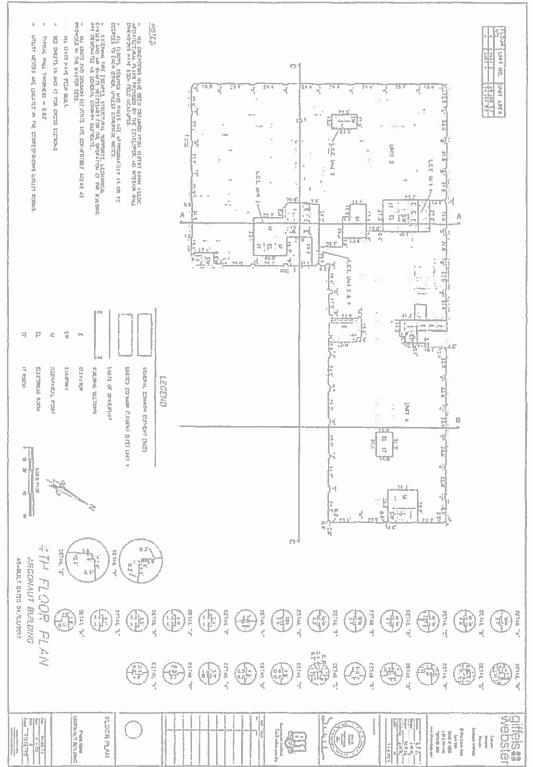


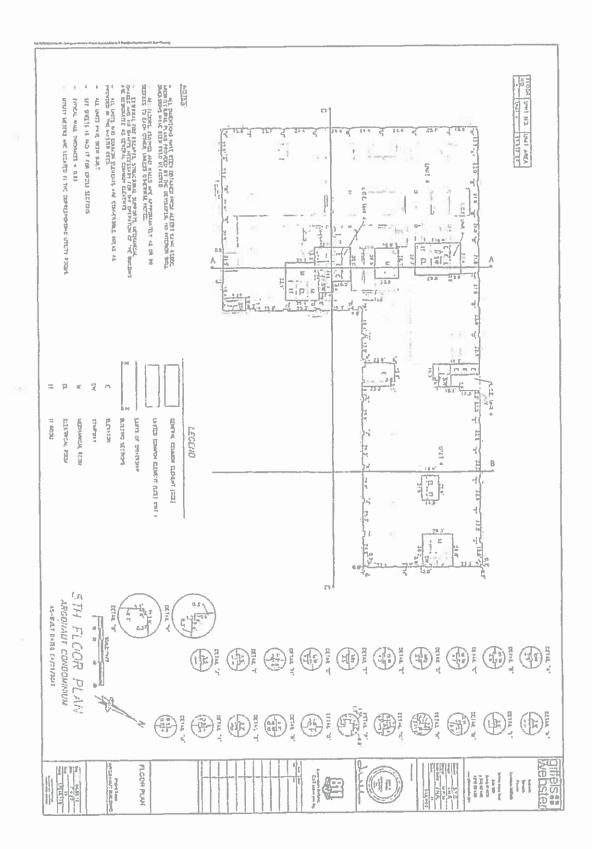


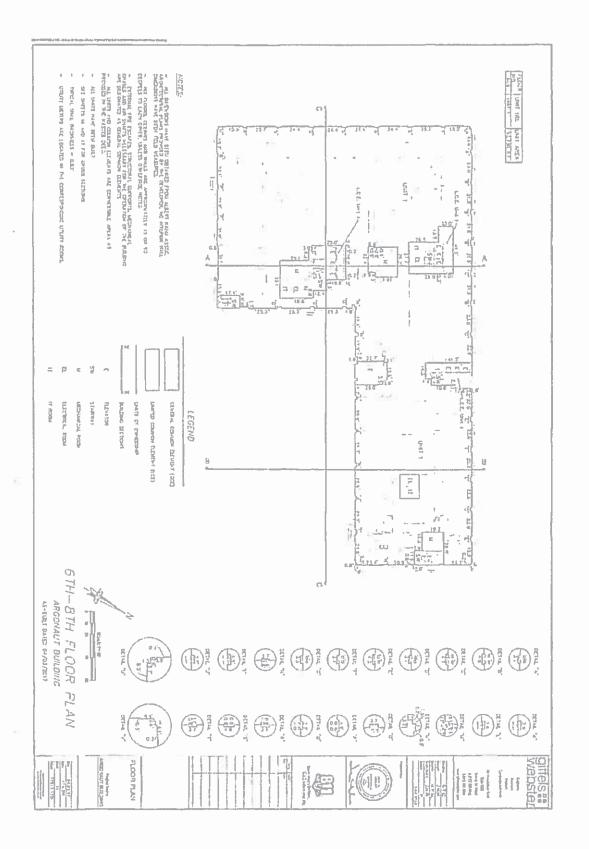


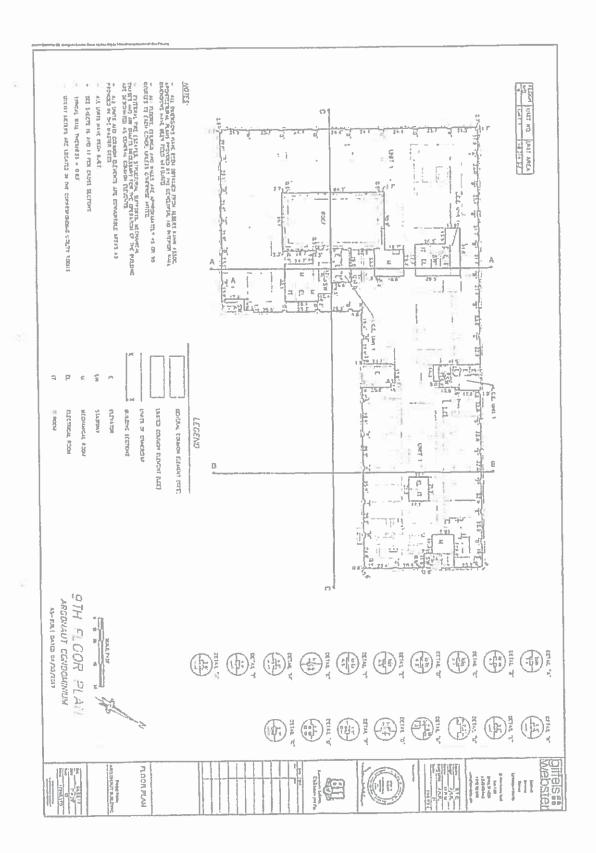
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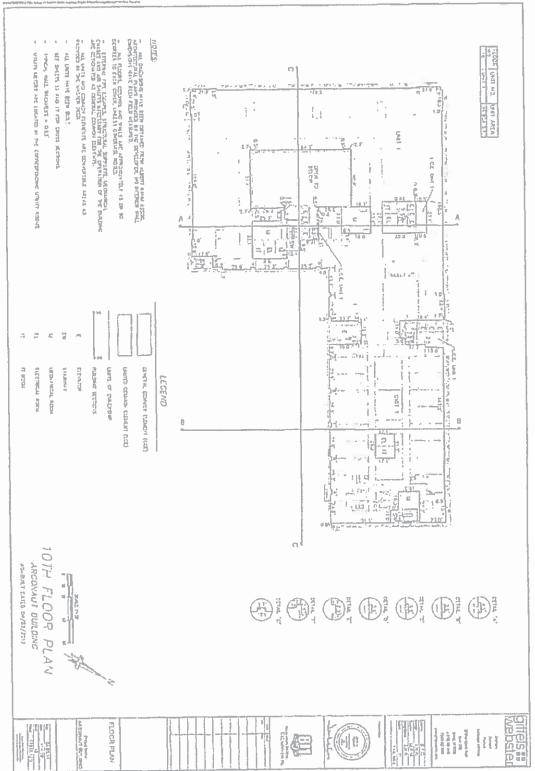
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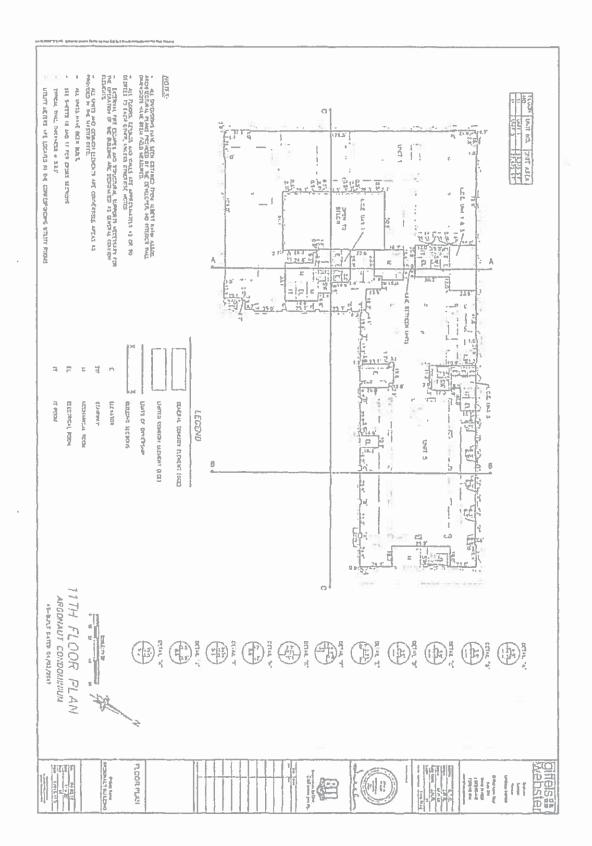


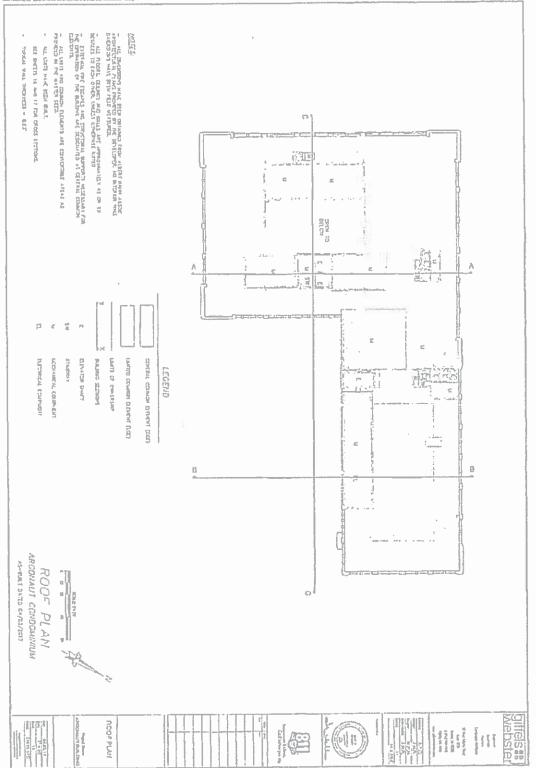


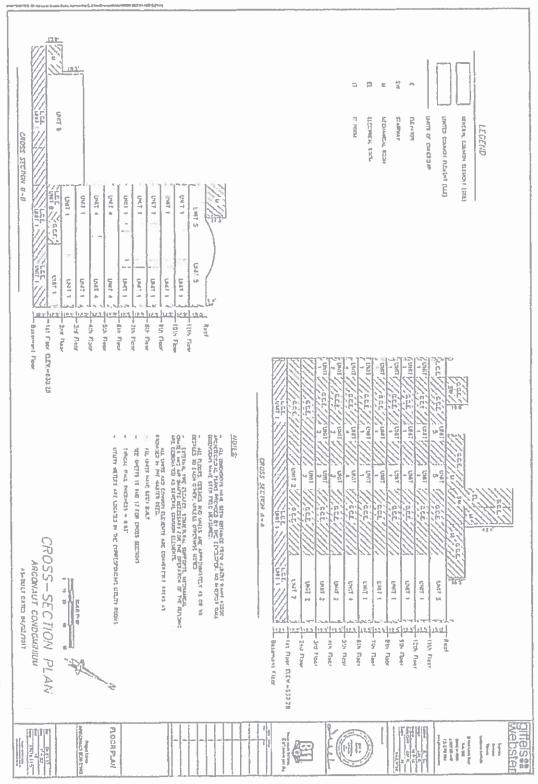












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EXHIBIT B

Performance Standards

Performance Metrics for Independent Contractor Agreement for the Henry Ford Academy: School For Creative Studies

Middle School Level

1. Student Growth

- a. The median growth percentile for all students shall be at least 60 for ELA and 60 for math
- b. If a school has reached its proficiency target before 2024, the median growth percentile for all students shall be at least 50.

2. Student Mastery

a. 75% of the eighth graders who attended the elementary schools (except those whose identified special needs impact reading aptitude), will be proficient on the State's Benchmark for Math and ELA by 2024.

3. School and Student Culture

- Average district daily attendance rate for students shall be at least 90% each school year
- b. 85% of students will have at least a 90% attendance rate every year.
- c. 90% of parents shall attend learning team meetings and/or student led conferences/passages.
- d. The School must score at adequate or higher every year as measured by the culture rubric for the HFA district.

4. Recruitment and Retention

a. Each year, at least 75% of eligible eighth graders will enter the high school the following fall.

5. Reporting

 Annually, the PSAD board will be provided a year-end review report detailing the middle school's performance in these areas, in addition to the PSAD Academic Dashboard.

High School Level

1. Student Growth

- a. The median growth percentile for all students shall be at least 60 for ELA and 60 for math.
- b. If a school has reached its proficiency target before 2024, the median growth percentile for all students shall be at least 50.

2. Student Mastery

a. 85% of students will be on track for on-time graduation at the end of each year.

3. School and Student Culture

- a. Average district daily attendance rate for students shall be at least 90% each school year.
- b. 85% of students will have at least a 90% attendance rate every year.
- c. 90% of parents shall attend learning team meetings and/or student led conferences/passages.

d. The School must score at adequate or higher every year as measured by the culture rubric for the HFA district.

4. Recruitment and Graduation

- a. 90% of the freshman high school class entering the high schools each year shall graduate within four years as measured by the Michigan Department of Education graduation rate formula.
- b. 90% of the students who graduate each year shall be enrolled at a four year college, two year college, enlist in the military or be enrolled to other postsecondary studies.

5. Reporting

a. Annually, the PSAD board will be provided a year end review report detailing the high school's performance in these areas, in addition to the datadashboards.

Exhibit C Form of Charter Impacts Report

Exhibit C
Form of Charter Impacts Report

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CERTIFICATE OF USE AND OCCUPANCY

PERMANENT

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

Building Permit No. B027824

Henry Ford Academy/School for Creative Studies
435/485 W Milwaukee

Detroit, Michigan

Wayne County

The above named building of Use Group E 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 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 24, 2010

UPAD Parking Structure Sublicense

(TEF-Six)

Schedule 10-9, Exhibit A2

FIRST AMENDMENT TO SUBLICENSE AGREEMENT

This First Amendment to the Parking SubLicense Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-SIX, LLC, a Michigan limited liability company, owner and Landlord of the property located at Parking Deck Allotment and Surface Parking Allotment on Baltimore and Woodward Parcels, Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at Parking Deck Allotment and Surface Parking Allotment on Baltimore and Woodward Parcels, Detroit, MI 48202

RECITALS:

- A. WHEREAS, Landlord and Tenant are parties to that certain Parking SubLicense Agreement, dated July 1, 2018 (the "SubLicense"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the SubLicense on the terms and conditions set forth below, with all other terms of the SubLicense and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the SubLicense to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written,

LANDLORD:

TENANT:

TEF-SIX, LLC.

a Michigan nonprofit limited liability company

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

By:

Joseph Aristeo

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PARKING SUBLICENSE

Between

SUBLICENSOR: TEF-SIX, LLC, a Michigan limited liability company,

And

SUBLICENSEE: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated: July 1, 2018

PARKING SUBLICENSE

SECTION 1 SCHEDULE

SUBLICENSOR:

NAME:

TEF-SIX, LLC

ADDRESS: Thompson Educational Foundation

c/o P.O. Box 6349 Plymouth, MI 48170 Attn: John G. Cleary

SUBLICENSEE:

NAME:

The Public School Academies of Detroit

ADDRESS:

c/o Board President 600 Antoinette Detroit, MI 48202

DEMISED PREMISES:

Subject to the Parking Deck Allotment and Surface Parking Allotment as defined below: (1) a parking deck located on the Baltimore Parcel, which parcel is described in the legal description identified as the Baltimore Parcel attached as Exhibit A currently containing 483 parking spaces (the "Parking Deck"), together with all related site improvements located thereon and (2) a surface parking lot located on the Woodward Parcel, which parcel is described in the legal description identified as the Woodward Parcel attached as Exhibit A containing 178 parking spaces (the "Surface Parking Lot"), together with all related site improvements located thereon (collectively the

"Site" or "Demised Premises").

SUBLICENSE TERM:

July 1, 2018 until June 30, 2023 unless terminated sooner

pursuant to Section 2.2.

SUBLICENSE COMMENCEMENT

DATE:

This Sublicense shall commence and is effective on July

1, 2018.

RENT COMMENCEMENT DATE:

July 1, 2018.

SCHOOL YEAR

July 1 to June 30.

TERMINATION DATE:

June 30, 2023.

BASE RENT:

The Annual Base Rent shall be \$12,000.00. For the sake of clarity, the Annual Base Rent shall be equal to the License Fees (as defined in the Parking License defined below) payable by Sublicensor pursuant to the Parking License.

EXHIBITS ATTACHED:

"A" – Description of Demised Premises

"B" - Parking License.

RECITALS:

A. College for Creative Studies, a Michigan non-profit corporation, as licensor (the "Licensor" or "CCS"), and Sublicensor, as licensee, are parties to a Parking License Agreement dated as of June 30, 2017 with respect to the Demised Premises, a copy of which is attached as **Exhibit B** (the "Parking License"). This Sublicense shall be subject in all respect to all terms and conditions set forth in the Parking License, including, without limitation. Licensor's right at any time and from time to time to reallocate all or any portion of the Surface Parking Lot Allotment (as defined in the Parking License) by written notice thereof to Sublicensor and to develop the Surface parking Lot it Licensor's sole and absolute discretion, including but not limited to constructing one or more buildings and structures thereon. A termination of the Parking License shall also result in a termination of this Sublicense.

On the date thereof, Landlord and Tenant are entering into a lease agreement with respect B. to the demised premises described therein consisting of: (1) Unit 2 of the Argonaut Condominium, a Condominium according to the Master Deed thereof recorded in Liber 53803. Page 506, Wayne County Records, and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended; also known as The Argonaut Building: located in the City of Detroit, Wayne County, Michigan at for 465-485 W. Milwaukee, Detroit, Michigan 48202 (the "Building"), consisting of Suites 101, 102, 201, 301, and 401, located on the first, second, third, and fourth floors of the Building and deemed to contain 123,552 rentable square feet; and (2) the Gym Unit, Unit 6 of the Argonaut Condominium, a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records, and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended, also known as the Gymnasium: the gymnasium located on the property of the Building, including HVAC, electrical, gas, telecommunications and sprinkler system to the extent part of such Units 2 and 6 pursuant to the Master Deed (the "Gymnasium Building"); together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment and related site improvements to the extent part of such Units 2 and 6 pursuant to the Master Deed and the Limited Common Elements appurtenant to such Units 2 and 6 pursuant to

the Master Deed (the "School and Gym Lease Agreement"). The School and Gym Lease Agreement is hereby incorporated into, and made a part of, this Sublicense.

C. On the date hereof, Sublicensor and Sublicensee are entering into a Cafeteria Sublicense Agreement with respect to the demised premises described therein (the "Cafeteria Sublicense"). The Cafeteria Sublicense is hereby incorporated into, and made a part of, this Sublicense.

SECTION 2 GRANT AND TERM

2.1 Demised Premises and Parking Allotment

- (a) Sublicensor, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Sublicensee, does hereby lease to Sublicensee and Sublicensee hereby rents from Sublicensor, the Demised Premises described in Section 1. During the Term of this Sublicense, Sublicensee may, subject to availability, use no more than the Parking Deck Allotment in the Parking Deck portion of the Demised Premises and no more than the Surface Parking Lot Allotment in the Surface Parking Lot portion of the Demised Premises as space to park passenger motor vehicles (each, a "Vehicle").
- (b) "Parking Deck Allotment" shall mean 95 permits for unreserved parking spaces in the Parking Deck Portion of the Demised Premises, and "Surface Parking Lot Allotment" shall mean 42 permits for unreserved parking spaces in the Surface Parking Lot portion of the Demised Premises (the Parking Deck Allotment and Surface Parking Lot Allotment collective referred to herein as "Parking Allotment"). Sublicensee's employees shall be permitted to use the common areas in the Demised Premises for ingress and egress to and from the Demised Premises.
- (c) Vehicular ingress and egress to and from the Demised Premises shall be by parking access cards or such other system as Sublicensor may decide upon from time to time. If parking access cards are issued, Sublicensee shall pay a non-refundable fee of \$10 to Sublicensor for each new or replaced parking access card. Parking access cards not working properly will be replaced at no change. Parking access cards will not be activated until Sublicensee provides Sublicensor with each Vehicle's license plate number and description.

2.2 Term

The term of this Sublicense shall be for the Sublicense Term commencing on the Sublicense Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Sublicense Term is extended or sooner terminated in accordance with the provisions of this Sublicense, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated July 1, 2018 by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Sublicensee acknowledges it currently has possession and occupancy of the Demised Premises, and that the Sublicense Term shall commence on the date of this Sublicense.

4.2 Sublicensor Not Liable For Delays

Under no circumstances shall Sublicensor be liable for any delays in the delivery of possession to Sublicensee on the Rent Commencement Date. Sublicensee's sole and exclusive remedy shall be the abatement of Rent until the Demised Premises are ready for occupancy and possession is delivered to Sublicensee.

SECTION 5 BASE RENT

5.1 Base Rent

Sublicensee shall pay to Sublicensor the Annual Base Rent stated in Section 1, for the Demised Premises during the Sublicense Term. The Annual Base Rent shall be payable in one annual payment in advance on the Rent Commencement Date and the first day of each Sublicense Year thereafter at the office of Sublicensor stated in Section 1 or such other place designated by Sublicensor in writing.

5.2 Terms of Payment

Unless otherwise provided in this Sublicense, Sublicensee shall pay the Annual Base Rent without notice, demand, deduction, abatement or setoff, in lawful U.S. currency, at Sublicensor's address set forth in Section 1, or to such other address as determined by Sublicensor. Sublicensor will send invoices payable by Sublicensee to Sublicensee's address; however, neither Sublicensor's failure to send an invoice nor Sublicensee's failure to receive an invoice will relieve Sublicensee of its obligation to pay the Annual Base Rent. Each partial payment by Sublicensee shall be deemed a payment on account. No endorsement or statement on any check or any accompanying letter shall constitute an accord and satisfaction, affect Sublicensor's right to collect the full amount due, or require Sublicensor to apply any payment to invoices other than the Rent earliest due. No payment by Sublicensee to Sublicensor will be deemed to extend the Term or render any notice, pending suit or judgment ineffective. By notice to the other, each party may change its billing address. Following written notice to Sublicensee that Sublicensor did not receive all or part of any Rent, Sublicensee shall have five (5) business days to cure. If Sublicensee fails to cure, then Sublicensee shall pay Sublicensor a "Late Charge" of 5% of the overdue amount. Sublicensee agrees that the Late Charge is not a penalty, and will compensate Sublicensor for costs not contemplated under this Sublicense that are impracticable or extremely difficult to fix. Sublicensor's acceptance of a Late Charge does not waive Sublicensee's default.

5.3 Sublicense Year

Sublicense Year shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2018 and ending on June 30, 2019. The first Sublicense Year shall begin on the Rent Commencement Date. Each succeeding Sublicense Year shall commence on the anniversary of the commencement of the first Sublicense Year. The last year of the Sublicense Term shall expire on the Termination Date.

SECTION 6 UTILITIES

Sublicensee agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Sublicense Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of Sublicensor's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Sublicensee. Sublicensor shall not be liable to Sublicensee for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Sublicensee agrees to pay to Sublicensor all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Sublicense Year or partial Sublicense Years during the Sublicense Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Sublicense Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; and (c) all costs and expenses incurred by Landlord during the Sublicense Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Sublicensee pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Sublicensor, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Sublicense Term shall be paid to Sublicensor within ten (10) days after Sublicensor delivers to Sublicensee a statement for such Taxes. The Taxes for the years in which this Sublicense commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Sublicense Years.

7.4 Tenant's Taxes

Sublicensee shall pay all real and personal property taxes levied or assessed against Sublicensee's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Sublicensee.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Sublicensee shall use the Demised Premises during the Sublicensee Term in accordance with the following: Sublicensee's Parking Allotment may be used only by Sublicensee's employees, students, parents of students and guests of Sublicensee for school events (each a "Patron"). Patrons will be granted access to the Demised Premises only upon signing Sublicensor's standard parking agreement. Storage of Vehicles overnight is prohibited.

8.2 Disclaimer.

Each Patron parks at the Demised Premises at each Patron's own risk. No bailment is created. Neither Sublicensor nor any of its affiliated entities is obligated to secure or insure Vehicles or their contents, and shall not be responsible for any fire, theft, damage or loss to any Vehicle or its contents. Attendants are present solely to assist Patrons and are not required to verify ownership of Vehicles exiting the Demised Premises. Neither Sublicensor, nor any of its affiliated entities, represent, guarantee or warrant that any communication or security systems, devices or procedures in the Demised Premises will be effective to prevent any loss, damage or injury to Patrons, Sublicensee or their guests. Sublicensor may discontinue or modify any of these systems, devices, or procedures at any time without any liability to Sublicensee, Patrons or their guests.

8.3 Rules and Regulations

This Sublicense is conditioned upon each Patron's compliance with the following Rules and Regulations ("Parking Rules and Regulations"):

- (a) Patron may be required to display a sticker, tag or other identification;
- (b) Vehicles must be parked entirely within the painted stall lines. Parking is prohibited in: areas not striped for parking; aisles; areas where "No Parking" signs are posted; cross hatched areas; and in such other areas as may be designated by Sublicensor including areas designated as "Visitor Parking" or reserved spaces not leased under this Sublicense;

- (c) All directional signs and arrows must be observed;
- (d) The speed limit shall be five (5) miles per hour, unless posted otherwise;
- (e) Unless attended parking is required by Sublicensor, Patrons must park and lock their Vehicle;
 - (f) Spaces designated for compact Vehicles shall not be used by full-sized Vehicles;
- (g) The parking facilities' managers and attendants are not authorized to make or allow any exceptions to Parking Rules and Regulations; and
- (h) Parking Rules and Regulations may be modified by Sublicensor without notice to Sublicensee.

Sublicensor may refuse to permit any Patron who violates the Parking Rules and Regulations to park in the Demised Premises and may remove the Patron's Vehicle at the Patron's and Sublicensee's expense.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any immunities, Sublicensee shall defend, indemnify and hold harmless Sublicensor and Sublicensor's officers, directors, employees and agents (regardless of any negligence imputed to Sublicensor by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Sublicensor or Sublicensor's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Rent Commencement Date and during the Sublicense Term, (b) failure of Sublicensee to comply with any provision of this Lease, (c) failure of any sublicensee to comply with any provision of any sublicense, (d) occupancy or use by Sublicensee and/or sublicensee of the Demised Premises or any act or omission of Sublicensee, its employees, agents, representatives, invitees, licensees and contracting parties or any sublicensee, or (e) failure of Sublicensee to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Notwithstanding this Section 9.1, the Sublicensee shall not be required to indemnify Sublicensor against Damages arising from Sublicensor's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Rent payable upon demand.

9.2 Liability Insurance

Sublicensee shall procure and keep in effect during the Sublicense Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Sublicensor (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Sublicensee under this Sublicense shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Sublicensor as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Sublicensor. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Sublicensee or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Sublicensor. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Sublicensor prior to Sublicensee taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance and Repairs

Sublicensor may modify, renovate or improve the Demised Premises as Sublicensor deems appropriate. If any Patron is unable to use the Demised Premises because of major repairs or improvements, damage or condemnation to the Demised Premises, Sublicensor will not be in default of this Sublicense nor will Sublicensor have any liability to Sublicensee with respect to any such repairs, improvements, damage or condemnation. While Sublicensor is not obligated to perform any obligations under this Section 10.1, Sublicensor shall, upon Sublicensee's request, and at Sublicensee's expense, use reasonable efforts to repair, improve, and maintain the Demised Premises for the use contemplated by this Sublicense.

10.2 Damage and Repair

If as a result of the damage or destruction caused by fire or other casualty, the number of parking spaces that Sublicensee is otherwise entitled to use at such time under this Sublicense (the "Permitted Spaces") is not available for use by Sublicensee (the amount by which the number of Permitted Spaces exceeds such available spaces is referred to herein as the "Unavailable Spaces"), the Rent due by Sublicensee shall be abated in the proportion that the number of Unavailable Spaces bears to the number of Permitted Spaces from the 4th consecutive business day after the occurrence of such damage or destruction until the Unavailable Spaces again

become available. Sublicensee's sole remedy against Sublicensor for damage or destruction of any part of the Demised Premises is abatement of Rent under this Section 10.2, and Sublicensor will not be liable to Sublicensee for any other amount, including consequential damages.

SECTION 11 SUBLICENSEE'S ALTERATIONS

Sublicensee shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Sublicensor, which consent may be granted or withheld in the sole and absolute discretion of Sublicensor. Sublicensee shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Sublicensor, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Sublicensee shall, during the Sublicense Term, at its sole cost and expense, keep the Demised Premises and all Sublicensor owned FF&E insured for the benefit of Sublicensor:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Sublicensor from becoming a coinsurer under the policies or Laws, including special extended coverage endorsements reasonably required by Sublicensor in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the Demised Premises and Sublicensor owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Sublicensor, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings:
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Sublicensor;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Sublicensor; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Sublicensor Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Sublicensor.

Sublicensee shall provide Sublicensor with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of

an insurance policy or binder. Sublicensor shall be named as an additional insured on all such policies. If Subenant fails to maintain such insurance coverage, Sublicensor may, at its option, procure such insurance for the account of Sublicensee and the cost thereof shall be paid by Sublicensee to Sublicensor upon delivery to Sublicensee of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Sublicensor and shall be issued by insurance companies authorized to do business in the state of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Sublicensor may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Sublicense by notifying the Sublicensee of such termination within thirty (30) days after the date of such damage, at its sole option. Sublicensee shall immediately notify Sublicensor of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Sublicensor or Sublicensee or any policy covering both the interest of Sublicensor or Sublicensee under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Sublicensor or Sublicensee in connection with any loss or damage covered by any such policy. Sublicensor or Sublicensee hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Taking

"Taking" means government acquiring of all or part of the Demised Premises for any public or quasi-public use by exercise of a right of eminent domain or under any other law, or any sale in lieu thereof. If a Taking occurs:

- (a) If a Taking of substantially all of the parking spaces in the Demised Premises for substantially all of the remaining Term occurs, then this Sublicense terminates on the date of the Taking.
- (b) If a Taking does not cause this Sublicense to be terminated under (a) above, then Sublicensor is responsible under this Sublicense to restore (and alter, as necessary) the Demised Premises, unless this Sublicense is terminated by Sublicensee under the following circumstances:
- (1) Sublicensor may terminate this Sublicense upon sixty (60) days prior written notice to Sublicensee if Sublicensor reasonably determines that it is uneconomical to restore or alter the Demised Premises.
- (2) Sublicensee may terminate this Sublicense upon sixty (60) days prior written notice to Sublicensor if more than 50% of the total Parking Spaces in the Parking Deck and Surface Parking Lot are taken pursuant to such Taking for the remainder of the Term.

Licensor is entitled to the entire award for any claim for a Taking of its fee interest in the Demised Premises, and Sublicensee shall be entitled to the award of any claim for the loss of Sublicensee's use (or cost to replace) Sublicensee's Parking Allotment which is lost by such Taking and Sublicensee's rights in connection therewith shall, to the extent necessary to receive such award, constitute a subleasehold interest solely for such purpose. If Sublicensee is unable to obtain an award of its claim for the loss of use (or cost to replace) Sublicensee's Parking Allotment by virtue of Sublicensee's status as the holder of a sublicense, pursuant to the Parking License, Licensor shall, at its option, either (a) pay to Sublicensor and/or each partial assignee a portion of Licensor's award for a taking of its fee interest equal to the Percentage of Value (as set forth in the Master Deed) of the School Unit or the portion thereof then owned by Sublicensor and/or any such partial assignee (provided that the aggregate amount payable by Licensor to Sublicensor and/or all such partial assignees shall not exceed the Percentage of Value of the entire School Unit (i.e., 19.69%)) or (b) reallocate the portion of the Sublicensee's Parking Allotment so taken to other parking facilities, at Licensor's costs, provided that if this Sublicense has been germinated pursuant to any such Taking, Licensor and Sublicensor shall, if Licensor elected the option set forth in this clause (b), enter into a new Sublicense with respect to the new parking facilities on the same terms and conditions of this Sublicense, including the payment of Rent, for what would have been the remainder of the Term except that Licensor shall bear the cost of securing such facilities and except for such other terms and provisions of this Sublicense that would be clearly inapplicable to such other parking facilities.

13.2 Sublicensor's and Sublicensee's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Sublicensor.

SECTION 14 ACCESS TO PREMISES

Sublicensor or Sublicensor's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Sublicensor may deem necessary or desirable. Sublicensor shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Sublicensee at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

(a) All FF&E installed by Sublicensor shall remain the property of Sublicensor at the termination of this Sublicense. If Sublicensee installs any FF&E during the Sublicense Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Sublicensor upon installation and shall not be removed without Sublicensor's prior written consent, which may be granted or withheld in Sublicensor's sole and absolute discretion. All FF&E installed by Sublicensee and not removed at the termination of the Sublicense Term shall remain the property

of Sublicensor. In the event Sublicensor consents to such removal, Sublicensee shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.

- (b) If Sublicensee installs any FF&E during the Sublicense Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Sublicensee may remove such FF&E at the termination of this Sublicense.
- (c) Annually, on or about April 15 of each calendar year, Sublicensee shall provide Sublicensor with an accounting as to any FF&E of Sublicensor which have been replaced or otherwise disposed of by Sublicensee. Except for any such items which have become damaged or unusable, Sublicensee shall offer Sublicensor the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Sublicensee. If Sublicensor does not exercise its right to claim such items, they may be disposed of by Sublicensee in such fashion as Sublicensee may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY SUBLICENSEE

16.1 Sublicensor Transfers

Sublicensor's right to transfer any interest in the Demised Premises or this Sublicense is not limited by this Sublicense provided that the transferee of this Sublicense agrees in writing (i) to assume Sublicensor's obligations under this Sublicense that accrue after such transfer and (ii) not to terminate this Sublicense except as expressly permitted under this Sublicense. Upon any such transfer, Sublicensee will attorn to Sublicensor's transferee and Sublicensor will be released from liability under this Sublicense, except for any obligations under this Sublicense accruing before the transfer that are not assumed by the transferee.

16.2 Subordination

This Sublicense is, and will at all times be, subject and subordinate to each ground lease, mortgage, deed to secure debt or deed of trust now or later encumbering the Demised Premises or any portion thereof, including each renewal, modification, supplement, amendment, consolidation or replacement thereof (each, an "Encumbrance"); provided that the Encumbrance holder enters into a commercially reasonable subordination, non-disturbance and attornment agreement that contains customary non-disturbance provisions that are not inconsistent with Sublicensee's rights under this Sublicense. At Sublicensor's request, Sublicensee will, without charge, promptly execute, acknowledge and deliver to Sublicensor (or, at Sublicensor's request, the Encumbrance holder) any such subordination, non-disturbance and attornment agreement. Notwithstanding the foregoing, each Encumbrance holder may unilaterally elect to subordinate its Encumbrance to this Sublicense.

16.3 Attornment

Sublicensee will automatically attorn to any transferee of Sublicensor's interest in the Demised Premises that succeeds Sublicensor by reason of a termination, foreclosure or enforcement proceeding of an Encumbrance, or by delivery of a deed in lieu of any foreclosure or proceeding

(a "Successor Sublicensor"). In this event, this Sublicense will continue in full force and effect as a direct lease between the Successor Sublicensor and Sublicensee on all of the terms of this Sublicense, except that the Successor Sublicensor shall not be:

- (a) Liable for any obligation of Sublicensor under this Sublicense, or be subject to any counterclaim, defense or offset accruing before Successor Sublicensor succeeds to Sublicensor's interest;
- (b) Bound by any modification or amendment of this Sublicense made without Successor Sublicensor's consent:
- (c) Obligated to perform any improvements to the Demised Premises (or provide an allowance therefor). Upon Successor Sublicensor's request, Sublicensee will, without charge, promptly execute, acknowledge and deliver to Successor Sublicensor any instrument reasonably necessary or required to evidence such attornment.

16.4 Estoppel Certificate

Within ten (10) days after receipt of Sublicensor's written request, Sublicensee will execute, acknowledge and deliver to Sublicensor a certificate upon which Sublicensor and each existing or prospective Encumbrance holder may rely confirming the following (or any exceptions to the following):

- (a) The Sublicense Commencement Date and Sublicense Termination Date;
- (b) The documents that constitute the Sublicense, and that the Sublicense is unmodified and in full force and effect:
 - (c) The date through which Rent has been paid;
 - (d) That neither Sublicensor nor Sublicensee is in default of this Sublicense; and
- (e) Such other matters concerning this Sublicense that Sublicensor may reasonably require.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Sublicensor shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Sublicensor to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage") under the terms and conditions set forth in the Cafeteria Agreement. In the event of a Mortgage, the Sublicensee shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Sublicensee under this Sublicense upon the condition that the Mortgagee executes and delivers to Sublicensee an agreement ("SNDA Agreement") in a form satisfactory to Sublicensee and Mortgagee that provides that the Mortgagee will recognize this Sublicense and not disturb

Sublicensee's possession of the Demised Premises, so long as Sublicensee is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Sublicensee agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Sublicense to the lien of any such Mortgage.

17.2 Sale or Transfer

Sublicensor shall have the right to sell, transfer or assign the Demised Premise ("Conveyance") as set forth under the terms and conditions of the Cafeteria Agreement. In the event of a Conveyance, Sublicensee shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Sublicensor under this Sublicense and Sublicensor shall be relieved from all subsequent obligations and liabilities under this Sublicense, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Sublicensee.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Sublicense:

- (a) Sublicensee fails to pay Sublicensor Rent when due, and the failure continues for thirty (30) days after Sublicensee's receipt of written notice of such failure.
- (b) Sublicensee fails to perform a non-monetary obligation under this Sublicense and the failure continues for thirty (30) days after Sublicensee's receipt of written notice of such failure, except that if Sublicensee begins performing this obligation within thirty (30) days after notice to Sublicensee of this failure, but it will reasonably take more than thirty (30) days to complete performing the obligation, then Sublicensee will have a reasonable amount of additional time to complete performing the obligation so long as Sublicensee diligently pursues the performance of such obligation to completion.
- (c) Sublicensee assigns this Sublicense or gives a license to park or its Parking Allotment in violation of this Sublicense.
- (d) Sublicensee fails to discharge any attachment or levy on Sublicensee's interest in this Sublicense within thirty (30) days after the attachment or levy encumbers this Sublicense.
- (e) Sublicensee fails to cause any of the following proceedings to be vacated or dismissed within sixty (60) days after commencement; (l) the appointment of a receiver or trustee of the assets of Sublicensee or any guarantor of this Sublicense, (2) the voluntary or involuntary bankruptcy of Sublicensee or any guarantor of this Sublicense, or (3) any assignment for the benefit of creditors of the assets of Sublicensee or any guarantor of this Sublicense.
- (f) Sublicensee is named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.

- (g) A Default under the Parking License occurs.
- (h) A default by Sublicensee under the terms of any current leases (or sublicenses, or licenses) between Sublicensee, or any entity related to Sublicensee, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to the TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such lease.
- (i) Sublicensee fails to pay to the Argonaut Condominium Association when due any assessment or installment thereof levied by the Argonaut Condominium Association against Sublicensor or Sublicensee and/or the School Unit (as defined in the School and Gym Lease Agreement) or any portion thereof and such failure is not cured within thirty (30) days after the Argonaut Condominium Association has given Sublicensor or Sublicensee written notice thereof.
- (j) A default by Sublicensee under the terms of the School and Gym Lease Agreement that is not cured within the time specified in the Gym Lease Agreement.
- (k) A default by Sublicensee under the terms of the Cafeteria Sublicense that is not cured within the time specified in the Cafeteria Sublicense.

18.2 Sublicensor's Remedies Upon Default

If a Default occurs, Sublicensor shall have the rights and remedies set forth in this 18.2 which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Sublicensor of any other right or remedy allowed it by law or at equity.

- (a) Sublicensor may terminate this Sublicense by giving notice to Sublicensee of Sublicensor's election to do so, in which event the Term of this Sublicense shall end, and all right, title and interest of Sublicensee hereunder shall expire, on the date stated in such notice. Written notice alone shall be proof of any such election by Sublicensor.
- (b) Sublicensor may enforce the provisions of this Sublicense and may enforce and protect the rights of Sublicensor by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained in this Sublicense, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Sublicensee under any of the provisions of this Sublicense; provided that Sublicensee shall not be liable for the payment of Rent that would otherwise have become payable after the date of termination of this Sublicense but for such termination.
- (c) Sublicensor may, but shall not be obligated to, cure Sublicensee's Default by making any payment or performing such other act to the extent Sublicensor may deem desirable. Any such cure by Sublicensor shall be without notice and shall not waive or release Sublicensee from any obligation under this Sublicense. Sublicensee covenants and agrees to pay Sublicensor, upon demand, all advances, costs and expenses incurred by Sublicensor in connection with such cure, including reasonable attorney's fees, together with interest at the Default Rate (as defined below), from the date such are incurred by Sublicensor to the date of payment to Sublicensor.

18.3 Sublicensor's Termination

In the event Sublicensor terminates this Sublicense pursuant to Section 18.2:

- (a) Sublicensor shall be entitled to recover any and all Rent due and unpaid as of the date of termination. In addition, Sublicensee shall pay to Sublicensor liquidated damages equal to the sum of the actual Rent payable for the four (4) full calendar quarters immediately preceding the date of termination. Sublicensee shall immediately pay to Sublicensor all such Rent and liquidated damages.
- (b) Sublicensee shall, upon demand, reimburse Sublicensor, with interest at the Default Rate from the date incurred through the date of payment to Sublicensor, the Enforcement Costs
- (c) Sublicensor shall not be required to mitigate any of its damages hereunder. If any law shall validly limit the amount of any damages provided for herein to an amount which is less than the amount agreed to herein, Sublicensor shall be entitled to the maximum amount available under such law.

18.4 Definitions

As used in this Section:

- (a) "Enforcement Costs" shall be all sums, costs, expenses and damages (in addition to Costs of Releasing and including reasonable attorneys' fees) which are incurred by Sublicensor in enforcing the Sublicensee's obligations under this Sublicense or by reason of Sublicensee's Default, including without limitation, those arising out of any action brought by Sublicensor against Sublicensee to interpret any provision of this Sublicense or in connection with a bankruptcy or an assignment for the benefit of creditors.
- (b) "Default Rate" shall mean the rate per annum equal to the Prime Rate as published in the Wall Street Journal (or another publication selected by Sublicensor if the Wall Street Journal ceases to exist) from time to time plus 5% per annum, but in no event in excess of the maximum interest rate permitted by law.
- (c) Reasonable attorneys' fees shall include the value of services provided by counsel employed by Sublicensor or its Affiliates in the amount that Sublicensor would have reasonably incurred if the services had been performed by unaffiliated counsel.

18.5 Waiver of Jury Trial and Counterclaim

In the event Sublicensor commences any proceedings for non-payment of Rent or any other amount payable to Sublicensor by Sublicensee, Sublicensee shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Sublicensee's right to assert such a claim in any separate action brought by Sublicensee. Sublicensor and Sublicensee waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Sublicense, the relationship of

sublessor and sublessee, Sublicensee's use of the Demised Premises, or any claim of injury or damage.

18.6 Force Majeure

"Force Majeure" means any cause or event beyond the reasonable control of a party to this Sublicense, including any act of God, government act or restriction, labor disturbance, general shortage of materials or supplies, riot, insurrection, or act of war or terrorism. Force Majeure excuses a party from performing any non-monetary obligation under this Sublicense for a commercially reasonable amount of time.

18.7 Sublicensor's Default and Sublicensee's Remedies

- (a) Sublicensor will be in "Default" of this Sublicense if Sublicensor fails to perform any obligation of Sublicensor under this Sublicense and this failure continues for thirty (30) days after Sublicensee notifies Sublicensor of such failure in writing, or such longer period of time as is reasonable if more than thirty (30) days is reasonably required to perform this obligation if performance commences within this 30-day period and is diligently prosecuted to completion.
- (b) If Sublicensor is in Default, then Sublicensee may exercise any remedy available under law or in equity, including but not limited to specific performance, that is not waived or limited under this Sublicense, subject to the following:
- (i) Sublicensee may not terminate this Sublicense due to any Sublicensor Default; and
 - (ii) No liability under this Sublicense is assumed by Sublicensor's Affiliates.

"Affiliates" means with respect to a party (i) that party's partners, co-members and joint venturers, (ii) each corporation or other entity that is a parent or subsidiary of that party, (iii) each corporation or other entity that is controlled by or under common control of a parent of such party, and (iv) the directors, officers, employees and agents of that party and each person or entity described in (i-iii) above.

If Sublicensee terminates this Sublicense as permitted by applicable law based upon a Default of Licensor, Sublicensor shall pay to Sublicensee liquidated damages equal to the total amount of Rent payable for the twelve (12) full calendar months immediately preceding the date of termination.

SECTION 19 QUIET ENJOYMENT

Sublicensor covenants that so long no Default has occurred and is continuing, Sublicensee may peacefully and quietly hold and enjoy the Demised Premises for the Sublicense Term without interference by Sublicensor or any person claiming by, through or under Sublicensor.

SECTION 20 SIGNS

Sublicensee will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Sublicensor's prior written approval.

SECTION 21 OPTION TO RENEW

So long as no Default has occurred and is continuing, Sublicensee shall have one (1) option to renew this Sublicense (the "Renewal Option") for one (1) additional term of five (5) years (a "Renewal Term") upon the same terms, covenants and conditions as are contained in this Sublicense, provided that the Rent shall be adjusted as follows: the monthly Rent shall be the product of \$1,000.00 and a fraction, the numerator of which is the figure at which the Revised Consumer Price Index All Urban Consumers (All Items) for Detroit-Ann Arbor-Flint, Michigan (1982-84 = 100) of the Bureau of Labor Statistics, U.S. Department of Labor (the "Consumer Price Index"), stands for the month most recently published preceding the commencement of the Sublicense Year in question, and the denominator of which is the figure at which the Consumer Price Index stood for the month most recently published preceding the Sublicense Commencement Date, but in no event shall the monthly Rent for a Sublicense Year be less than the monthly Rent for the immediately preceding Sublicense Year. If the Consumer Price Index is discontinued, any other index published by the Bureau of Labor Statistics (or the most comparable index if more than one is published) shall be substituted. If the base year of the Consumer Price Index is changed, a new base year shall be used, subject to conversion factors published by the Bureau of Labor Statistics. If no conversion factors are published, the base year shall be converted based upon the adjustment between the new base and the old base at the time the new base become effective. For the sake of clarity, the Rent for the Rental Term shall be equal to the amount of the License Fees payable pursuant to the Parking License.

Sublicensee must exercise the Renewal Option by giving written notice thereof to Sublicensor at least twelve (12) months prior to the expiration of the Sublicense Term, as the same may have been renewed (a "Notice"). A Notice shall be effective only if (a) on the date the Notice, Sublicensee is not in Default, (b) Sublicensee exercises or has exercised its option to renew the Sublicense pursuant to the terms thereof for the corresponding Renewal Term thereunder, and (c) Sublicensor exercises or has exercised its option to renew the Parking License for an additional term.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Sublicense and exhibits attached hereto and forming a part hereof, set forth all of the covenants, Sublicenses, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Sublicensor and Sublicensee concerning the Demised Premises. Sublicensor and Sublicensee agree that there are no Representations other

than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Sublicense shall not be modified or amended unless in writing signed by Sublicensor and Sublicensee.

22.3 Notices

Any notices or demands required under this Sublicense shall be in writing addressed to each party at the address set forth Section 1. By notice to the other, either party may change its address for notices. Each notice must be in writing and will be validly given if either: (a) the notice is personally delivered and receipt is acknowledged in writing, or (b) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party two (2) business days after the deposit of the notice in the U.S. Mail.

22.4 Survival

Any obligation of Sublicensee under this Sublicense which is not performed in full prior to the termination of this Sublicense shall survive the termination of this Sublicense and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Sublicense are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Sublicense.

22.6 Construction

This Sublicense shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Sublicense, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Sublicense shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Sublicense shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns, and permitted transferees.

22.8 Joint Drafting

Sublicensor and Sublicensee acknowledge and agree that each has joined in and contributed to the drafting of this Sublicense and as a result there shall be no presumption in construing the provisions of this Sublicense favoring or burdening either Sublicensor or Sublicensee based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Sublicense may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Signatures on following page]

IN WITNESS WHEREOF, Sublicensor and Sublicensee have executed this Sublicense on the day and year first above written.

SUBLICENSOR:

TEF-SIX, LLC,

a Michigan limited liability company

By:

Thompson Educational Foundation, its sole

member

By:

Robert M. Thompson, President

SUBLICENSEE:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By:

Joseph A. Aristeo, President

Exhibit A

Description of Demised Premises

The Baltimore Parcel Legal Description:

Second and Baltimore Parcel

Land situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

LOTS 61 THROUGH 69 INCLUSIVE AND THE EASTERLY 9.00 FEET OF LOT 70, INCLUDING THE VACATED ALLEY (12 FEET WIDE) LYING ADJACENT TO SAID LOTS OF "LEAVITT'S SUBDIVISION OF THAT PART OF FRACL SECN 31, T. 1 S., R. 12 E., BOUNDED BY MILWAUKEE AND WOODWARD AVES GRAND TRUNK RAILROAD AND REAR LINE OF PRIVATE CLAIMS AND WEST LINE OF SAID FRACL SECN 31. ALSO LOTS 8 TO 17 BOTH INCLUSIVE PART OF BLOCK 5 OF HENRY WEBER'S SUBN OF PART OF FRACL SECNS 31 AND 36, T. 1 S., R. 11 AND 12 E. AND PART OF THE BAKER AND FORSYTH FARMS", CITY OF DETROIT, WAYNE COUNTY, MICHIGAN AS RECORDED IN LIBER 9 OF PLATS ON PAGE 17. WAYNE COUNTY RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWESTERLY CORNER OF BALTIMORE AVENUE (60 FEET WIDE) AND CASS AVENUE (80 FEET WIDE), SAID POINT BEING ALSO THE NORTHEASTERLY CORNER OF LOT 61 OF SAID "LEAVITT'S SUBDIVISION" (L. 9. PLATS, P. 17. W.C.R.): PROCEEDING THENCE FROM SAID POINT OF BEGINNING SOUTH 26 DEGREES 20 MINUTES 20 SECONDS EAST. ALONG THE WESTERLY LINE OF SAID CASS AVENUE, SAID LINE BEING ALSO THE EASTERLY LINE OF SAID LOT 61 AND THE EASTERLY END OF A VACATED ALLEY (12 FEET WIDE), A DISTANCE OF 117.59 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID "LEAVITI'S SUBDIVISION"; THENCE SOUTH 63 DEGREES 28 MINUTES 00 SECONDS WEST, ALONG THE SOUTHERLY LINE OF SAID SUBDIVISION, SAID LINE BEING ALSO THE SOUTHERLY LINE OF A VACATED PORTION OF SAID ALLEY, A DISTANCE OF 290.83 FEET TO A POINT: THENCE NORTH 26 DEGREES 32 MINUTES 00 SECONDS WEST, ACROSS SAID VACATED ALLEY, A DISTANCE OF 12.00 FEET TO THE SOUTHWESTERLY CORNER OF THE EASTERLY 9.00 FEET LOT 70 OF SAID SUBDIVISION: THENCE NORTH 26 DEGREES 20 MINUTES 20 SECONDS WEST, ALONG THE WESTERLY LINE OF THE EASTERLY 9.00 FEET OF SAID LOT 70, A DISTANCE OF 104.15 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID BALTIMORE AVENUE. SAID POINT BEING ALSO THE NORTHWESTERLY CORNER OF THE EASTERLY 9.00 FEET OF SAID LOT 70; THENCE NORTH 63 DEGREES 11 MINUTES 00

SECONDS EAST, ALONG THE SOUTHERLY LINE OF SAID BALTIMORE AVENUE, SAID LINE BEING ALSO THE NORTHERLY LINE OF THE EASTERLY 9.00 FEET OF SAID LOT 70 AND THE NORTHERLY LINE OF LOTS 69 THROUGH 61 OF SAID SUBDIVISION, A MEASURED DISTANCE OF 290.88 FEET (DESCRIBED 290.66 FEET) TO THE POINT OF BEGINNING. CONTAINING 33,992 SQUARE FEET OR 0.780 ACRE, MORE OR LESS, OF LAND IN AREA.

The Woodward Parcel Legal Description:

Parcel A:

Lots 1 through 5 inclusive, except the Easterly 20 feet thereof as taken for the widening of Woodward Avenue of "Leavitt's Subdivision of that part of fractional Section 31, Town 1 South, Range 12 East, bounded by Milwaukee and Woodward Avenues, Grand Trunk Railroad and rear line of Private Claims and West line of said fractional Section 31, also Lots 8 to 17 both inclusive, part of Block 5 of Henry Weber's Subdivision of part of fractional Sections 31 and 36, Town 1 South, Range 11 and 12 East and part of the Baker and Forsyth Farms", City of Detroit, Wayne County, Michigan, as recorded in Liber 9 of Plats on Page 17, Wayne County Records and being more particularly described as follows: Beginning at the Southwesterly corner of Milwankee Avenue (60 feet wide) and Woodward Avenue (120 feet wide, as widened), said point being distant South 63 degrees 11 minutes 00 seconds West, 20.00 feet as measured along the North line of Lot 1 of said "Leavitt's Subdivision" (Liber 9 of Plats, Page 17, Wayne County Records), from the Northeast corner of said Lot 1; proceeding thence from said point of beginning South 26 degrees 13 minutes 09 seconds East, along the Westerly line of said Woodward Avenue, as widened, said line being 20.00 feet Westerly of, as measured at right angles to and parallel with the Easterly line of Lots 1 through 5 inclusive of said "Leavitt's Subdivision", a measured distance of 231.10 feet (described 231.00 feet) to the Northwesterly comer of Baltimore Avenue (60 feet wide) and said Woodward Avenue; thence South 63 degrees 12 minutes 10 seconds West, along the Northerly line of said Baltimore Avenue, said line being also the Southerly line of Lot 5 of said subdivision, except the Easterly 20.00 feet thereof, a distance of 130.00 feet to the Southwesterly corner of said lot; thence North 26 degrees 14 minutes 56 seconds West, along the Easterly line of a public alley (16 feet wide), said line being also the Westerly line of Lots 5 through 1 inclusive of said subdivision, a measured distance of 231.06 feet (recorded 231.00 feet) to the Northwesterly comer of said Lot 1; thence North 63 degrees 11 minutes 00 seconds East along the Southerly line of said Milwaukee Avenue, said line being also the Northerly line of Lot 1, except the Easterly 20.00 feet thereof, a measured distance of 130.12 feet (described 130.00 feet) to the point of beginning.

Parcel B:

Lots 15 through 20 inclusive of "Leavitt's Subdivision of that part of fractional Section 31, Town 1 South, Range 12 East, bounded by Milwaukee and Woodward Avenues, Grand Trunk Railroad and rear line of private claims and West line of said fractional Section 31 also Lots 8 to 17 both inclusive, part of block 5 of Henry Weber's Subdivision of part of fractional Section 31 and 36 Town 1 South, Range 11 and 12 East and part of the Baker and Forsyth Farms" City of Detroit, Wayne County, Michigan as recorded in Liber 9 of Plats on Page 17, Wayne County Records and being more particularly described as follows: Beginning at the Nontheasterly corner of Baltimore Avenue (60 feet wide) and Cass Avenue (80 feet wide), said point being also the southwesterly corner of Lot 15 of said "Leavitt's Subdivision" (Liber 9 plats, Page 17, Wayne

County Records); praceeding thence from said point of beginning North 26 degrees 19 minutes 00 seconds West, along the Easterly line of said Cass Avenue, said line being also the Westerly line of said Lot 15, a distance of 107.50 feet to the Northwesterly corner of said lot; thence North 63 degrees 12 minutes 10 seconds East, along the Southerly line of a public alley (16 feet wide), said line being also the Northerly line of Lots 15 through 20, inclusive of said subdivision, a measured distance of 204.13 feet to the Northeasterly corner of said Lot 20; thence South 26 degrees 14 minutes 56 seconds East, along the Westerly line of a public alley (16 feet wide), said line being also the Easterly line of Lot 20 of said subdivision, a distance of 107.50 feet to the Southeasterly corner of said Lot 20; thence South 63 degrees 12 minutes 10 seconds West, along the Northerly line of said Baltimore Avenue, said line being also the Southerly line of Lots 20 through 15 inclusive of said subdivision, a distance of 204.00 feet to the point of beginning.

Parcel C:

Lots 21 through 26 inclusive of "Leavitt's Subdivision of that part of fractional Section 31, Town 1 South, Range 12 East bounded by Milwaukee and Woodward Avenues, Grand Trunk Railroad and rear line of Private Claims and West line of said fractional Section 31, also Lots 8 to 17 inclusive, Part of Block 5 of Henry Weber's Subdivision of part of fractional Section 31 and 36, Town ! South, Range 11 and 12 East, and part of The Baker and Forsyth Farms", City of Detroit, Wayne County, Michigan, as recorded in Liber 9 of Plats on Page 17, Wayne County Records and being more particularly described as follows: Beginning at the Southeasterly corner of Milwankee Avenue (60 feet wide) and Cass Avenue (80 feet wide), said point being also the Northwesterly corner of Lot 26 of said "Leavitt's Subdivision" (Liber 9 of Plats, Page 17, Wayne County Records); proceeding thence from said point of beginning North 63 degrees 11 minutes 00 seconds East, along the Southerly line of said Milwaukee Avenue, said line being also the Northerly line of Lots 26 through 21 inclusive of said subdivision, a measured distance of 204.27 feet (recorded 204.00 feet) to the Northeasterly corner of Lot 21; thence South 26 degrees 14 minutes 56 seconds East, along the Westerly line of a public alley (16 feet wide), said line being also the Easterly line of Lot 21 of said subdivision, a measured distance of 107.56 feet (recorded 107.50 feet) to the Southeasterly corner of said Lot 21; thence South 63 degrees 12 minutes 10 seconds West, along the Northerly line of a public alley (16 feet wide), said line being also the Southerly line of Lots 21 through 26 inclusive of said subdivision, a measured distance of 204.15 feet (recorded 204.00 feet) to the Southwesterly corner of said Lot 26; thence North 26 degrees 19 minutes 00 seconds West, along the Easterly line of said Cass Avenue, said line being also the Westerly line of Lot 26 of said subdivision, a measured distance of 107.48 feet (recorded 107.50 feet) to the point of beginning.

Exhibit B

Parking License

See attached.

DETROIT 38030-1 1452675v3

PARKING LICENSE AGREEMENT

THIS PARKING LICENSE AGREEMENT (this "Agreement"), made as of the 30th day of June, 2017 (the "Effective Date"), by and between the COLLEGE FOR CREATIVE STUDIES, a Michigan non-profit corporation, having an office at 201 E. Kirby, Detroit, Michigan 48202 (hereinafter called "Licensor"), and TEF-SIX, LLC, a Michigan limited liability company, having an office at c/o P.O. Box 6349, Plymouth, Michigan 48170, Attention: John G. Cleary ("Licensee").

RECITALS:

- A. Licensor is the owner of a parcel of land described in Exhibit A attached hereto (the "Baltimore Parcel") and a parcel of land described in Exhibit B attached hereto (the "Woodward Parcel").
- B. A parking deck currently containing 483 parking spaces (the "Parking Deck") and other site improvements are currently located on the Baltimore Parcel.
- C. A surface parking lot containing 178 parking spaces (the "Surface Parking Lot") and other site improvements are currently located on the Woodward Parcel (the Baltimore Parcel, Woodward Parcel, Parking Deck and all other improvements now or hereafter located in or on the Baltimore Parcel or Woodward Parcel are collectively referred to as the "Parking Facilities"). For purposes of this Agreement, the Surface Parking Lot shall also include any parking deck or structure subsequently constructed on the Woodward Parcel in addition to or in lieu of, in whole or in part, the surface parking lot located thereon as of the Effective Date.
- D. Pursuant to a certain Parking License Agreement dated September 30, 2008 between Licensee and Licensor, Licensee currently holds a license to utilize 137 parking spaces within the Parking Facilities (the "Prior License Agreement").
- E. Simultaneously herewith, Argonaut Campus Developer LLC, a Michigan limited liability company, has conveyed to Licensee Units 2 and 6 (Unit 2 is referred to herein as the "School Unit" and Units 2 and 6 are collectively referred to herein as "Licensee's Units") of the Argonaut Condominium, a business condominium project located in Detroit, Michigan (the "Condominium Project"), established pursuant to a Master Deed recorded in Liber 53803, Page 506, Wayne County Records (such Master Deed, as the same may be amended from time to time, is referred to herein as the "Master Deed").
- F. In connection with the purchase and sale of Licensee's Units, the parties desire to enter into a new License Agreement for the use of the Parking Facilities by Licensee and its permitted assigns upon and subject to the terms, covenants and conditions hereinafter set forth.

AGREEMENT:

In consideration of the premises and other good and valuable consideration, Licensor and Licensee hereby agree as follows:

- Parking Allotment. Licensor hereby grants Licensee a license to utilize 137 parking spaces within the Parking Facilities. The foregoing license is irrevocable during the Term except as expressly provided in this Agreement. Licensee shall be entitled to use 95 unreserved parking spaces within the Parking Deck (the "Parking Deck Allotment") for the purpose of parking passenger motor vehicles (each, a "Vehicle") and 42 unreserved parking spaces within the Surface Parking Lot (the "Surface Parking Allotment") for Vehicle parking (the Parking Deck Allotment and Surface Parking Lot Allotment are sometimes collectively referred to herein as the "Parking Allotment"). Licensee and its Patrons and permitted assigns shall also have a license to use the common areas in the Parking Facilities for ingress and egress to and from the Parking Facilities. Licensor shall have the right, at any time and from time to time, to reallocate all or any portion of the Surface Parking Lot Allotment to the Parking Deck Allotment by written notice thereof to Licensee. If, during the period that the Parking Deck is subject to a financing that could or would make it a default or result in an acceleration of indebtedness or non-taxable interest becoming taxable if the Parking Deck were used by a person not tax exempt under state and/or federal law ("Tax Exempt Financing"), Licensee or its permitted assign or any permitted sublicensee is not a tax exempt entity, Licensor shall have the right, to avoid a default, an acceleration of indebtedness or non-taxable interest becoming taxable under such Tax Exempt Financing, to reallocate all or any portion of the Parking Deck Allotment to the Surface Parking Lot Allotment, or if an adequate number of spaces are not available within the Surface Parking Lot, to other parking spaces not located within the Parking Facilities that are reasonably acceptable to Licensee and Licensor shall pay the cost of such parking spaces to the extent they are provided by a third party and shall be responsible for the cost of providing shuttle service to and from such third party parking and the Condominium Project provided that such shuttle service is reasonably necessary. Regardless of whether the re-allocated spaces are located within the Parking Facilities or within other parking facilities, Licensec shall remain liable for the payment of the entire License Fees. Licensee shall promptly notify Licensor if Licensor or any permitted assignee or sub-licensee is or becomes non-tax exempt under state and/or federal law. Notwithstanding anything to the contrary contained herein, during the Term of this Agreement (and provided this Agreement has not been earlier terminated pursuant to Sections 12 or 14), Licensor shall at all times provide Licensee or its permitted assign(s) with a total of 137 parking spaces, in accordance with this Agreement.
- 2. Parking Cards. Vehicular ingress and egress to and from the Parking Facilities shall be by parking access cards or such other system as Licensor may decide upon from time to time. If parking access cards are issued, Licensee will pay a non-refundable fee of \$10 for each new or replaced parking access card. Parking access cards not working properly will be replaced at no charge. Parking access cards will not be activated until the Licensee or Patron provides Licensor with each Vehicle's license plate number and description.

3. Licensee Fees.

- Amount of Payment. (i) For each calendar year or partial calendar year falling within the Term (a "License Year"), Licensee shall pay to Licensor, on the first day of each month falling within the Term, a license fee determined as follows (the "License Fees"). For 2017, the License Fees shall be \$1,000.00 per month. For each subsequent License Year prior to 2037, the monthly License Fee shall be the product of \$1,000.00 and a fraction, the numerator of which is the figure at which the Revised Consumer Price Index All Urban Consumers (All Items) for Detroit-Ann Arbor-Flint, Michigan (1982-84 = 100) of the Bureau of Labor Statistics, U.S. Department of Labor (the "Consumer Price Index"), stands for the month most recently published preceding the commencement of the License Year in question, and the denominator of which is the figure at which the Consumer Price Index stood for the month most recently published preceding the License Commencement Date, but in no event shall the monthly License Fees for a License Year be less than the monthly License Fees for the immediately preceding License Year. If the Consumer Price Index is discontinued, any other index published by the Bureau of Labor Statistics (or the most comparable index if more than one is published) shall be substituted. If the base year of the Consumer Price Index is changed, a new base year shall be used, subject to conversion factors published by the Burcau of Labor Statistics. If no conversion factors are published, the base year shall be converted based upon the adjustment between the new base and the old base at the time the new base becomes effective.
- (ii) Except as otherwise provided below, the monthly License Fee for each License Year after 2036 shall be the greater of (A) the amount of such License Fee if it is determined in accordance with sub-paragraph (i) above or (B) the following percentages of the prevailing market rate as of two (2) months prior to the commencement of such License Year for monthly parking in similar parking facilities in the New Center Area (the "Prevailing Market Rate"), multiplied by the Parking Allotment, it being recognized that the Prevailing Market Rate may differ between the surface parking spaces and parking deck spaces:

Period of Time	Percentage of Prevailing Market Rate
2037	15%
2038	30%
2039	45%
2040	60%
2041-end of Term	75%

(iii) Notwithstanding the foregoing, if this Agreement is wholly or partially assigned by Licensee or any successor or assign thereof to a person or entity other than (A) a person or entity controlling, controlled by, or under common control with Licensee (a "Licensee Affiliate"), (B) the Public School Academies of Detroit or a person or entity controlling, controlled by, or under common control with the Public School Academies of Detroit (a "PSAD Entity"), or (iii) with Licensor's consent, which consent shall not be unreasonably withheld, a non-profit charter school that Licensee and the Thompson Educational Foundation, a Michigan non-profit corporation, have determined is consistent with their charitable mission (an "Approved Charter School"), or all of the license granted hereunder to park and Parking Allotment is sublicensed to a person or entity other than a Licensee Affiliate,

PSAD Entity, or Approved Charter School, thereafter the monthly License Fees for the balance of the License Year in which such assignment or sublicense occurs and for each License Year thereafter shall be the greater of (y) the amount of such License Fee if it is determined in accordance with sub-paragraph (i) above or (z) seventy-five percent (75%) of the Prevailing Market Rate, multiplied by the Parking Allotment; provided, however, that the Prevailing Market Rate for the balance of the License Year in which such assignment or sublicense occurs shall be reasonably determined by Licensor and not determined as provided in (iv) below. In the event of a partial assignment or sub-license of Licensee's Parking Allotment to an entity other than a Licensee Affiliate, PSAD Entity or Approved Charter School, a pro rata portion of the monthly Licensee Fees shall be adjusted in the foregoing manner, based on the relative number of spaces that are partially assigned or sub-licensed by Licensee to an entity or person other than a Licensee Affiliate, PSAD Entity or Approved Charter School.

(iv) If the Prevailing Market Rate must be determined to calculate all or a portion of the License Fees, Licensor shall advise Licensee of Licensor's determination of the Prevailing Market Rate for a License Year (the "Rate Notice"). If Licensor and Licensee agree in writing on the Prevailing Market Rate for a License Year within ten (10) business days after the Rate Notice is given, such agreed upon Prevailing Market Rate shall be the Prevailing Market Rate for such License Year. If Licensor and Licensee fail to agree in writing on the Prevailing Market Rate within ten (10) business days after the Rate Notice is given, each of the parties shall, within ten (10) days after the expiration of such ten (10) day period, select a licensed real estate broker who shall have been active during the five (5) year period ending on the date of its selection in the leasing and/or licensing of parking spaces in similar parking facilities in the vicinity of the Premises. Each broker shall deliver to both parties its written determination of the Prevailing Market Rate for the License Year within twenty-one (21) days after its selection. If the written determination which provides for the greater Prevailing Market Rate is not greater than the other determination by more than ten percent (10%), the Prevailing Market Rate for such License Year shall be the average of the two determinations, which shall be final and binding upon the parties hereto. If the written determination which provides for the greater Prevailing Market Rate is more than ten percent (10%) greater than the other determination, each of the brokers shall jointly select a similar experienced real estate broker who shall, within twenty-one (21) days after its selection, deliver to both parties its written determination of the Prevailing Market Rate for such License Year, in which event the Prevailing Market Rate for such License Year shall be the Prevailing Market Rate as determined by such broker, which determination shall be final and binding upon the parties hereto. Each party shall bear the cost of the real estate broker selected by it and the cost of the third broker, if any, shall be borne equally by the parties.

(b) Terms of Payment. Unless otherwise provided in this Agreement, Licensee shall pay License Fees without notice, demand, deduction, abatement or setoff, in lawful U.S. currency, at Licensor's Billing Address. Licensor will send invoices payable by Licensee to Licensee's Billing Address; however, neither Licensor's failure to send an invoice nor Licensee's failure to receive an invoice for installments of Licensee Fees will relieve Licensee of its obligation to pay installments of Licensee Fees. Each partial payment by Licensee shall be deemed a payment on account. No endorsement or statement on any check or any accompanying letter shall constitute an accord and satisfaction, affect Licensor's right to

collect the full amount due, or require Licensor to apply any payment to other than License Fees earliest due. No payment by Licensee to Licensor will be deemed to extend the Term or render any notice, pending suit or judgment ineffective. By notice to the other, each party may change its Billing Address.

- (c) <u>Late Payment</u>. If Licensor does not receive all or part of any License Fees within five (5) business days of the date when due, then Licensee shall pay Licensor a "Late Charge" of 5% of the overdue amount. Licensee agrees that the Late Charge is not a penalty, and will compensate Licensor for costs not contemplated under this Agreement that are impracticable or extremely difficult to fix. Licensor's acceptance of a Late Charge does not waive Licensee's default.
- 4. Term. "Term" means the period that begins on the Effective Date and ends on the License Expiration Date, subject to earlier termination as may be further provided in this Agreement. The "License Expiration Date" means the earlier of (i) the day immediately preceding the ninety-nine (99) year anniversary of the Effective Date or (ii) the date title to the entire School Unit is conveyed to CCS or any successor or assign thereof or any entity controlled by, controlling, or under common control with CCS or any successor or assign or any other entity in which CCS or any such successor or assign has a direct or indirect interest (a "CCS Related Entity").

Except for Licensor's rights to terminate this Agreement that are expressly set forth in this Agreement, this Agreement shall not be revocable by Licensor during the Term. If title to a portion, but not the entire, School Unit is conveyed to a CCS Related Entity, the number and location of parking spaces, if any, assigned by Licensee to the CCS Related Entity shall be based on the agreement between such parties.

Assignment. Except as provided below, neither Licensee nor any Patron may assign or sub-license its license to park or its Parking Allotment. Notwithstanding the foregoing. Licensee may assign its Parking Allotment and its related rights and interest in, to and under this Agreement to a person or entity to whom title to the entire School Unit has been conveyed and Licensee may sub-license all or a portion of its license to park and Parking Allotment to a person or entity that leases all or any portion of Licensee's Units from Licensee. In addition, if Licensee conveys a portion of the School Unit, Licensee may partially assign its license to park and Parking Allotment to its purchaser, as determined by Licensee, subject to the foregoing restrictions on the use of the Parking Deck during any period it is restricted to use by tax-exempt entities, as set forth in Section 1 above. Any permitted assignee of Licensee shall have the same assignment rights as provided above during the Term of this Agreement. In the event of a partial assignment of Licensec's Parking Allotment to a party that acquires title to a portion of the School Unit, at Licensee's request, Licensor shall enter into a separate License Agreement with such assignee on the same terms and conditions that are set forth in this Agreement (subject to the necessary revisions to reflect the Parking Allotment that has been assigned by Licensee to such assignee) and Licensor and Licensee shall enter into an amendment to this Agreement which reflects the Parking Allotment that remains subject to this Agreement, Licensee shall be responsible for the cost of preparing such documents. In no event shall the total number of partial assignments by Licensee of the Parking Allotment exceed ten (10).

- 6. Use. Licensee's Parking Allotment may be used only by the employees of Licensee or an assignee or sub-licensee permitted under Section 5 hereof, students of a middle and/or high school located within the Project that is operated by Licensee or an assignee or sub-licensee permitted under Section 5, or parents of students (each, a "Patron"). Patrons will be granted access to the Parking Facilities only upon signing Licensor's standard parking license with Licensor. Storage of Vehicles overnight is prohibited.
- 7. Disclaimer. Each Patron only has a license to park in the Parking Facilities at the Patron's sole risk. No bailment is created. Licensor is not obligated to secure or insure Vehicles or their contents, and is not be responsible for any fire, theft, damage or loss to any Vehicle or its contents. Attendants are present solely to assist Patrons and are not required to verify ownership of Vehicles exiting the Parking Facilities. Licensor does not represent, guaranty or warrant that any communication or security systems, devices or procedures in the Parking Facilities will be effective to prevent any loss, damage or injury to Licensee, Patrons or their guests. Licensor may discontinue or modify any of these systems, devices or procedures at any time without any liability to Licensee, Patrons, or their guests.
- Repairs and Improvements. Licensor may modify, renovate or improve the Parking Facilities as Licensor deems appropriate. If any modification, renovation, or improvement by Licensor of the Parking Deck results in the temporary loss of parking spaces allocated to Licensee within the Parking Deck, Licensor shall temporarily re-allocate the affected portion of Licensee's Parking Deck Allotment to the Surface Parking Lot, or if an adequate number of spaces are not available within the Surface Parking Lot, to other parking spaces not located within the Parking Facilities that are reasonably acceptable to Licensee and Licensor shall pay the cost of such parking spaces to the extent they are provided by a third party and shall be responsible for the cost of providing shuttle service to and from such third party parking facilities and the Condominium Project provided that such shuttle service is reasonably necessary. In addition, Licensor shall have the right to develop the Surface Parking Lot in its sole and absolute discretion, including but not limited to constructing one or more buildings and structures thereon. Notwithstanding anything to the contrary contained herein, Licensor may, in connection with the development or sale of the Surface Parking Lot, temporarily or permanently reallocate the Surface Parking Lot Allotment, in whole or in part, to the Surface Parking Lot, as redeveloped, the Parking Deck and/or other parking facilities reasonably acceptable to Licensee within a radius of one thousand (1,000) feet of the Surface Parking Lot (which radius shall be expanded as reasonably approved by Licensee if there are not a sufficient number of available parking spaces within such radius) and, to the extent such Parking Allotment is relocated to third party parking facilities, Licensor shall pay the cost of the parking spaces secured at such third party parking facilities and the cost of providing shuttle service to and from such third party parking and the Condominium Project provided that such shuttle service is reasonably necessary and Licensee shall remain liable for the payment of the License Fees. If any Patron is unable to use the Parking Facilities because of major repairs or improvements to the Parking Facilities or Project, Licensor will not be in default of this Agreement except to the extent Licensor fails to perform its obligations under this Section. Except as otherwise provided in Sections 11 and 12 hereof, during the Term, Licensor shall repair, maintain and replace, if necessary, the Parking Facilities and otherwise keep the Parking Facilities in good order and condition according to the

standards prevailing for comparable facilities in the area in which the Parking Facilities are located.

- 9. Rules and Regulations. This license is conditioned upon each Patron's compliance with the following Parking Facilities rules and regulations ("Parking Rules and Regulations"):
 - (a) Patron may be required to display a sticker, tag or other identification;
 - (b) Vchicle must be parked entirely within the painted stall lines. Parking is prohibited in: areas not striped for parking; aisles; areas where "No Parking" signs are posted; cross hatched areas; and in such other areas as may be designated by Licensor including areas designated as "Visitor Parking" or reserved spaces not licensed under this Agreement;

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- (c) All directional signs and arrows must be observed;
- (d) The speed limit shall be 5 miles per hour, unless posted otherwise;
- (c) Unless attended parking is required by Licensor, Patrons must park and lock their Vehicle;
- (f) Spaces designated for compact Vehicle shall not be used by full-sized Vehicle;
- (g) Parking Facilities' managers and attendants are not authorized to make or allow any exceptions to Parking Rules and Regulations; and
- (h) Parking Rules and Regulations may be modified by Licensor with notice to Licensee.

Licensor may refuse to permit any Patron, who violates the Parking Rules and Regulations, to park in the Parking Facilities and may remove the Patron's Vehicle at the Patron's and Licensee's expense.

- 10. Intentionally Omitted.
- 11. Damage or Destruction.
- (a) Damage and Repair. If all or any material part of the Parking Facilities is damaged by fire or other casualty, then the parties will proceed as follows:
 - (i) Licensor's Estimates. Licensor will assess the damage to the Parking Facilities and notify Licensec of Licensor's reasonable estimate of the time required to substantially complete repairs and restoration of the Parking Facilities ("Repair Estimate"). Within

30 days after the latest of the casualty, issuance of the Repair Estimate, or receipt of any denial of coverage or reservation of rights from Licensor's insurer, or receipt of notice from the holder of any Encumbrance (as defined in Section 13(b)) that all or any portion of the insurance proceeds will be used to retire the debt secured by such Encumbrance, Licensor may re-allocate Licensee's Parking Allotment that is affected by such casualty to the Parking Facilities that were not damaged by such casualty event or to other parking facilities, at Licensor's cost, to the extent that there are not a sufficient number of parking spaces available in the undamaged Parking Facilities, in accordance with Section 8 by written notice to Licensee if:

- (A) The Repair Estimate exceeds 270 days; or
- (B) The damage or destruction occurs in the last 12 months of the Term;
- (C) The repair and restoration is not fully covered by insurance maintained or required to be maintained by Licensor (subject only to those deductibles or retentions Licensor elected to maintain) or Licensor's insured denies coverage or reserves its rights on coverage; or
- (D) The holder of any Encumbrance requires that all or any portion of the insurance proceeds be used to retire the debt secured by such Encumbrance or the damage is caused by a casualty that is not covered by insurance maintained by Licensor.
- (E) For purposes of the foregoing, a material portion of the Parking Facilities shall be deemed damaged by fire or other casualty if greater than 50% of the affected Parking Facilities are rendered unusable.
- (ii) Repairs. If Licensor does not permanently re-allocate Licensee's Parking Allotment under sub-paragraph (i) above, then Licensor shall temporarily re-allocate Licensee's affected Parking Allotment to the Parking Facilities that were not affected by such casualty or to other parking facilities, at Licensor's cost, to the extent that there are not a sufficient number of parking spaces available in the undamaged Parking Facilities in accordance with Section 8 and Licensor will repair and restore the Parking Facilities to the condition existing prior to such damage, except for modifications required by law. Licensor will perform such work with reasonable

- promptness, subject to delay for loss adjustment, delay caused by Licensee and Force Majeure.
- (iii) Reinstatement of Parking Allotment. If (A) Licensor re-allocates Licensee's Parking Allotment or otherwise relocates the parking spaces allotted to Licensee under clause (A), (C), or (D) of subparagraph (i) above, (B) the damaged Parking Facilities have, within two (2) years after the re-allocation of Licensee's Parking Allotment, been fully restored and are being operated as parking facilities, Licensee may elect to have its displaced parking spaces re-allocated to the restored Parking Facilities by giving written notice thereof to Licensor within thirty (30) days after Licensor gives Licensee written notice that the damaged Parking Facilities have been restored, subject to the provisions of Section 1 if the restored Parking Facilities consist of the Parking Deck and the Parking Deck is then subject to Tax Exempt Financing that restricts its use to tax-exempt entities.
- (b) License Fees. If as a result of the damage or destruction under Section 11(a), the number of parking spaces that Licensee is otherwise entitled to use at such time under this Agreement (the "Permitted Spaces") is not available for use by Licensee (the amount by which the number of Permitted Spaces exceeds such available spaces is referred to herein as the "Unavailable Spaces"), License Fees shall be abated in the proportion that the number of Unavailable Spaces bears to the number of Permitted Spaces from the 4th consecutive business day after the occurrence of such damage or destruction until the Unavailable Parking Spaces are re-allocated to another location in accordance with this Agreement or the Unavailable Spaces again become available. Licensee's sole remedy against Licensor for temporary loss of its Parking Allotment due to the damage or destruction of any part of the Parking Facilities is abatement of License Fees under this Section 11(b), and Licensor will not be liable to Licensee for any other amount, including consequential damages.
- 12. Taking. "Taking" means acquiring of all or part of the Parking Facilities for any public or quasi-public use by exercise of a right of eminent domain or under any other law, or any sale in lieu thereof. If a Taking occurs:
 - (a) <u>Total Taking</u>. If a Taking of substantially all of the parking spaces in the Parking Facilities for substantially all of the remaining Term occurs, then the Agreement terminates on the date of the Taking.
 - (b) Partial Taking. If a Taking does not cause the Agreement to be terminated under (a), then Licensor will restore (and alter, as necessary) the Parking Facilities, unless the Agreement is terminated by either Licensor or Licensee under the following circumstances:

- (1) Licensor may terminate the Agreement upon 60 days prior written notice to Licensee if Licensor reasonably determines that it is uneconomical to restore or alter the Parking Facilities.
- (2) Licensee may terminate the Agreement upon 60 days prior written notice to Licensor if more than 50% of the total Parking Spaces in the Parking Deck and Surface Parking Lot are taken pursuant to such Taking for the remainder of the Term.

Licensor is entitled to the award for any claim for a taking of its fee interest in the Parking Facilities, and Licensee shall be entitled to the award of any claim for the loss of Licensee's use (or cost to replace) Licensee's Parking Allotment which is lost by such taking and Licensee's rights in connection therewith shall, to the extent necessary to receive such award, constitute a leasehold interest solely for such purpose. If Licensee is unable to obtain an award of its claim for the loss of use (or cost to replace) Licensee's Parking Allotment by virtue of Licensee's status as the holder of a license, Licensor shall, at its option, either (a) pay to Licensor and/or each partial assignee a portion of Licensor's award for a taking of its fee interest equal to the Percentage of Value (as set forth in the Master Deed) of the School Unit or the portion thereof then owned by Licensee and/or any such partial assignee (provided that the aggregate amount payable by Licensor to Licensee and/or all such partial assignees shall not exceed the Percentage of Value of the entire School Unit (i.e., 19.69%)) or (b) reallocate the portion of the Parking Allotment so taken to other parking facilities, at Licensor's cost, provided that if this Agreement has been terminated pursuant to any such taking, Licensor and Licensee shall, if Licensor elected the option set forth in this clause (b), enter into a new License Agreement with respect to the new parking facilities on the same terms and conditions of this Agreement, including the payment of License Fees, for what would have been the remainder of the Term except that Licensor shall bear the cost of securing such facilities and except for such other terms and provisions of this Agreement that would be clearly inapplicable to such other parking facilities.

13. Licensor Transfers.

- (a) <u>Licensor's Transfer</u>. Licensor's right to transfer any interest in the Parking Facilities or this Agreement is not limited by this Agreement provided that the transferee of any interest in this Agreement agrees in writing (i) to assume Licensor's obligations under this Lease that accrue after such transfer and (ii) that the transferee shall not terminate this Agreement except as expressly permitted under this Agreement. Upon any such transfer and assumption, Licensec will attorn to Licensor's transferee and Licensor will be released from liability under this Agreement, except for any obligations under this Agreement accruing before the transfer that are not assumed by the transferee.
- (b) <u>Subordination</u>. This Agreement is, and will at all times be, subject and subordinate to each ground lease, mortgage, deed to secure debt or deed of trust now or later encumbering the Parking Facilities or any portion thereof, including each renewal, modification, supplement, amendment, consolidation or replacement thereof (cach, an "Encumbrance"); provided that the Encumbrance holder enters into a commercially reasonable subordination, non-

disturbance and attornment agreement that contains customary non-disturbance provisions that are not inconsistent with Licensee's rights under this Agreement. At Licensor's request, Licensee will, without charge, promptly execute, acknowledge and deliver to Licensor (or, at Licensor's request, the Encumbrance holder) any such subordination, non-disturbance and attornment agreement instrument. Notwithstanding the foregoing, each Encumbrance holder may unilaterally elect to subordinate its Encumbrance to this Agreement. The existence of any Encumbrance on the Parking Facilities and/or the exercise of the Encumbrance holder's rights and remedies as a result of a default under such Encumbrance shall not affect Licensor's obligations under this Agreement to obtain suitable replacement parking for Licensee, if any portion of Licensee's Parking Allotment is permanently or temporarily eliminated by the exercise of the Encumbrance holder's rights and remedies under such Encumbrance, including without limitation the exercise of foreclosure, receivership, judicial sale or similar remedies.

- (c) Attornment. Licensee will automatically attorn to any transferee of Licensor's interest in the Parking Facilities that succeeds Licensor by reason of a termination, foreclosure or enforcement proceeding of an Encumbrance, or by delivery of a deed in lieu of any foreclosure or proceeding (a "Successor Licensor"). In this event, the Agreement will continue in full force and effect as a direct license between the Successor Licensor and Licensee on all of the terms of this Agreement, except that the Successor Licensor shall not be:
 - (1) Liable for any obligation of Licensor under this Agreement, or be subject to any counterclaim, defense or offset accruing before Successor Licensor succeeds to Licensor's interest, with the exception of Licensor's obligation to obtain suitable replacement parking for Licensee in accordance with this Agreement, if any portion of Licensee's Parking Allotment is permanently or temporarily eliminated by the exercise of the Encumbrance holder's rights and remedies under such Encumbrance, including without limitation the exercise of foreclosure, receivership, judicial sale or similar remedies;
 - (2) Bound by any modification or amendment of this Agreement made without Successor Licensor's consent;
 - (3) Bound by any prepayment of more than one month's License Fees; or
 - (4) Obligated to perform any improvements to the Parking Facilities (or provide an allowance therefor). Upon Successor Licensor's request, Licensee will, without charge, promptly execute, acknowledge and deliver to Successor Licensor any instrument reasonably necessary or required to evidence such attornment.
- (d) <u>Estoppel Certificate</u>. Within 10 days after receipt of Licensor's written request, Licensee (and each guarantor and transferee of an interest in the Agreement) will execute, acknowledge and deliver to Licensor a certificate upon which Licensor and each

existing or prospective Encumbrance holder may rely confirming the following (or any exceptions to the following):

- (1) The License Commencement Date and License Expiration Date;
- (2) The documents that constitute the Agreement, and that the Agreement is unmodified and in full force and effect;
- (3) The date through which License Fces have been paid;
- (4) That neither Licensor nor Licensee is in default of this Agreement; and
- (5) Such other matters concerning this Agreement that Licensor may reasonably require.

14. Default and Remedies.

- (a) <u>Licensee's Default</u>. Licensee is in default ("Default") of this Agreement if any of the following occur:
 - (i) Licensee fails to pay Licensee Fees when due, and the failure continues for 30 days after notice to Licensee of the failure.
 - (ii) Licensee fails to perform a non-monetary obligation under this Agreement and the failure continues for 30 days after notice to Licensee of the failure, except that if Licensee begins performing this obligation within 30 days after notice to Licensee of this failure, but it will reasonably take more than 30 days to complete performing the obligation, then Licensee will have a reasonable amount of additional time to complete performing the obligation so long as Licensee diligently pursues the performance of such obligation to completion.
 - (iii) Assigns this Agreement or sublicenses its license to park or its Parking Allotment in violation of this Agreement.
 - (iv) Licensee fails to discharge any attachment or levy on Licensee's interest in this Agreement within 30 days after the attachment or levy encumbers this Agreement.
 - (v) Licensee fails to cause any of the following proceedings to be vacated or dismissed within 60 days after they are commenced:

 (1) the appointment of a receiver or trustee of the assets of Licensee or any guarantor of this Agreement, (2) the voluntary or involuntary bankruptcy of Licensee or any guarantor of this

- Agreement, or (3) any assignment for the benefit of creditors of the assets of Licensee or any guarantor of this Agreement.
- (vi) Licensee is named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (vii) Licensee fails to pay to the Argonaut Condominium Association when due any assessment or installment thereof levied by the Argonaut Condominium Association against Licensee and/or the School Unit or any portion thereof and such failure is not cured within thirty (30) days after the Argonaut Condominium Association has given Licensee written notice thereof.
- (b) Remedies. If a Default occurs, Licensor shall have the rights and remedies set forth in this subsection (b) which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Licensor of any other right or remedy allowed it by law or at equity.
 - (i) Licensor may terminate this Agreement by giving notice to Licensee of Licensor's election to do so, in which event the Term of this Agreement shall end, and all right, title and interest of Licensee hereunder shall expire, on the date stated in such notice. Written notice alone shall be proof of any such election by Licensor.
 - (ii) Licensor may enforce the provisions of this Agreement and may enforce and protect the rights of Licensor by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained in this Agreement, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Licensee under any of the provisions of this Agreement; provided that Licensee shall not be liable for the payment of License Fees that would otherwise have become payable after the date of termination of this Agreement but for such termination.
 - (iii) Licensor may, but shall not be obligated to, cure Licensee's Default by making any payment or performing such other act to the extent Licensor may deem desirable. Any such cure by Licensor shall be without notice and shall not waive or release Licensee from any obligation under this Agreement. Licensee covenants and agrees to pay Licensor, upon demand, all advances, costs and expenses incurred by Licensor in connection with such cure, including reasonable attorney's fees, together with interest at

the Default Rate (as defined below), from the date such are incurred by Licensor to the date of payment to Licensor.

- (c) <u>Damages</u>. If Licensor terminates this Agreement pursuant to subparagraph (b):
 - (i) Licensor shall be entitled to recover any and all License Fees due and unpaid as of the date of termination. In addition, Licensee shall pay to Licensor liquidated damages equal to the sum of the actual License Fees payable for the four (4) full calendar quarters immediately preceding the date of termination. Licensee shall immediately pay to Licensor all such License Fees and liquidated damages.
 - (ii) Licensee shall, upon demand, reimburse Licensor, with interest at the Default Rate from the date incurred through the date of payment to Licensor, the Enforcement Costs.
 - (iii) Licensor shall not be required to mitigate any of its damages hereunder. If any law shall validly limit the amount of any damages provided for herein to an amount which is less than the amount agreed to herein, Licensor shall be entitled to the maximum amount available under such law.

(d) <u>Definitions</u>.

- (i) "Enforcement Costs" shall be all sums, costs, expenses and damages including reasonable attorneys' fees) which are incurred by Licensor in enforcing the Licensee's obligations under this Agreement or by reason of Licensee's Default, including without limitation, those arising out of any action brought by Licensor against Licensee to interpret any provision of this Agreement or in connection with a bankruptcy or an assignment for the benefit of creditors.
- (ii) Reasonable attorneys' fees shall include the value of services provided by counsel employed by Licensor or its Affiliates in the amount that Licensor would have reasonably incurred if the services had been performed by unaffiliated counsel.
- Fees or of any amounts owed under this Agreement, Licensor may recover interest on such amounts at the rate per annum equal to the Prime Rate as published in the Wall Street Journal (or another publication selected by Licensor if the Wall Street Journal ceases to exist) from time to time plus 5% per annum, but in no event in excess of the maximum interest rate permitted by law define ("Default Rate"), from the date each amount is due until paid by Licensec.

- (f) <u>Waivers</u>. Licensor and Licensee expressly waive any right to trial by jury with respect to any proceeding pertaining to this Agreement. No waiver by Licensor of any Default of Licensee shall be implied to affect, and no express waiver shall affect, any Default other than the Default specified in such waiver and that only for the time and to the extent stated.
- (g) Force Majeure. "Force Majeure" means any cause or event beyond the reasonable control of a party to this Agreement, including any act of God, government act or restriction, labor disturbance, general shortage of materials or supplies, riot, insurrection, or act of war or terrorism. Force Majeure excuses a party from performing any non-monetary obligation under this Agreement for a commercially reasonable time.

(h) Licensor's Default and Remedies.

- (i) Licensor will be in "Default" of this Agreement if Licensor fails to perform any obligation of Licensor under this Agreement and this failure continues for 30 days after Licensee notifies Licensor of such failure, or such longer period of time as is reasonable if more than 30 days is reasonably required to perform this obligation if performance commences within this 30-day period and is diligently prosecuted to completion.
- (ii) If Licensor is in Default, then Licensee may exercise any remedy available under law or in equity, including but not limited to specific performance, that is not waived or limited under this Agreement, provided that no liability under this Agreement is assumed by Licensor's Affiliates. If Licensor terminates this Agreement as permitted by applicable law based upon a Default of Licensor, Licensor shall pay to Licensee liquidated damages equal to the total amount of License Fees payable for the twelve (12) full calendar months immediately preceding the date of termination.

"Affiliates" means with respect to a party (i) that party's partners, co-members and joint venturers, (ii) each corporation or other entity that is a parent or subsidiary of that party, (iii) each corporation or other entity that is controlled by or under common control of a parent of such party, and (iv) the directors, officers, employees and agents of that party and each person or entity described in (i-iii) above.

15. Miscellaneous.

(a) Notice. Notice to Licensor must be given to Licensor's Notice Addresses as set forth below. Notice to Licensee must be given to Licensee's Notice Addresses as set forth below. By notice to the other, either party may change its Notice Address. Each notice must be in writing and will be validly given if either: (1) the notice is personally delivered and receipt is acknowledged in writing; or (2) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party 2 business days after the deposit of the notice in the U.S. Mail.

Notice Address:

For each party, the following address:

To Licensor	To Licensee
College for Creative Studies 201 E. Kirby Detroit, Michigan 48292-4034 Attn: Anne Beck, Vice President for Administration and Finance	Thompson Educational Foundation c/o P.O. Box 6349 Plymouth, Michigan 48170 Attn: John G. Cleary
with a copy to:	
College for Creative Studies 201 E. Kirby Detroit, Michigan 48292-4034 Attn: Director of Facilities	

Billing Address:

For each party, the following address:

E dt Estadition	For Licensee
201 E. Kirby	Thompson Educational Foundation c/o P.O. Box 6349 Plymouth, Michigan 48170 Attn: John G. Cleary
Vice President, Administration and Finance	

- (b) Entire Agreement. This Agreement is deemed integrated and contains all of each party's representations, waivers and obligations. The parties may only modify or amend this Agreement in a writing that is fully executed and delivered by each party.
- (c) <u>Successors</u>. Unless provided to the contrary elsewhere in this Agreement, this Agreement binds and inures to the benefit of each party's heirs, successors and permitted assignees.
- (d) No Waiver. A party's waiver of a breach of this Agreement will not be considered a waiver of any other breach. No custom or practice that develops between the parties will prevent either party from requiring strict performance of the terms of this Agreement. No Agreement provision or act of a party creates any relationship between the parties other than that of Licensor and Licensee.
- (e) <u>Independent Covenants</u>. The covenants of this Agreement are independent. A court's declaration that any part of this Agreement is invalid, void or illegal will not impair or invalidate the remaining parts of this Agreement, which will remain in full force and effect.

(f) <u>Captions</u>. The use of captions, headings, boldface, italics or underlining is for convenience only, and will not affect the interpretation of this Agreement.

(g) Authority.

1

- (i) Individuals signing this Agreement on behalf of Licensee represent and warrant that they are authorized to bind Licensee to this Agreement, and that Licensee is qualified to do business in the State of Michigan. If required by Licensor, Licensee will, at Licensee's cost, provide Licensor with a corporate resolution or other documentation acceptable to Licensor proving the authority of each individual signatory to bind Licensee to this Agreement.
- (ii) Licensee represents and warrants to Licensor that Licensee is not named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (iii) Licensee represents and warrants to Licensor that any individual or entity involved in this transaction on behalf of Licensee is not named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (h) Applicable Law. The laws of Michigan govern this Agreement. In any action brought under this Agreement, Licensee submits to the jurisdiction of the courts of the State of Michigan, and to venue in the County of Wayne.
- (i) <u>Confidentiality</u>. Licensee will not record this Agreement or a memorandum of this Agreement without Licensor's written consent. Licensee will keep the terms of this Agreement confidential and, unless required by law, may not disclose the terms of this Agreement to anyone other than Licensee's Affiliates to the extent necessary to Licensee's business or to prospective assignees or sub-licensees.
- (j) <u>Reasonableness</u>. Licensee's sole remedy for any claim against Licensor that Licensor has unreasonably withheld or unreasonably delayed any consent or approval shall be an action for injunctive or declaratory relief, it being acknowledged and agreed that no such claim may be asserted against Licensor except where Licensor has expressly agreed in this Agreement that it may not unreasonably withhold or delay its consent or approval.
- (k) <u>Time</u>. Time is of the essence as to all provisions in this Agreement in which time is a factor.

(l) <u>Exhibits</u>. The exhibits attached to this Agreement are incorporated herein. If any exhibit is inconsistent with the terms of this Agreement, the provisions of the Exhibit will govern. The Exhibits to this Agreement are:

EXHIBIT A Description of Baltimore Parcel

EXHIBIT B Description of Woodward Parcel

(m) <u>Prior Parking License Agreement</u>. The parties hereby amend the Prior License Agreement to provide that the term of the Prior License Agreement expires the day immediately preceding the Effective Date.

[SIGNATURE PAGE FOLLOWS]

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

WITNESSES:	LICENSOR:
Sink Mit Shirt	COLLEGE FOR CREATIVE STUDIES, a Michigan non-profit corporation By: CLUE BLACK Its: VICE PRESIDENT FOR ADMINISTRATION & FINANCE
	LICENSEE: TEF-SIX, LLC, a Michigan limited liability company
	Ву:
	The

(Signature page to Parking License Agreement)

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

witnesses:	LICENSOR:
	COLLEGE FOR CREATIVE STUDIES, a Michigan non-profit corporation
	Ву:
	Its:
	LICENSEE:
	TEF-SIX, LLC, a Michigan limited liability company
Cally Eber	By: MTMIN
John & Cleany	115: Anthorized Representative

EXHIBIT A

THE BALTIMORE PARCEL

Land situated in the City of Detroit, County of Wayne, State of Michigan, described as follows:

LOTS 61 THROUGH 69 INCLUSIVE AND THE EASTERLY 9.00 FEET OF LOT 70, INCLUDING THE VACATED ALLEY (12 FEET WIDE) LYING ADJACENT TO SAID LOTS OF "LEAVITT'S SUBDIVISION OF THAT PART OF FRACL SECN 31, T. 1 S., R. 12 E., BOUNDED BY MILWAUKEE AND WOODWARD AVES GRAND TRUNK RAILROAD AND REAR LINE OF PRIVATE CLAIMS AND WEST LINE OF SAID FRACL SECN 31. ALSO LOTS 8 TO 17 BOTH INCLUSIVE PART OF BLOCK 5 OF HENRY WEBER'S SUBN OF PART OF FRACL SECNS 31 AND 36, T. 1 S., R. 11 AND 12 E. AND PART OF THE BAKER AND FORSYTH FARMS", CITY OF DETROIT, WAYNE COUNTY, MICHIGAN AS RECORDED IN LIBER 9 OF PLATS ON PAGE 17, WAYNE COUNTY RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWESTERLY CORNER OF BALTIMORE AVENUE (60 FEET WIDE) AND CASS AVENUE (80 FEET WIDE), SAID POINT BEING ALSO THE NORTHEASTERLY CORNER OF LOT 61 OF SAID "LEAVITT'S SUBDIVISION" (L. 9, PLATS, P. 17, W.C.R.); PROCEEDING THENCE FROM SAID POINT OF BEGINNING SOUTH 26 DEGREES 20 MINUTES 20 SECONDS EAST, ALONG THE WESTERLY LINE OF SAID CASS AVENUE, SAID LINE BEING ALSO THE EASTERLY LINE OF SAID LOT 61 AND THE EASTERLY END OF A VACATED ALLEY (12 FEET WIDE), A DISTANCE OF 117.59 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID "LEAVITT'S SUBDIVISION"; THENCE SOUTH 63 DEGREES 28 MINUTES 00 SECONDS WEST, ALONG THE SOUTHERLY LINE OF SAID SUBDIVISION, SAID LINE BEING ALSO THE SOUTHERLY LINE OF A VACATED PORTION OF SAID ALLEY, A DISTANCE OF 290.83 FEET TO A POINT; THENCE NORTH 26 DEGREES 32 MINUTES 00 SECONDS WEST, ACROSS SAID VACATED ALLEY, A DISTANCE OF 12.00 FEET TO THE SOUTHWESTERLY CORNER OF THE EASTERLY 9.00 FEET LOT 70 OF SAID SUBDIVISION; THENCE NORTH 26 DEGREES 20 MINUTES 20 SECONDS WEST. ALONG THE WESTERLY LINE OF THE EASTERLY 9.00 FEET OF SAID LOT 70. A DISTANCE OF 104.15 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID BALTIMORE AVENUE, SAID POINT BEING ALSO THE NORTHWESTERLY CORNER OF THE EASTERLY 9.00 FEET OF SAID LOT 70; THENCE NORTH 63 DEGREES 11 MINUTES 00 SECONDS EAST, ALONG THE SOUTHERLY LINE OF SAID BALTIMORE AVENUE, SAID LINE BEING ALSO THE NORTHERLY LINE OF THE EASTERLY 9.00 FEET OF SAID LOT 70 AND THE NORTHERLY LINE OF LOTS 69 THROUGH 61 OF SAID SUBDIVISION, A MEASURED DISTANCE OF 290.88 FEET (DESCRIBED 290.66 FEET) TO THE POINT OF BEGINNING. CONTAINING 33,992 SQUARE FEET OR 0.780 ACRE, MORE OR LESS, OF LAND IN AREA.

EXHIBIT B

THE WOODWARD PARCEL

Land situated in the City of Detroit, County of Wayne, State of Michigan described as follows:

Parcel A:

Lots 1 through 5 inclusive, except the Easterly 20 feet thereof as taken for the widening of Woodward Avenue of "Leavitt's Subdivision of that part of fractional Section 31, Town 1 South, Range 12 East, bounded by Milwaukee and Woodward Avenues, Grand Trunk Railroad and rear line of Private Claims and West line of said fractional Section 31, also Lots 8 to 17 both inclusive, part of Block 5 of Henry Weber's Subdivision of part of fractional Sections 31 and 36, Town 1 South, Range 11 and 12 East and part of the Baker and Forsyth Farms", City of Detroit, Wayne County, Michigan, as recorded in Liber 9 of Plats on Page 17, Wayne County Records and being more particularly described as follows: Beginning at the Southwesterly corner of Milwaukee Avenue (60 feet wide) and Woodward Avenue (120 feet wide, as widened), said point being distant South 63 degrees 11 minutes 00 seconds West, 20.00 feet as measured along the North line of Lot 1 of said "Leavitt's Subdivision", (Liber 9 of Plats, Page 17, Wayne County Records), from the Northeast corner of said Lot 1; proceeding thence from said point of beginning South 26 degrees 13 minutes 09 seconds East, along the Westerly line of said Woodward Avenue, as widened, said line being 20.00 feet Westerly of, as measured at right angles to and parallel with the Easterly line of Lots 1 through 5 inclusive of said "Leavitt's Subdivision", a measured distance of 231.10 feet (described 231.00 feet) to the Northwesterly corner of Baltimore Avenue (60 feet wide) and said Woodward Avenue; thence South 63 degrees 12 minutes 10 seconds West, along the Northerly line of said Baltimore Avenue, said line being also the Southerly line of Lot 5 of said subdivision, except the Easterly 20.00 feet thereof, a distance of 130.00 feet to the Southwesterly corner of said lot; thence North 26 degrees 14 minutes 56 seconds West, along the Easterly line of a public alley (16 feet wide), said line being also the Westerly line of Lots 5 through 1 inclusive of said subdivision, a measured distance of 231.06 feet (recorded 231.00 feet) to the Northwesterly corner of said Lot 1; thence North 63 degrees 11 minutes 00 seconds East along the Southerly line of said Milwaukee Avenue, said line being also the Northerly line of Lot 1, except the Easterly 20.00 feet thereof, a measured distance of 130,12 feet (described 130,00 feet) to the point of beginning.

Parcel B:

Lots 15 through 20 inclusive of "Leavitt's Subdivision of that part of fractional Section 31, Town 1 South, Range 12 East, bounded by Milwaukee and Woodward Avenues, Grand Trunk Railroad and rear line of private claims and West line of said fractional Section 31 also Lots 8 to 17 both inclusive, part of block 5 of Henry Weber's Subdivision of part of fractional Section 31 and 36 Town 1 South, Range 11 and 12 East and part of the Baker and Forsyth Farms" City of Detroit, Wayne County, Michigan as recorded in Liber 9 of Plats on Page 17, Wayne County Records and being more particularly described as follows: Beginning at the Northeasterly corner of Baltimore Avenue (60 feet wide) and Cass Avenue (80 feet wide), said point being also the southwesterly corner of Lot 15 of said "Leavitt's Subdivision" (Liber 9 plats, Page 17, Wayne

County Records); proceeding thence from said point of beginning North 26 degrees 19 minutes 00 seconds West, along the Easterly line of said Cass Avenue, said line being also the Westerly line of said Lot 15, a distance of 107.50 feet to the Northwesterly corner of said lot; thence North 63 degrees 12 minutes 10 seconds East, along the Southerly line of a public alley (16 feet wide), said line being also the Northerly line of Lots 15 through 20, inclusive of said subdivision, a measured distance of 204.13 feet to the Northeasterly corner of said Lot 20; thence South 26 degrees 14 minutes 56 seconds East, along the Westerly line of a public alley (16 feet wide), said line being also the Easterly line of Lot 20 of said subdivision, a distance of 107.50 feet to the Southeasterly corner of said Lot 20; thence South 63 degrees 12 minutes 10 seconds West, along the Northerly line of said Baltimore Avenue, said line being also the Southerly line of Lots 20 through 15 inclusive of said subdivision, a distance of 204.00 feet to the point of beginning.

Parcel C:

Lots 21 through 26 inclusive of "Leavitt's Subdivision of that part of fractional Section 31, Town 1 South, Range 12 East bounded by Milwaukee and Woodward Avenues, Grand Trunk Railroad and rear line of Private Claims and West line of said fractional Section 31, also Lots 8 to 17 inclusive, Part of Block 5 of Henry Weber's Subdivision of part of fractional Section 31 and 36, Town 1 South, Range 11 and 12 East, and part of The Baker and Forsyth Farms", City of Detroit, Wayne County, Michigan, as recorded in Liber 9 of Plats on Page 17, Wayne County Records and being more particularly described as follows: Beginning at the Southeasterly corner of Milwaukee Avenue (60 feet wide) and Cass Avenue (80 feet wide), said point being also the Northwesterly corner of Lot 26 of said "Leavitt's Subdivision" (Liber 9 of Plats, Page 17, Wayne County Records): proceeding thence from said point of beginning North 63 degrees 11 minutes 00 seconds East, along the Southerly line of said Milwaukee Avenue, said line being also the Northerly line of Lots 26 through 21 inclusive of said subdivision, a measured distance of 204.27 feet (recorded 204.00 feet) to the Northeasterly corner of Lot 21; thence South 26 degrees 14 minutes 56 seconds East, along the Westerly line of a public alley (16 feet wide), said line being also the Easterly line of Lot 21 of said subdivision, a measured distance of 107.56 feet (recorded 107.50 feet) to the Southeasterly corner of said Lot 21; thence South 63 degrees 12 minutes 10 seconds West, along the Northerly line of a public alley (16 feet wide), said line being also the Southerly line of Lots 21 through 26 inclusive of said subdivision, a measured distance of 204.15 feet (recorded 204.00 feet) to the Southwesterly corner of said Lot 26; thence North 26 degrees 19 minutes 00 seconds West, along the Easterly line of said Cass Avenue, said line being also the Westerly line of Lot 26 of said subdivision, a measured distance of 107.48 feet (recorded 107.50 feet) to the point of beginning.

UPAD 300B Cafeteria Sublease

(TEF-Six)

Schedule 10-9, Exhibit A3

CAFETERIA SUBLICENSE

Between

SUBLICENSOR: TEF-SIX, LLC, a Michigan limited liability company,

And

SUBLICENSEE: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated: July 1, 2017

CAFETERIA SUBLICENSE

SECTION 1 SCHEDULE

SUBLICENSOR: NAME: TEF-SIX, LLC

ADDRESS: Thompson Educational Foundation

c/o P.O. Box 6349 Plymouth, MI 48170 Attn: John G. Cleary

SUBLICENSEE: NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

600 Antoinette Detroit, MI 48202

CCS PREMISES Certain condominium units (the "CCS Premises")

located within the Building (as defined below).

DEMISED PREMISES: A portion of the CCS Premises located on the second

floor of the Building and depicted on Exhibit A attached hereto and used as a cafeteria, together with all improvements and fixtures now or hereafter located therein (collectively the "Site" or "Demised

Premises").

SUBLICENSE TERM: July 1, 2017 until June 30, 2018 unless terminated sooner

pursuant to Section 2.2.

SUBLICENSE COMMENCEMENT

DATE:

This Sublicense shall commence and is effective on July

1, 2017.

RENT COMMENCEMENT DATE: July 1, 2017.

SCHOOL YEAR July 1 to June 30.

TERMINATION DATE: June 30, 2018.

BASE RENT: The Annual Base Rent shall be equal to 50% of the

Cafeteria Costs (as defined below). For the sake of clarity, the Annual Base Rent shall be equal to the License Fees (as defined in the Cafeteria License defined below) payable by Sublicensor pursuant to the Cafeteria License.

EXHIBITS ATTACHED: "A" – Depiction of Demised Premises

"B" - Depiction of Basement Storage Area

"C" - Cafeteria License.

RECITALS:

A. College for Creative Studies, a Michigan non-profit corporation, as licensor (the "Licensor"), and Sublicensor, as licensee, are parties to a Cafeteria License Agreement dated as of June 30, 2017 with respect to the Demised Premises, a copy of which is attached as **Exhibit C** (the "Cafeteria License"). This Sublicense shall be subject in all respect to all terms and conditions set forth in the Cafeteria License. A termination of the Cafeteria License shall also result in a termination of this Sublicense.

В. On the date hereof, Landlord and Tenant are entering into a lease agreement with respect to the demised premises described therein consisting of: (1) Unit 2 of the Argonaut Condominium (the "Project"), a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records (the "Master Deed"), and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended; also known as The Argonaut Building: located in the City of Detroit, Wayne County, Michigan at for 465-485 W. Milwaukee, Detroit, Michigan 48202 (the "Building"), consisting of Suites 101, 102, 201, 301, and 401, located on the first, second, third, and fourth floors of the Building and deemed to contain 123,552 rentable square feet; and (2) the Gym Unit, Unit 6 of the Project, a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records, and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended, also known as the Gymnasium: the gymnasium located on the property of the Building, including HVAC, electrical, gas, telecommunications and sprinkler system to the extent part of such Units 2 and 6 pursuant to the Master Deed (the "Gymnasium Building"); together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment and related site improvements to the extent part of such Units 2 and 6 pursuant to the Master Deed and the Limited Common Elements appurtenant to such Units 2 and 6 pursuant to the Master Deed (the "School and Gym Lease Agreement"). Pursuant to the Master Deed, the Argonaut Condominium Association, a Michigan nonprofit corporation (the "Association") administers, operates, manages and maintains the Condominium. The Association's Bylaws (the "Association Bylaws") govern the Association's administration of the Project. The School and

Gym Lease Agreement is hereby incorporated into, and made a part of, this Sublicense. Sublicensee's use and occupancy of the Demised Premises shall be subject in all respect to all terms and conditions set forth in the Master Deed and the Association Bylaws.

- C. Sublicensor has notified the Association of the name and address of Sublicensee as required pursuant to Article VI, Section 5 of the Master Deed.
- D. On the date hereof, Sublicensor and Sublicensee are entering into a Parking Sublicense Agreement with respect to the demised premises described therein (the "Parking Sublicense"). The Parking Sublicense is hereby incorporated into, and made a part of, this Sublicense.

SECTION 2 GRANT AND TERM

2.1 Demised Premises

- (a) Sublicensor, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Sublicensee, does hereby lease to Sublicensee and Sublicensee hereby rents from Sublicensor, the Demised Premises described in Section 1. During the Term of this Sublicense, Sublicensor hereby grants to Sublicensee a non-exclusive sublicense for Sublicensee's students and employees to enter the Demised Premises and purchase food and beverages sold therein and consume them in the Demised Premises, subject to and in accordance with all of the terms and conditions of this Sublicense. Such sublicense shall be limited to the hours of 7:15 a.m. 7:45 a.m. and 11:12 a.m. 1:20 p.m., as such hours may be adjusted from time to time by agreement of Sublicensor and Sublicensee, on weekdays that the Demised Premises is open for business and the School operated by Sublicensee on the demised premises as described in the School and Gym Lease Agreement is open. Sublicensee's students and employees shall consume their food and beverages solely within the portion of the Demised Premises identified as the School Area on **Exhibit A** and shall not consume food or beverages or otherwise enter the portion of the Demised Premises identified as the CCS Area on **Exhibit A** except as required in an emergency.
- (b) Sublicensor hereby grants to Sublicensee a non-exclusive sublicense for the person who, at any point in time is a party to a contract with Sublicensee to prepare, sell and serve within the Demised Premises breakfast, lunches and snacks to Sublicensee's students (the "PSAD Food Service Provider"), a sublicense to (y) enter the Demised Premises and (1) prepare, sell and serve breakfast, lunches and snacks to Sublicensee's students and (2) prepare breakfast, lunches and snacks for deliver to students of an off-site elementary school that is part of the same charter school district as Sublicensee and (z) enter the portion of the basement of the Building depicted on **Exhibit B** attached hereto for the storage of food and related supplies and items utilized in connection with the sublicense granted in clause (y) above (the "Basement Storage Area"). The parties acknowledge that certain portions of the Demised Premises that will be used by the PSAD Food Service Provider to provide food services, including certain kitchen equipment, will also be used by the company retained by Licensor from time to time to provide meals, catering and other food services to Sublicensee's employees, other occupants of or visitors to the Project and other third parties (such company is referred to herein as the "Licensor Food Service Provider"). The parties further acknowledge that one server (including the cash

registers and all other equipment) located within the Demised Premises, as designated by Licensor pursuant to the Cafeteria License, shall be dedicated exclusively to the serving and sale of breakfast, lunches and snacks to Sublicensee's students by the PSAD Food Service Provider and that the other server or serveries (including the cash registers and all other equipment) located within the Demised Premises shall be dedicated exclusively to the serving and sale of food and other items by the Licensor Food Service Provider. The parties further acknowledge and agree that the Basement Storage Area shall be used by both the PSAD Service Provider and Licensor Food Service Provider to store food and related supplies and items.

- (c) Sublicensee shall cause the PSAD Food Service Provider to perform or otherwise comply with all of the following:
- (1) The PSAD Food Service Provider shall work with the Licensor Food Service Provider to establish a mutually acceptable operating plan that clearly defines the responsibilities of the PSAD Food Service Provider and Licensor Food Service Provider, including but not limited to food receiving, storage and sanitation, and the PSAD Food Service Provider shall otherwise cooperate and coordinate its food service operation and other activities with the food service operation and other activities of the Licensor Food Service Provider so as to maximize the efficient and economical operation of each of the food service operations and avoid redundant tasks and costs. Pursuant to the Cafeteria License, Licensor has the right to approve the PSAD Food Service Provider, which approval may not be unreasonably withheld or If the PSAD Food Service Provider and Licensor Food Service Provider are responsible under their respective agreements for performing redundant tasks (e.g. cleaning of kitchen equipment used by both the PSAD Food Service Provider and Licensor Food Service Provider, then, notwithstanding anything to the contrary contained in their respective contracts, any such tasks shall be performed by the party that the PSAD Food Service Provider and Licensor Food Service Provider agree shall perform such task and in the absence of an agreement, such tasks shall be performed by the Licensor Food Service Provider.
- (2) The PSAD Food Service Provider shall place garbage and trash in containers in designated areas as specified by Licensor pursuant to the Cafeteria License.
- (3) The PSAD Food Service Provider shall clean the kitchen areas (y) dedicated to the exclusive use of the PSAD Food Service Provider and (z) shared with the Licensor Food Service Provider after any use of such shared kitchen areas by the PSAD Food Service Provider.
- (4) The PSAD Food Service Provider shall operate and care for all equipment and food service areas (other than equipment and food service areas dedicated to the exclusive use of the Licensor Food Service Provider) in a clean, safe and healthy condition in accordance with, and otherwise comply with, all applicable laws, ordinances, regulations and rules, including but not limited to those related to sanitation, safety, health and recycling, and comply with all applicable laws, ordinances, rules and regulations governing the preparation of food.
- (5) The PSAD Food Service Provider shall obtain and post all licenses and permits as required by federal, state, and/or local law.

- (6) The PSAD Food Service Provider shall comply with all rules and regulations set forth in Article VI of the Association Bylaws or any other rules or regulations promulgated from time to time by the Association.
- (7) The PSAD Food Service Provider shall obtain and keep in force during the term of its contract the following insurance:
- (y) Worker's Compensation coverage as required by State law and Employer's Liability Insurance in an amount not less than \$1,000,000 for each accident covering all of its employees employed in connection with its food service operations in the Project.
- (z) Commercial general liability insurance including but not limited to personal injury liability (with employment exclusion deleted), property damage liability, contractual liability, and products liability covering the operations and activities of the PSAD Food Service Provider at the Project. Such insurance shall name Licensor as an additional insured as required by the Cafeteria License and Sublicensor as an additional insured.

All insurance required to be maintained by the PSAD Food Service Provider shall provide coverage on an "occurrence basis", provide that the insurer shall give Licensor and Sublicensor thirty (30) days prior notice of any cancellation of such insurance and otherwise be in form and substance, and contain deductibles, reasonably satisfactory to Licensor and Sublicensor. Certificates of Insurance evidencing compliance with the foregoing insurance requirements shall be submitted to the Licensor and Sublicensor prior to the date of this Sublicense and evidence of renewal thereof shall be submitted at least ten (10) days prior to the expiration of any such insurance policy.

(8) The PSAD Food Service Provider shall defend, indemnify and hold Licensor and Sublicensor harmless from and against all claims, liability, loss and expense, including reasonable collection expenses, attorney's fees and court costs, for any personal injury, death or property damage which may arise because of the sole negligence, misconduct or other fault of the PSAD Food Service Provider, its agents or employees occurring on or about the Project.

Sublicensee shall cause all of the provisions of subsections 1(b) and (c) to be contained in each contract that is entered into with a PSAD Food Service Provider.

(d) Sublicensee shall use commercially reasonable efforts to cause Sublicensee's students in the Demised Premises to be supervised by a reasonably sufficient number of Sublicensee employees. Pursuant to the Cafeteria License, Licensor may promulgate reasonable rules and regulations from time to time governing use of the Demised Premises and Sublicensee shall use commercially reasonable efforts to cause all of Sublicensee's students and employees to comply with the same. Sublicensee shall use commercially reasonable efforts to cause Sublicensee's students and employees to, before leaving the Demised Premises, place their uneaten food and trash in the trash receptacles provided therefor outside of the CCS Area and trays at the locations designated therefor outside of the CCS Area. Sublicensee shall indemnify and hold Licensor and Sublicensor and their respective officers, trustees agents, and contractors harmless

2.2 Term

The term of this Sublicense shall be for the Sublicense Term commencing on the Sublicense Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Sublicense Term is extended or sooner terminated in accordance with the provisions of this Sublicense, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated December 14, 2007, as amended, by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Sublicensor shall deliver actual possession of the Demised Premises to Sublicensee on the Sublicense Commencement Date specified in Section 1. On the Sublicense Commencement Date, Sublicensee will be deemed to have accepted the Demised Premises in as-is condition. The Rent, as defined herein, due under this Sublicense and the term of this Sublicense shall commence on the Rent Commencement Date.

4.2 Sublicensor Not Liable For Delays

Under no circumstances shall Sublicensor be liable for any delays in the delivery of possession to Sublicensee on the Rent Commencement Date. Sublicensee's sole and exclusive remedy shall be the abatement of Rent until the Demised Premises are ready for occupancy and possession is delivered to Sublicensee.

SECTION 5 BASE RENT

5.1 Base Rent

Sublicensee shall pay to Sublicensor the Annual Base Rent stated in Section 1, for the Demised Premises during the Sublicense Term. The Annual Base Rent shall be payable in one annual payment in advance on the Rent Commencement Date and the first day of each Sublicense Year thereafter at the office of Sublicensor stated in Section 1 or such other place designated by Sublicensor in writing.

"Cafeteria Costs" means all of the following costs incurred or paid by Sublicensor:

- (i) the cost of all materials, supplies and equipment used directly in the operation of the Demised Premises,
 - (ii) the cost of electricity and gas furnished to the Demised Premises,

- (iii) the portion of the costs of property insurance, liability insurance and other insurance maintained by Sublicensor that is allocable to the Demised Premises;
- (iv) the cost of cleaning, maintaining, repairing and replacing the Demised Premises or any equipment or other personal property used in connection with the Demised Premises,
- (v) the portion of any real or personal property taxes and assessments allocable to the Demised Premises or any personal property used in connection therewith,
 - (vi) pest control costs,
- (vii) salary, wages, employee benefits and employer's share of payroll taxes of all employees employed by Licensor in operating, cleaning, maintaining, repairing, replacing or otherwise providing services with respect to the Demised Premises or any equipment or personal property used in connection therewith except that if any such employee is not exclusively dedicated to the performance of such services with respect to the Demised Premises, then only the portion of such employee's salaries, wages, employee benefits and employer's share of payroll taxes for such employee that is reasonably allocable to the performance of services with respect to the Demised Premises or any equipment or other personal property used in connection therewith shall be included in Cafeteria Costs,
 - (viii) costs of complying with laws or insurance requirements,
- $% \left(ix\right) =\left(ix\right)$
- (x) the portion of security costs reasonably allocable to the Demised Premises. Cafeteria Costs shall not include any sums payable to a third party operator of all or a portion of the Demised Premises.

Sublicensor shall reasonably estimate Rent for each Sublicense Year. Sublicensee will pay the estimated Rent in advance, in equal monthly installments, by the first of each month. Sublicensor may reasonably revise its estimate during a Sublicense Year and Sublicensee shall pay the monthly installments based on the revised estimate, commencing thirty (30) days following the date of such revision. In addition, if Sublicensor incurs Cafeteria Costs not anticipated by Sublicensor, Sublicensor may invoice Sublicensee for Sublicensee's Share of such Cafeteria Costs (a "Special Assessment") and Sublicensee shall pay Sublicensee's Share of such Special Assessment within thirty (30) days after Sublicensee's receipt of such invoice. The aggregate estimates of Rent and all Special Assessments payable by Sublicensee in a Sublicense Year are the "Estimated Rent".

Within a reasonable period of time after the end of each calendar quarter, Sublicensor shall furnish Sublicensee with an invoice reflecting the actual Rent for such calendar quarter. Any invoice for Rent is conclusive, binds Sublicensee and Sublicensee waives all rights to contest the invoice, except for items of Rent to which Sublicensee objects by notice to Sublicensor given within ninety (90) days after receipt of such invoice; however, Sublicensee's objection shall not relieve Sublicensee of its obligation to pay Rent pending resolution of any objection. If the

actual Rent exceeds the Estimated Rent for a calendar quarter, Sublicensee shall pay the difference to Sublicensor with the next installment of Estimated Rent that becomes due. If the Estimated Rent paid by Sublicensee exceeds the actual Rent for a calendar quarter, then Sublicensor shall credit the overpayment against the next installment of Estimated Rent that becomes due. However, if the term ends during a calendar quarter, Sublicensor may, in Sublicensor's sole discretion, elect to either: (i) forgo the settlement of Rent for such calendar quarter that is otherwise required and accept Sublicensee's payment of Estimated Rent for such calendar quarter in satisfaction of Sublicensee's obligations to pay Rent for such final calendar quarter, or (ii) have Sublicensor's and Sublicensee's obligations under this Section survive the end of the Term.

5.2 Terms of Payment

Unless otherwise provided in this Sublicense, Sublicensee shall pay the Annual Base Rent without notice, demand, deduction, abatement or setoff, in lawful U.S. currency, at Sublicensor's address set forth in Section 1, or to such other address as determined by Sublicensor. Sublicensor will send invoices payable by Sublicensee to Sublicensee's address; however, neither Sublicensor's failure to send an invoice nor Sublicensee's failure to receive an invoice for installments of Estimated Rent will relieve Sublicensee of its obligation to pay installments of Estimated Rent. Each partial payment by Sublicensee shall be deemed a payment on account. No endorsement or statement on any check or any accompanying letter shall constitute an accord and satisfaction, affect Sublicensor's right to collect the full amount due, or require Sublicensor to apply any payment to invoices other than the Rent earliest due. No payment by Sublicensee to Sublicensor will be deemed to extend the Term or render any notice, pending suit or judgment ineffective. By notice to the other, each party may change its billing address. If Sublicensor does not receive all or part of any Rent within five (5) business days of the date when due, then Sublicensee shall pay Sublicensor a "Late Charge" of 5% of the overdue amount. Sublicensee agrees that the Late Charge is not a penalty, and will compensate Sublicensor for costs not contemplated under this Sublicense that are impracticable or extremely difficult to fix. Sublicensor's acceptance of a Late Charge does not waive Sublicensee's default.

5.3 Sublicense Year

Sublicense Year shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2017 and ending on June 30, 2018. The first Sublicense Year shall begin on the Rent Commencement Date. Each succeeding Sublicense Year shall commence on the anniversary of the commencement of the first Sublicense Year.

SECTION 6 UTILITIES

Sublicensee agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Sublicense Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of Sublicensor's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Sublicensee. Sublicensor shall not be liable to Sublicensee for the quality or quantity of any Utilities, or for any interruption in the

supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Sublicensee agrees to pay to Sublicensor all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Sublicense Year or partial Sublicense Years during the Sublicense Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Sublicense Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; and (c) all costs and expenses incurred by Landlord during the Sublicense Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Sublicensee pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Sublicensor, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Sublicense Term shall be paid to Sublicensor within ten (10) days after Sublicensor delivers to Sublicensee a statement for such Taxes. The Taxes for the years in which this Sublicense commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Sublicense Years.

7.4 Tenant's Taxes

Sublicensee shall pay all real and personal property taxes levied or assessed against Sublicensee's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Sublicensee.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Sublicensee shall use the Demised Premises during the Sublicense Term in accordance with the terms and conditions of the Cafeteria License and this Sublicense.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law, Sublicensee shall defend, indemnify and hold harmless Sublicensor and Sublicensor's officers, directors, employees and agents (regardless of any negligence imputed to Sublicensor by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Sublicensor or Sublicensor's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Rent Commencement Date and during the Sublicense Term, (b) failure of Sublicensee to comply with any provision of this Lease, (c) failure of any sublicensee to comply with any provision of any sublicense, (d) occupancy or use by Sublicensee and/or sublicensee of the Demised Premises or any act or omission of Sublicensee, its employees, agents, representatives, invitees, licensees and contracting parties or any sublicensee, or (e) failure of Sublicensee to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Sublicensee shall not be required, however, to indemnify Sublicensor against Damages arising from Sublicensor's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Rent payable upon demand.

9.2 Liability Insurance

Sublicensee shall procure and keep in effect during the Sublicense Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Sublicensor (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Sublicensee under this Sublicense shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Sublicensor as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Sublicensor. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Sublicensee or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Sublicensor. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals

thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Sublicensor prior to Sublicensee taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Sublicensor may modify, renovate or improve the Demised Premises as Sublicensor deems appropriate. If any of Sublicensee's students or employees are unable to use the Demised Premises because of major repairs or improvements, damage or condemnation to the Demised Premises, Sublicensor will not be in default of this Sublicense. While Sublicensor is not obligated to perform any obligations under this Section 10.1, Sublicensor shall, upon Sublicensee's request, and at Sublicensee's expense, use reasonable efforts to repair, improve, and maintain the Demised Premises for the use contemplated by this Sublicense.

10.2 Damage and Repair

If as a result of the damage or destruction caused by fire or other casualty, Sublicensee's students and employees cannot fully utilize the Demised Premises as permitted under this Sublicense, the Rent due by Sublicensee shall, to the extent Sublicensor receives the proceeds of business interruption insurance payable with respect to Rent, be equitably abated based on the diminution in use as a result of such damage or destruction until the Demised Premises can be fully used again as permitted under this Sublicense. Sublicensee's sole remedy against Sublicensor for damage or destruction of any part of the Demised Premises is abatement of Rent under this Section 10.2, and Sublicensor will not be liable to Sublicensee for any other amount, including consequential damages.

SECTION 11 SUBLICENSEE'S ALTERATIONS

Sublicensee shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Sublicensor, which consent may be granted or withheld in the sole and absolute discretion of Sublicensor. Sublicensee shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Sublicensor, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Sublicensee shall, during the Sublicense Term, at its sole cost and expense, keep the Demised Premises and all Sublicensor owned FF&E insured for the benefit of Sublicensor:

(a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Sublicensor from becoming a co-

insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Sublicensor in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Sublicensor owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Sublicensor, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;

- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Sublicensor;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Sublicensor; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Sublicensor Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Sublicensor.

Sublicensee shall provide Sublicensor with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Sublicensor shall be named as an additional insured on all such policies. If Subenant fails to maintain such insurance coverage, Sublicensor may, at its option, procure such insurance for the account of Sublicensee and the cost thereof shall be paid by Sublicensee to Sublicensor upon delivery to Sublicensee of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Sublicensor and shall be issued by insurance companies authorized to do business in the state of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Sublicensor may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Sublicense by notifying the Sublicensee of such termination within thirty (30) days after the date of such damage, at its sole option. Sublicensee shall immediately notify Sublicensor of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Sublicensor or Sublicensee or any policy covering both the interest of Sublicensor or Sublicensee under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Sublicensor or Sublicensee in connection with any loss or damage covered by any such policy. Sublicensor or Sublicensee hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Taking

"Taking" means government acquiring of all or part of the Demised Premises for any public or quasi-public use by exercise of a right of eminent domain or under any other law, or any sale in lieu thereof. If a Taking occurs:

- (a) If a Taking of substantially all of the Demised Premises for substantially all of the remaining Term occurs, then this Sublicense terminates on the date of the Taking.
- (b) If a Taking does not cause this Sublicense to be terminated under (a) above, then Sublicensor is responsible under this Sublicense to restore (and alter, as necessary) the Demised Premises, unless this Sublicense is terminated by Sublicensee under the following circumstances:
- (1) Sublicensor may terminate this Sublicense upon sixty (60) days prior written notice to Sublicensee if Sublicensor reasonably determines that it is uneconomical to restore or alter the Demised Premises.
- (2) Sublicensee may terminate this Sublicense upon sixty (60) days prior written notice to Sublicensor if more than 50% of the Demised Premises are taken pursuant to such Taking for the remainder of the Term.

Sublicensor is entitled to the entire award for any claim for a Taking, without deduction or offset for Sublicensee's interest.

13.2 Sublicensor's and Sublicensee's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Sublicensor.

SECTION 14 ACCESS TO PREMISES

Sublicensor or Sublicensor's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Sublicensor may deem necessary or desirable. Sublicensor shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Sublicensee at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

(a) All FF&E installed by Sublicensor shall remain the property of Sublicensor at the termination of this Sublicense. If Sublicensee installs any FF&E during the Sublicense Term that are incorporated into and/or affixed to the buildings or improvements located on the

Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Sublicensor upon installation and shall not be removed without Sublicensor's prior written consent, which may be granted or withheld in Sublicensor's sole and absolute discretion. All FF&E installed by Sublicensee and not removed at the termination of the Sublicense Term shall remain the property of Sublicensor. In the event Sublicensor consents to such removal, Sublicensee shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.

- (b) If Sublicensee installs any FF&E during the Sublicense Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Sublicensee may remove such FF&E at the termination of this Sublicense.
- (c) Annually, on or about April 15 of each calendar year, Sublicensee shall provide Sublicensor with an accounting as to any FF&E of Sublicensor which have been replaced or otherwise disposed of by Sublicensee. Except for any such items which have become damaged or unusable, Sublicensee shall offer Sublicensor the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Sublicensee. If Sublicensor does not exercise its right to claim such items, they may be disposed of by Sublicensee in such fashion as Sublicensee may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY SUBLICENSEE

16.1 Sublicensor Transfers

Sublicensor's right to transfer any interest in the Demised Premises or this Sublicense is not limited by this Sublicense provided that the transferee of this Sublicense agrees in writing (i) to assume Sublicensor's obligations under this Sublicense that accrue after such transfer and (ii) not to terminate this Sublicense except as expressly permitted under this Sublicense. Upon any such transfer, Sublicensee will attorn to Sublicensor's transferee and Sublicensor will be released from liability under this Sublicense, except for any obligations under this Sublicense accruing before the transfer that are not assumed by the transferee.

16.2 Subordination

This Sublicense is, and will at all times be, subject and subordinate to each ground lease, mortgage, deed to secure debt or deed of trust now or later encumbering the Demised Premises or any portion thereof, including each renewal, modification, supplement, amendment, consolidation or replacement thereof (each, an "Encumbrance"); provided that the Encumbrance holder enters into a commercially reasonable subordination, non-disturbance and attornment agreement that contains customary non-disturbance provisions that are not inconsistent with Sublicensee's rights under this Sublicense. At Sublicensor's request, Sublicensee will, without charge, promptly execute, acknowledge and deliver to Sublicensor (or, at Sublicensor's request, the Encumbrance holder) any such subordination, non-disturbance and attornment agreement. Notwithstanding the foregoing, each Encumbrance holder may unilaterally elect to subordinate its Encumbrance to this Sublicense.

16.3 Attornment

Sublicensee will automatically attorn to any transferee of Sublicensor's interest in the Demised Premises that succeeds Sublicensor by reason of a termination, foreclosure or enforcement proceeding of an Encumbrance, or by delivery of a deed in lieu of any foreclosure or proceeding (a "Successor Sublicensor"). In this event, this Sublicense will continue in full force and effect as a direct lease between the Successor Sublicensor and Sublicensee on all of the terms of this Sublicense, except that the Successor Sublicensor shall not be:

- (a) Liable for any obligation of Sublicensor under this Sublicense, or be subject to any counterclaim, defense or offset accruing before Successor Sublicensor succeeds to Sublicensor's interest;
- (b) Bound by any modification or amendment of this Sublicense made without Successor Sublicensor's consent;
- (c) Obligated to perform any improvements to the Demised Premises (or provide an allowance therefor). Upon Successor Sublicensor's request, Sublicensee will, without charge, promptly execute, acknowledge and deliver to Successor Sublicensor any instrument reasonably necessary or required to evidence such attornment.

16.4 Estoppel Certificate

Within ten (10) days after receipt of Sublicensor's written request, Sublicensee will execute, acknowledge and deliver to Sublicensor a certificate upon which Sublicensor and each existing or prospective Encumbrance holder may rely confirming the following (or any exceptions to the following):

- (a) The Sublicense Commencement Date and Sublicense Termination Date:
- (b) The documents that constitute the Sublicense, and that the Sublicense is unmodified and in full force and effect;
 - (c) The date through which Rent has been paid;
 - (d) That neither Sublicensor nor Sublicensee is in default of this Sublicense; and
- (e) Such other matters concerning this Sublicense that Sublicensor may reasonably require.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Sublicensor shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Sublicensor to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage"). In the event of a Mortgage, the Sublicensee shall attorn to the

mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Sublicensee under this Sublicense upon the condition that the Mortgagee executes and delivers to Sublicensee an agreement ("SNDA Agreement") in a form satisfactory to Sublicensee and Mortgagee that provides that the Mortgagee will recognize this Sublicensee and not disturb Sublicensee's possession of the Demised Premises, so long as Sublicensee is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Sublicensee agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Sublicense to the lien of any such Mortgage.

17.2 Sale or Transfer

Sublicensor shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of a Conveyance, Sublicensee shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Sublicensor under this Sublicense and Sublicensor shall be relieved from all subsequent obligations and liabilities under this Sublicense, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Sublicensee.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Sublicense:

- (a) Sublicensee fails to pay Sublicensor Rent when due, and the failure continues for ten (10) days after Sublicensee's receipt of written notice of such failure.
- (b) Sublicensee fails to perform a non-monetary obligation under this Sublicense and the failure continues for twenty (20) days after Sublicensee's receipt of written notice of such failure, except that if Sublicensee begins performing this obligation within twenty (20) days after notice to Sublicensee of this failure, but it will reasonably take more than twenty (20) days to complete performing the obligation, then Sublicensee will have a reasonable amount of additional time to complete performing the obligation so long as Sublicensee diligently pursues the performance of such obligation to completion.
- (c) Sublicensee assigns this Sublicense or gives a license to use or the Demised Premises in violation of this Sublicense.
- (d) Sublicensee fails to discharge any attachment or levy on Sublicensee's interest in this Sublicense within fifteen (15) days after the attachment or levy encumbers this Sublicense.
- (e) Sublicensee fails to cause any of the following proceedings to be vacated or dismissed within sixty (60) days after commencement; (l) the appointment of a receiver or trustee of the assets of Sublicensee or any guarantor of this Sublicense, (2) the voluntary or involuntary bankruptcy of Sublicensee or any guarantor of this Sublicense, or (3) any assignment for the benefit of creditors of the assets of Sublicensee or any guarantor of this Sublicense.

- (f) Sublicensee is named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
 - (g) A Default under the Cafeteria License occurs.
- (h) A default by Sublicensee under the terms of any current leases (or sublicenses, or licenses) between Sublicensee, or any entity related to Sublicensee, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to the TEF-ONE, LLC, TEF-TWO, LLC, TEF-FIVE, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such lease.
- (i) Sublicensee fails to pay to the Argonaut Condominium Association when due any assessment or installment thereof levied by the Argonaut Condominium Association against Sublicensor or Sublicensee and/or the School Unit (as defined in the School and Gym Lease Agreement) or any portion thereof and such failure is not cured within thirty (30) days after the Argonaut Condominium Association has given Sublicensor or Sublicensee written notice thereof.
- (j) Sublicensee violates any of the terms or provisions of the Master Deed or the Association Bylaws.
- (k) A default by Sublicensee under the terms of the School and Gym Lease Agreement that is not cured within the time specified in the Gym Lease Agreement.
- (l) A default by Sublicensee under the terms of the Parking Sublicense that is not cured within the time specified in the Parking Sublicense.

18.2 Sublicensor's Remedies Upon Default

If a Default occurs, Sublicensor shall have the rights and remedies set forth in this 18.2 which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Sublicensor of any other right or remedy allowed it by law or at equity.

- (a) Sublicensor may terminate this Sublicense by giving notice to Sublicensee of Sublicensor's election to do so, in which event the Term of this Sublicense shall end, and all right, title and interest of Sublicensee hereunder shall expire, on the date stated in such notice. Written notice alone shall be proof of any such election by Sublicensor.
- (b) Sublicensor may enforce the provisions of this Sublicense and may enforce and protect the rights of Sublicensor by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained in this Sublicense, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Sublicensee under any of the provisions of this Sublicense.
- (c) Sublicensor may, but shall not be obligated to, cure Sublicensee's Default by making any payment or performing such other act to the extent Sublicensor may deem desirable. Any such cure by Sublicensor shall be without notice and shall not waive or release Sublicensee from any obligation under this Sublicensee. Sublicensee covenants and agrees to pay Sublicensor,

upon demand, all advances, costs and expenses incurred by Sublicensor in connection with such cure, including reasonable attorney's fees, together with interest at the Default Rate (as defined below), from the date such are incurred by Sublicensor to the date of payment to Sublicensor.

18.3 Sublicensor's Termination

In the event Sublicensor terminates this Sublicense pursuant to Section 18.2:

- Sublicensor shall be entitled to recover any and all Rent due and unpaid as of the date of termination. In addition, Sublicensee shall pay to Sublicensor liquidated damages equal to the lesser of the sum of the actual Rent payable for the four full calendar quarters immediately preceding the date of termination or the product of \$75,000 and a fraction, the numerator of which is the figure at which the Revised Consumer Price Index All Urban Consumers (All Items) for Detroit-Ann Arbor-Flint, Michigan (1982-84 = 100) of the Bureau of Labor Statistics, U.S. Department of Labor (the "Consumer Price Index"), stands for the month most recently published preceding the date of termination of this Sublicense, and the denominator of which is the figure at which the Consumer Price Index stood for the month most recently published preceding the Sublicense Commencement Date, but in no event shall such fraction ever be less than one (1). If the Consumer Price Index is discontinued, any other index published by the Bureau of Labor Statistics (or the most comparable index if more than one is published) shall be substituted. If the base year of the Consumer Price Index is changed, a new base year shall be used, subject to conversion factors published by the Bureau of Labor Statistics. If no conversion factors are published, the base year shall be converted based upon the adjustment between the new base and the old base at the time the new base become effective. Sublicensee shall immediately pay to Sublicensor all such Rent and liquidated damages.
- (b) Sublicensee shall, upon demand, reimburse Sublicensor, with interest at the Default Rate from the date incurred through the date of payment to Sublicensor, the Enforcement Costs.
- (c) Sublicensor shall not be required to mitigate any of its damages hereunder. If any law shall validly limit the amount of any damages provided for herein to an amount which is less than the amount agreed to herein, Sublicensor shall be entitled to the maximum amount available under such law.

18.4 Definitions

As used in this Section:

- (a) "Enforcement Costs" shall be all sums, costs, expenses and damages (in addition to Costs of Releasing and including reasonable attorneys' fees) which are incurred by Sublicensor in enforcing the Sublicensee's obligations under this Sublicense or by reason of Sublicensee's Default, including without limitation, those arising out of any action brought by Sublicensor against Sublicensee to interpret any provision of this Sublicense or in connection with a bankruptcy or an assignment for the benefit of creditors.
- (b) "Default Rate" shall mean the rate per annum equal to the Prime Rate as published in the Wall Street Journal (or another publication selected by Sublicensor if the Wall

Street Journal ceases to exist) from time to time plus 5% per annum, but in no event in excess of the maximum interest rate permitted by law.

(c) Reasonable attorneys' fees shall include the value of services provided by counsel employed by Sublicensor or its Affiliates in the amount that Sublicensor would have reasonably incurred if the services had been performed by unaffiliated counsel.

18.5 Waiver of Jury Trial and Counterclaim

In the event Sublicensor commences any proceedings for non-payment of Rent or any other amount payable to Sublicensor by Sublicensee, Sublicensee shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Sublicensee's right to assert such a claim in any separate action brought by Sublicensee. Sublicensor and Sublicensee waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Sublicense, the relationship of sublessor and sublessee, Sublicensee's use of the Demised Premises, or any claim of injury or damage.

18.6 Force Majeure

"Force Majeure" means any cause or event beyond the reasonable control of a party to this Sublicense, including any act of God, government act or restriction, labor disturbance, general shortage of materials or supplies, riot, insurrection, or act of war or terrorism. Force Majeure excuses a party from performing any non-monetary obligation under this Sublicense for a commercially reasonable amount of time.

18.7 Sublicensor's Default and Sublicensee's Remedies

- (a) Sublicensor will be in "Default" of this Sublicense if Sublicensor fails to perform any obligation of Sublicensor under this Sublicense and this failure continues for thirty (30) days after Sublicensee notifies Sublicensor of such failure in writing, or such longer period of time as is reasonable if more than thirty (30) days is reasonably required to perform this obligation if performance commences within this 30-day period and is diligently prosecuted to completion.
- (b) If Sublicensor is in Default, then Sublicensee may exercise any remedy available under law, including but not limited to specific performance, that is not waived or limited under this Sublicense, subject to the following:
- (i) Sublicensee may not terminate this Sublicense due to any Sublicensor Default; and
 - (ii) No liability under this Sublicense is assumed by Sublicensor's Affiliates.

"Affiliates" means with respect to a party (i) that party's partners, co-members and joint venturers, (ii) each corporation or other entity that is a parent or subsidiary of that party, (iii) each corporation or other entity that is controlled by or under common control of a parent of such

party, and (iv) the directors, officers, employees and agents of that party and each person or entity described in (i-iii) above.

SECTION 19 QUIET ENJOYMENT

Sublicensor covenants that so long no Default has occurred and is continuing, Sublicensee may peacefully and quietly hold and enjoy the Demised Premises for the Sublicense Term without interference by Sublicensor or any person claiming by, through or under Sublicensor.

SECTION 20 SIGNS

Sublicensee will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Sublicensor's prior written approval.

SECTION 21 OPTION TO RENEW

So long as no Default has occurred and is continuing, Sublicensee shall have one (1) option to renew this Sublicense (the "Renewal Option") for one (1) additional term of five (5) years (a "Renewal Term") upon the same terms, covenants and conditions as are contained in this Sublicense. For the sake of clarity, the Rent for the Option Term shall be equal to the amount of the License Fees payable pursuant to the Cafeteria License. Sublicensee must exercise the Renewal Option by giving written notice thereof to Sublicensor at least twelve (12) months prior to the expiration of the Sublicense Term, as the same may have been renewed (a "Notice"). A Notice shall be effective only if (a) on the date the Notice, Sublicensee is not in Default, (b) Sublicensee exercises or has exercised its option to renew the Sublicensor exercises or has exercised its option to renew the Cafeteria License for an additional term.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Sublicense and exhibits attached hereto and forming a part hereof, set forth all of the covenants, Sublicenses, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Sublicensor and Sublicensee concerning the Demised Premises. Sublicensor and Sublicensee agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Sublicense shall not be modified or amended unless in writing signed by Sublicensor and Sublicensee.

22.3 Notices

Any notices or demands required under this Sublicense shall be in writing addressed to each party at the address set forth Section 1. By notice to the other, either party may change its address for notices. Each notice must be in writing and will be validly given if either: (a) the notice is personally delivered and receipt is acknowledged in writing, or (b) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party two (2) business days after the deposit of the notice in the U.S. Mail.

22.4 Survival

Any obligation of Sublicensee under this Sublicense which is not performed in full prior to the termination of this Sublicense shall survive the termination of this Sublicense and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Sublicense are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Sublicense.

22.6 Construction

This Sublicense shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Sublicense, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Sublicense shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Sublicense shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns, and permitted transferees.

22.8 Joint Drafting

Sublicensor and Sublicensee acknowledge and agree that each has joined in and contributed to the drafting of this Sublicense and as a result there shall be no presumption in construing the provisions of this Sublicense favoring or burdening either Sublicensor or Sublicensee based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Sublicense may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Signatures on following page]

IN WITNESS WHEREOF, Sublicensor and Sublicensee have executed this Sublicense on the day and year first above written.

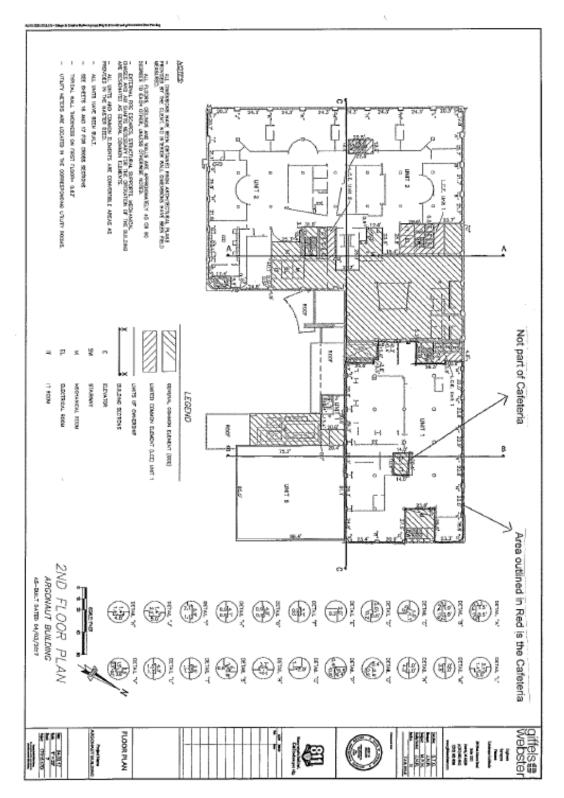
SUBLICENSOR: TEF-SIX, LLC, a Michigan limited liability company Thompson Educational Foundation, its sole By: member By: Robert M. Thompson, President **SUBLICENSEE:** THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation By:

IN WITNESS WHEREOF, Sublicensor and Sublicensee have executed this Sublicense on the day and year first above written.

	SIX, LLC, chigan limited liability company
Ву:	Thompson Educational Foundation, its sole member
Ву:	
	Robert M. Thompson, President
SUBI	LICENSEE:
	PUBLIC SCHOOL ACADEMIES OF
	ROIT, higan nonprofit corporation
Ву:	Junear la Carally
	V
. .	Joseph A. Aristeo
Name	
Name	President

Exhibit A

Depiction of the Demised Premises



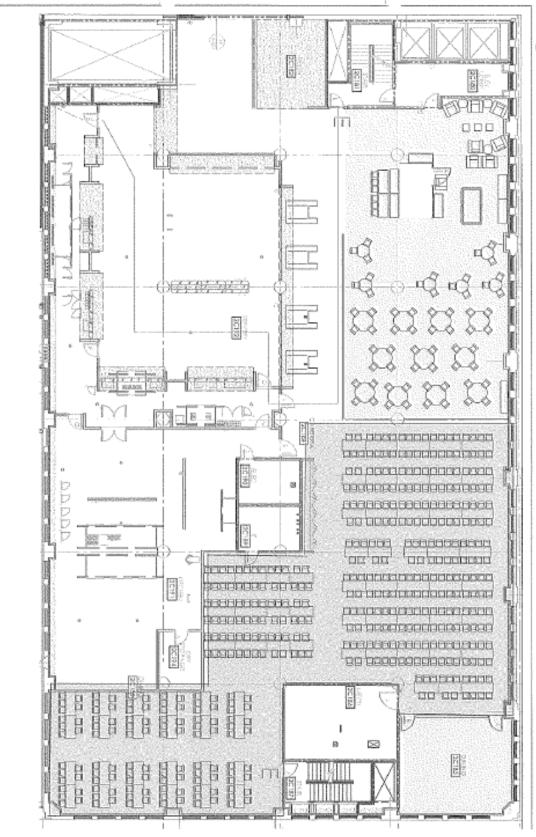


Exhibit B

Depiction of Basement Storage Area

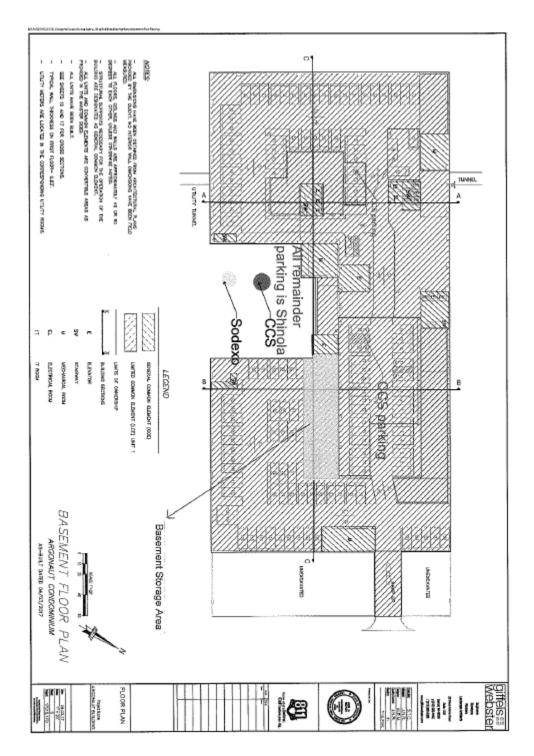


Exhibit C

Cafeteria License

See attached.

BLOOMFIELD 38030-1 1889026v2

CAFETERIA LICENSE AGREEMENT

THIS CAFETERIA LICENSE AGREEMENT (this "Agreement"), is made as of the 30th day of June, 2017 (the "Effective Date"), by and between the COLLEGE FOR CREATIVE STUDIES, a Michigan non-profit corporation, having an office at 201 E. Kirby, Detroit, Michigan 48202 (hereinafter called "Licensor"), and TEF-SIX, LLC, a Michigan limited liability company, having an office at c/o P.O. Box 6349, Plymouth, Michigan 48170, Attention: John G. Cleary ("Licensee").

RECITALS:

- A. Licensor owns certain condominium units (the "CCS Premises") located within the building commonly known as the A. Alfred Taubman Center for Design and Education, 465-45 West Milwaukee Avenue, Detroit, Michigan (the "Building"), which Building is part of a business condominium project known as Argonaut Condominium (the "Project") established pursuant to a Master Deed recorded in Liber 53803, Page 506, Wayne County Records (such Master Deed, as the same may be amended from time to time, is referred to herein as the "Master Deed").
- B. A portion of the CCS Premises located on the second floor of the Building and depicted on **Exhibit A** attached hereto is used as a cafeteria (such portion of the CCS Premises, together with all improvements and fixtures now or hereafter located therein, is referred to herein as the "Cafeteria").
- C. Licensee owns condominium Unit 2 located within the Building (the "School Unit") that is used as a middle school and high school (the middle school and high school operated within the School Unit is referred to herein as the "School").
- D. Licensee is desirous of obtaining licenses from Licensor for (i) students and employees of the School to enter the Cafeteria and purchase and consume therein food and beverages and (ii) a food service provider that has a contract with The Public School Academies of Detroit ("PSAD") to prepare, sell and serve within the Cafeteria breakfast, lunches and snacks to students of the School.

Licensor is willing to grant such licenses subject to the terms, covenants and conditions hereinafter set forth.

AGREEMENT:

In consideration of the premises and other good and valuable consideration, Licensor and Licensee hereby agree as follows:

1. Licenses and Limitations.

(a) (i) <u>Student and Staff License</u>. Licensor hereby grants to Licensee a non-exclusive license for students and employees of the School to enter the Cafeteria and purchase food and beverages sold in the Cafeteria and consume them in the Cafeteria, subject to and in accordance with all of the terms and conditions of this Agreement. Such license shall be {01293915.DOCX;3}

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limited to the hours of 7:15 - 7:45 a.m. and 11:12 a.m. - 1:20 p.m., as such hours may be adjusted from time to time by agreement of Licensor and Licensee, on weekdays that the Cafeteria is open for business and the School is open. Students and employees of the School shall consume their food and beverages solely within the portion of the Cafeteria identified as the School Area on **Exhibit A** and shall not consume food or beverages or otherwise enter the portion of the Cafeteria identified as the CCS Area on **Exhibit A** except as required in an emergency.

- (ii) Food Service Provider. (A) Licensor hereby grants to Licensee a non-exclusive license for the person who, at any point in time is a party to a contract with PSAD to prepare, sell and serve within the Cafeteria breakfast, lunches and snacks to students of the School (the "PSAD Food Service Provider"), a license to (y) enter the Cafeteria and (1) prepare, sell and serve breakfast, lunches and snacks to students of the School and (2) prepare breakfast, lunches and snacks for delivery to students of an off-site elementary school that is part of the same charter school district as the School and (z) enter the portion of the basement of the Building depicted on Exhibit B attached hereto for the storage of food and related supplies and items utilized in connection with the license granted in clause (v) above (the "Basement Storage Arca"). The parties acknowledge that certain portions of the Cafeteria that will be used by the PSAD Food Service Provider to provide food services, including certain kitchen equipment, will also be used by the company retained by Licensor from time to time to provide meals, catering and other food services to employees of the School, other occupants of or visitors to the Project and other third parties (such company is referred to herein as the "Licensor Food Service Provider"). The parties further acknowledge that one servery (including the cash registers and all other equipment) located within the Cafeteria, as designated by Licensor, shall be dedicated exclusively to the serving and sale of breakfast, lunches and snacks to students of the School by the PSAD Food Service Provider and that the other servery or serveries (including the cash registers and all other equipment) located within the Cafeteria shall be dedicated exclusively to the serving and sale of food and other items by the Licensor Food Service Provider. The parties further acknowledge and agree that the basement storage area shall be used by both the PSAD Food Service Provider and Licensor Food Service Provider to store food and related supplies and items.
- (B) Licensee shall cause the PSAD Food Service Provider to perform or otherwise comply with all of the following:
 - (1) The PSAD Food Service Provider shall work with the Licensor Food Service Provider to establish a mutually acceptable operating plan that clearly defines the responsibilities of the PSAD Food Service Provider and Licensor Food Service Provider, including but not limited to food receiving, storage and sanitation, and the PSAD Food Service Provider shall otherwise cooperate and coordinate its food service operation and other activities with the food service operation and other activities of the Licensor Food Service Provider so as to maximize the efficient and economical operation of each of the food service operations and avoid redundant tasks and costs. Licensor shall have the right to approve the PSAD Food Service Provider, which approval may not be unreasonably withheld or delayed. If the PSAD Food Service Provider and Licensor Food Service Provider are responsible under their respective agreements

for performing redundant tasks (e.g. cleaning of kitchen equipment used by both the PSAD Food Service Provider and Licensor Food Service Provider), then, notwithstanding anything to the contrary contained in their respective contracts, any such tasks shall be performed by the party that the PSAD Food Service Provider and Licensor Food Service Provider agree shall perform such task and in the absence of an agreement, such tasks shall be performed by the Licensor Food Service Provider.

- (2) The PSAD Food Service Provider shall place garbage and trash in containers in designated areas as specified by Licensor.
- (3) The PSAD Food Service Provider shall clean the kitchen areas (y) dedicated to the exclusive use of the PSAD Food Service Provider and (z) shared with the Licensor Food Service Provider after any use of such shared kitchen areas by the PSAD Food Service Provider.
- (4) The PSAD Food Service Provider shall operate and care for all equipment and food service areas (other than equipment and food service areas dedicated to the exclusive use of the Licensor Food Service Provider) in a clean, safe and healthy condition in accordance with, and otherwise comply with, all applicable laws, ordinances, regulations and rules, including but not limited to those related to sanitation, safety, health and recycling, and comply with all applicable laws, ordinances, rules and regulations governing the preparation of food.
- (5) The PSAD Food Service Provider shall obtain and post all licenses and permits as required by federal, state, and/or local law.
- (6) The PSAD Food Service Provider shall comply with all rules and regulations set forth in Article VI of the Bylaws attached to the Master Deed as Exhibit A or any other rules or regulations promulgated from time to time by the Argonaut Condominium Association.
- (7) The PSAD Food Service Provider shall obtain and keep in force during the term of its contract the following insurance:
 - (y) Worker's Compensation coverage as required by State law and Employer's Liability Insurance in an amount not less than \$1,000,000 for each accident covering all of its employees employed in connection with its food service operations in the Project.
 - (z) Commercial general liability insurance including but not limited to personal injury liability (with employment exclusion deleted), property damage liability, contractual liability, and products liability covering the operations and activities of the PSAD Food Service Provider at the Project. Such insurance shall name Licensor as an additional insured.

All insurance required to be maintained by the PSAD Food Service Provider shall provide coverage on an "occurrence basis", provide that the insurer shall give Licensor thirty (30) days prior notice of any cancellation of such insurance and otherwise be in form and substance, and contain deductibles, reasonably satisfactory to Licensor. Certificates of Insurance evidencing compliance with the foregoing insurance requirements shall be submitted to the Licensor prior to the date of this Agreement and evidence of renewal thereof shall be submitted at least ten (10) days prior to the expiration of any such insurance policy.

(8) The PSAD Food Service Provider shall defend, indemnify and hold Licensor harmless from and against all claims, liability, loss and expense, including reasonable collection expenses, attorney's fees and court costs, for any personal injury, death or property damage which may arise because of the sole negligence, misconduct or other fault of the PSAD Food Service Provider, its agents or employees occurring on or about the Project.

TEF shall cause all of the provisions of this Paragraph 1(a)(ii)(B) to be contained in each contract that is entered into with a PSAD Food Service Provider.

the operator of the School to cause students of the School in the Cafeteria to be supervised by a reasonably sufficient number of School employees. Licensor may promulgate reasonable rules and regulations from time to time governing use of the Cafeteria and Licensee shall use commercially reasonably efforts to cause the operator of the School to cause all of the students and employees of the School to comply with the same. Licensee shall use commercially reasonably efforts to cause the operator of the School to cause students and employees of the School to, before leaving the Cafeteria, to place their uneaten food and trash in the trash receptacles provided therefor outside of the CCS Area and trays at the locations designated therefor outside of the CCS Area. Licensee shall indemnify and hold Licensor and its officers, trustees, agents, and contractors (collectively, the "Indemnitees") harmless from and against any and all liabilities, damages, claims, losses, costs and expenses, including but not limited to attorney's fees, incurred by or asserted against the Indemnitees or any of them arising out of any acts or omissions of students or employees of the School occurring within the Cafeteria.

2. Licensee Fees.

- (a) <u>Amount of Payment</u>. For each calendar year or partial calendar year falling within the Term (a "License Year"), Licensee shall pay to Licensor, in the manner described below, a license fee equal to fifty percent (50%) of Cafeteria Costs (as defined below) (the "License Fees"). The "Cafeteria Costs" means all of the following costs incurred or paid by Licensor:
 - (i) the cost of all materials, supplies and equipment used directly in the operation of the Cafeteria,
 - (ii) the cost of electricity and gas furnished to the Cafeteria,

- (iii) the portion of the costs of property insurance, liability insurance and other insurance maintained by Licensor that is allocable to the Cafeteria,
- (iv) the cost of cleaning, maintaining, repairing and replacing the Cafeteria or any equipment or other personal property used in connection with the Cafeteria,
- (v) the portion of any real or personal property taxes and assessments allocable to the Cafeteria or any personal property used in connection therewith,
 - (vi) pest control costs,
- (vii) salary, wages, employee benefits and employer's share of payroll taxes of all employees employed by CCS in operating, cleaning, maintaining, repairing, replacing, or otherwise providing services with respect to the Cafeteria or any equipment or personal property used in connection therewith except that if any such employee is not exclusively dedicated to the performance of such services with respect to the Cafeteria, then only the portion of such employee's salaries, wages, employee benefits and employer's share of payroll taxes for such employee that is reasonably allocable to the performance of services with respect to the Cafeteria or any equipment or other personal property used in connection therewith shall be included in Cafeteria Costs,
 - (viii) costs of complying with laws or insurance requirements,
- (ix) costs of testing the fire suppression system or other systems serving the Cafeteria, and
- (x) the portion of security costs reasonably allocable to the Cafeteria. Cafeteria Costs shall not include any sums payable to a third party operator of all or a portion of the Cafeteria.
- (b) <u>Estimates</u>. Licensor shall reasonably estimate License Fees for each License Year. Licensee will pay the estimated License Fees in advance, in equal monthly installments, by the first day of each month. Licensor may reasonably revise its estimate during a License Year and Licensee shall pay the monthly installments based on the revised estimate, commencing thirty (30) days following the date of such revision. In addition, if Licensor incurs Cafeteria Costs not anticipated by Licensor, Licensor may invoice Licensee for Licensee's Share of such Cafeteria Costs (a "Special Assessment") and Licensee shall pay Licensee's Share of such Special Assessment within thirty (30) days after Licensee's receipt of such invoice. The aggregate estimates of License Fees and all Special Assessments payable by Licensee in a License Year are the "Estimated License Fees".
- (c) <u>Settlement</u>. Within a reasonable period of time after the end of each calendar quarter, Licensor shall furnish Licensec with an invoice reflecting the actual License Fees for such calendar quarter. Any invoice for License Fees is conclusive, binds Licensee and Licensee waives all rights to contest the invoice, except for items of License Fees to which Licensee objects by notice to Licensor given within ninety (90) days after receipt of such

invoice; however, Licensec's objection shall not relieve Licensee of its obligation to pay License Fees pending resolution of any objection. If the actual License Fees exceed the Estimated License Fees for a calendar quarter, Licensee shall pay the difference to Licensor with the next installment of Estimated License Fees that becomes due. If the Estimated License Fees paid by Licensee exceed the actual License Fees for a calendar quarter, then Licensor shall credit the overpayment against the next installment of Estimated License Fees that becomes due. However, if the Term ends during a calendar quarter, Licensor may, in Licensor's sole discretion, elect to either: (i) forego the settlement of License Fees for such calendar quarter that is otherwise required and accept the Licensee's payment of Estimated License Fees for such calendar quarter in satisfaction of Licensee's obligations to pay License Fees for such final calendar quarter, or (ii) have Licensor's and Licensee's obligations under this Section 2(c) survive the end of the Term.

- (d) Terms of Payment. Unless otherwise provided in this Agreement, Licensee shall pay License Fees without notice, demand, deduction, abatement or setoff, in lawful U.S. currency, at Licensor's Billing Address. Licensor will send invoices payable by Licensee to Licensee's Billing Address; however, neither Licensor's failure to send an invoice nor Licensee's failure to receive an invoice for installments of estimated Licensee Fees will relieve Licensee of its obligation to pay installments of estimated Licensee Fees. Each partial payment by Licensee shall be deemed a payment on account. No endorsement or statement on any check or any accompanying letter shall constitute an accord and satisfaction, affect Licensor's right to collect the full amount due, or require Licensor to apply any payment to other than License Fees earliest due. No payment by Licensee to Licensor will be deemed to extend the Term or render any notice, pending suit or judgment ineffective. By notice to the other, each party may change its Billing Address.
- (e) <u>Late Payment</u>. If Licensor does not receive all or part of any License Fees within five (5) business days of the date when due, then Licensee shall pay Licensor a "Late Charge" of 5% of the overdue amount. Licensee agrees that the Late Charge is not a penalty, and will compensate Licensor for costs not contemplated under this Agreement that are impracticable or extremely difficult to fix. Licensor's acceptance of a Late Charge does not waive Licensee's default.
- 3. Term. "Term" means the period that begins on the Effective Date and ends on the License Expiration Date, subject to earlier termination as may be further provided in this Agreement. The "License Expiration Date" means the earliest of (a) the day immediately preceding the ninety-nine (99) year anniversary of the Effective Date, (b) the date that the Cafeteria is permanently closed for business by Licensor, and (c) the date neither Licensee nor a Permitted Assignee (as defined below) owns the School Unit or operates a middle school and/or high school within all or a portion of the School Unit. Except for Licensor's rights to terminate this Agreement that are expressly set forth in this Agreement, this Agreement shall not be revocable by Licensor or any of its successors or assigns during the Term.
- 4. **Assignment.** Except as provided below, Licensee may not assign or sublicense its license to use the Cafeteria. Notwithstanding the foregoing, Licensee may assign this Agreement or sublicense its license to a Permitted Assignee that will continue to use the School Unit as a middle school and/or high school. A "Permitted Assignee" means any person or entity

controlling, controlled by, or under common control with Licensee, the Public School Academies of Detroit or any entity controlling, controlled by, or under common control with the Public School Academies of Detroit, a non-profit charter school that Licensee and the Thompson Educational Foundation, a Michigan non-profit corporation, have determined is consistent with their charitable mission and which charter school is otherwise approved by Licensor, which approval shall not be unreasonably withheld, or such other school that is approved by Licensor, which approval may be withheld in the sole and absolute discretion of Licensor.

5. Repairs, Improvements, Damage or Condemnation. Licensor may modify, renovate or improve the Cafeteria as Licensor deems appropriate. If any student or employee of the School is unable to use the Cafeteria because of major repairs or improvements, damage or condemnation to the Cafeteria or Project, Licensor will not be in default of this Agreement. However, if any student of the School is unable to use the Cafeteria as provided in the immediately preceding sentence, Licensor shall use good faith efforts to provide, during the period of time that the Cafeteria may not be so used, an alternative location within the Building where the PSAD Food Service Provider can prepare, sell and/or serve breakfasts, lunches and snacks to students of the School in accordance with this Agreement. Except as otherwise provided in this Agreement, during the Term, Licensor shall repair, maintain and replace, if necessary, the Cafeteria.

6. Damage or Destruction.

- (a) <u>Damage and Repair</u>. If all or any part of the Cafeteria is damaged by fire or other casualty, then the parties will proceed as follows:
 - (i) Licensor's Estimates. Licensor will assess the damage to the Cafeteria and notify Licensee of Licensor's reasonable estimate of the time required to substantially complete repairs and restoration of the Cafeteria ("Repair Estimate"). Within 30 days after the latest of the casualty, issuance of the Repair Estimate, or receipt of any denial of coverage or reservation of rights from Licensor's insurer, or receipt of notice from the holder of any Encumbrance (as defined in Section 8(b)) that all or any portion of the insurance proceeds will be used to retire the debt secured by such Encumbrance, Licensor may terminate this Agreement by written notice to Licensee if:
 - (A) The Repair Estimate exceeds 270 days; or
 - (B) The damage or destruction occurs in the last 12 months of the Term;
 - (C) The repair and restoration is not fully covered by insurance maintained or required to be maintained by Licensor (subject only to those deductibles or retentions Licensor elected to maintain) or Licensor's insured denies coverage or reserves its rights on coverage; or

- (D) The holder of any Encumbrance requires that all or any portion of the insurance proceeds be used to retire the debt secured by such Encumbrance or the damage is caused by a casualty that is not covered by insurance maintained by Licensor.
- (ii) Repairs. If Licensor does not terminate this Agreement under (i), then this Agreement shall remain in full force and effect and Licensor will repair and restore the Cafeteria to the condition existing prior to such damage, except for modifications required by law. Licensor will perform such work with reasonable promptness, subject to delay for loss adjustment, delay caused by Licensee and Force Majeure.
- (b) <u>License Fees</u>. If as a result of the damage or destruction under Section 6(a), the students and employees of the School cannot fully utilize the Cafeteria as permitted under this Agreement, License Fees shall, to the extent Licensor receives the proceeds of business interruption insurance payable with respect to License Fees, be equitably abated based on the diminution in use as a result of such damage or destruction until the Cafeteria can be fully used again as permitted under this Agreement. Licensee's sole remedy against Licensor for damage or destruction of any part of the Cafeteria is abatement of License Fees under this Section 6(b), and Licensor will not be liable to Licensee for any other amount, including consequential damages.
- 7. Taking. "Taking" means acquiring of all or part of the Cafeteria for any public or quasi-public use by exercise of a right of eminent domain or under any other law, or any sale in lieu thereof. If a Taking occurs:
- (a) <u>Total Taking</u>. If a Taking of substantially all of the Cafeteria for substantially all of the remaining Term occurs, then the Agreement terminates on the date of the Taking.
- (b) <u>Partial Taking</u>. If a Taking does not cause the Agreement to be terminated under (a), then Licensor will restore (and alter, as necessary) the Cafeteria, unless the Agreement is terminated by either Licensor or Licensee under the following circumstances:
 - (1) Licensor may terminate the Agreement upon 60 days prior written notice to Licensee if Licensor reasonably determines that it is uneconomical to restore or alter the Cafeteria.
 - (2) Licensee may terminate the Agreement upon 60 days prior written notice to Licensor if more than 50% of the Cafeteria is taken pursuant to such Taking for the remainder of the Term.

Licensor is entitled to the entire award for any claim for a taking of any interest in this Agreement or the Cafeteria, without deduction or offset for Licensee's interest.

8. Licensor Transfers.

- (a) <u>Licensor's Transfer</u>. Licensor's right to transfer any interest in the Cafeteria or this Agreement is not limited by this Agreement provided that the transferee of this Agreement agrees in writing (i) to assume Licensor's obligations under this Lease that accrue after such transfer and (ii) not to terminate this Agreement except as expressly permitted under this Agreement. Upon any such transfer and assumption, Licensee will attorn to Licensor's transferee and Licensor will be released from liability under this Agreement, except for any obligations under this Agreement accruing before the transfer that are not assumed by the transferee.
- (b) <u>Subordination</u>. This Agreement is, and will at all times be, subject and subordinate to each lease, mortgage, deed to secure debt or deed of trust now or later encumbering the Cafeteria or any portion thereof, including each renewal, modification, supplement, amendment, consolidation or replacement thereof (each, an "Encumbrance"); provided that the Encumbrance holder enters into a commercially reasonable subordination, non-disturbance and attornment agreement that contains customary non-disturbance provisions. At Licensor's request, Licensee will, without charge, promptly execute, acknowledge and deliver to Licensor (or, at Licensor's request, the Encumbrance holder) any such subordination, non-disturbance and attornment agreement instrument. Notwithstanding the foregoing, each Encumbrance holder may unilaterally elect to subordinate its Encumbrance to this Agreement.
- (c) <u>Attornment</u>. Licensee will automatically attorn to any transferee of Licensor's interest in the Cafeteria that succeeds Licensor by reason of a termination, foreclosure or enforcement proceeding of an Encumbrance, or by delivery of a deed in lieu of any foreclosure or proceeding (a "Successor Licensor"). In this event, the Agreement will continue in full force and effect as a direct license between the Successor Licensor and Licensee on all of the terms of this Agreement, except that the Successor Licensor shall not be:
 - (1) Liable for any obligation of Licensor under this Agreement, or be subject to any counterclaim, defense or offset accruing before Successor Licensor succeeds to Licensor's interest;
 - (2) Bound by any modification or amendment of this Agreement made without Successor Licensor's consent;
 - (3) Bound by any prepayment of more than one month's License Fees; or
 - (4) Obligated to perform any improvements to the Cafeteria (or provide an allowance therefor). Upon Successor Licensor's request, Licensee will, without charge, promptly execute, acknowledge and deliver to Successor Licensor any instrument reasonably necessary or required to evidence such attornment.
- (d) <u>Estoppel Certificate</u>. Within 10 days after receipt of Licensor's written request, Licensee (and each guarantor and transferee of an interest in the Agreement) will

execute, acknowledge and deliver to Licensor a certificate upon which Licensor and each existing or prospective Encumbrance holder may rely confirming the following (or any exceptions to the following):

- (1) The License Commencement Date and License Expiration Date;
- (2) The documents that constitute the Agreement, and that the Agreement is unmodified and in full force and effect;
- (3) The date through which License Fees have been paid;
- (4) That neither Licensor nor Licensee is in default of this Agreement; and
- (5) Such other matters concerning this Agreement that Licensor may reasonably require.

9. Default and Remedies.

- (a) <u>Licensee's Default</u>. Licensee is in default ("Default") of this Agreement if any of the following occur:
 - (i) Licensee fails to pay Licensee Fees when due, and the failure continues for 10 days after notice to Licensee of the failure.
 - (ii) Licensee fails to perform a non-monetary obligation under this Agreement and the failure continues for 20 days after notice to Licensee of the failure, except that if Licensee begins performing this obligation within 20 days after notice to Licensee of this failure, but it will reasonably take more than 20 days to complete performing the obligation, then Licensee will have a reasonable amount of additional time to complete performing the obligation so long as Licensee diligently pursues the performance of such obligation to completion.
 - (iii) Assigns this Agreement or sublicenses its license to use the Cafeteria in violation of this Agreement.
 - (iv) Licensee fails to discharge any attachment or levy on Licensee's interest in this Agreement within 15 days after the attachment or levy encumbers this Agreement.
 - (v) Licensee fails to cause any of the following proceedings to be vacated or dismissed within 60 days after they are commenced:
 (1) the appointment of a receiver or trustee of the assets of Licensee or any guarantor of this Agreement, (2) the voluntary or involuntary bankruptcy of Licensee or any guarantor of this

Agreement, or (3) any assignment for the benefit of creditors of the assets of Licensee or any guarantor of this Agreement.

- (vi) Licensee is named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (vii) Licensee fails to pay to the Argonaut Condominium Association when due any assessment or installment thereof levied by the Argonaut Condominium Association against Licensee and/or the School Unit or any portion thereof and such failure is not cured within thirty (30) days after the Argonaut Condominium Association has given Licensee written notice thereof.
- (b) <u>Remedies</u>. If a Default occurs, Licensor shall have the rights and remedies set forth in this subsection (b) which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Licensor of any other right or remedy allowed it by law or at equity.
 - (i) Licensor may terminate this Agreement by giving notice to Licensee of Licensor's election to do so, in which event the Term of this Agreement shall end, and all right, title and interest of Licensee hereunder shall expire, on the date stated in such notice. Written notice alone shall be proof of any such election by Licensor.
 - (ii) Licensor may enforce the provisions of this Agreement and may enforce and protect the rights of Licensor by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained in this Agreement, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Licensee under any of the provisions of this Agreement.
 - Licensor may, but shall not be obligated to, cure Licensec's Default by making any payment or performing such other act to the extent Licensor may deem desirable. Any such cure by Licensor shall be without notice and shall not waive or release Licensee from any obligation under this Agreement. Licensee covenants and agrees to pay Licensor, upon demand, all advances, costs and expenses incurred by Licensor in connection with such cure, including reasonable attorney's fecs, together with interest at the Default Rate (as defined below), from the date such are incurred by Licensor to the date of payment to Licensor.
 - (c) If Licensor terminates this Agreement pursuant to subparagraph (b):

- Licensor shall be entitled to recover any and all License Fees due (i) and unpaid as of the date of termination. In addition, Licensee shall pay to Licensor liquidated damages equal to the lesser of the sum of the actual License Fees payable for the four full calendar quarters immediately preceding the date of termination or the product of \$75,000 and a fraction, the numerator of which is the figure at which the Revised Consumer Price Index, All Urban Consumers (All Items) for Detroit-Ann Arbor-Flint, Michigan (1982-84=100) of the Bureau of Labor Statistics, U.S. Department of Labor (the "Consumer Price Index"), stands for the month most recently published preceding the date of termination of this Agreement, and the denominator of which is the figure at which the Consumer Price Index stood for the month most recently published preceding the Effective Date but in no event shall such fraction ever be less than one (1). If the Consumer Price Index is discontinued, any other index published by the Bureau of Labor Statistics (or the most comparable index if more than one is published) shall be substituted. If the base year of the Consumer Price Index is changed, a new base year shall be used, subject to conversion factors published by the Bureau of Labor Statistics. If no conversion factors are published, the base year shall be converted based upon the adjustment between the new base and the old base at the time the new base becomes effective. Licensee shall immediately pay to Licensor all such License Fees and liquidated damages.
- (ii) Licensee shall, upon demand, reimburse Licensor, with interest at the Default Rate from the date incurred through the date of payment to Licensor and the Enforcement Costs.
- (iii) Licensor shall not be required to mitigate any of its damages hereunder. If any law shall validly limit the amount of any damages provided for herein to an amount which is less than the amount agreed to herein, Licensor shall be entitled to the maximum amount available under such law.

(d) <u>Definitions</u>.

(i) "Enforcement Costs" shall be all sums, costs, expenses and damages (including reasonable attorneys' fees) which are incurred by Licensor in enforcing the Licensee's obligations under this Agreement or by reason of Licensee's Default, including without limitation, those arising out of any action brought by Licensor against Licensee to interpret any provision of this Agreement or in connection with a bankruptcy or an assignment for the benefit of creditors.

- (ii) Reasonable attorneys' fees shall include the value of services provided by counsel employed by Licensor or its Affiliates in the amount that Licensor would have reasonably incurred if the services had been performed by unaffiliated counsel.
- (e) <u>Interest</u>. If Licensee at any time fails to make any payment of License Fees or of any amounts owed under this Agreement, Licensor may recover interest on such amounts at the rate per annum equal to the Prime Rate as announced from time to time in the Wall Street Journal (or another publication selected by Licensor if the Wall Street Journal ceases to be published) plus 5% per annum, but in no event in excess of the maximum interest rate permitted by law ("Default Rate"), from the date each amount is due until paid by Licensee.
- (f) <u>Waivers</u>. Licensor and Licensee expressly waive any right to trial by jury with respect to any proceeding pertaining to this Agreement. No waiver by Licensor of any Default of Licensee shall be implied to affect, and no express waiver shall affect, any Default other than the Default specified in such waiver and that only for the time and to the extent stated.
- (g) <u>Force Majeure</u>. "Force Majeure" means any cause or event beyond the reasonable control of a party to this Agreement, including any act of God, government act or restriction, labor disturbance, general shortage of materials or supplies, riot, insurrection, or act of war or terrorism. Force Majeure excuses a party from performing any non-monetary obligation under this Agreement for a commercially reasonable time.

(h) <u>Licensor's Default and Remedies</u>.

- (i) Licensor will be in "Default" of this Agreement if Licensor fails to perform any obligation of Licensor under this Agreement and this failure continues for 30 days after Licensee notifies Licensor of such failure, or such longer period of time as is reasonable if more than 30 days is reasonably required to perform this obligation if performance commences within this 30-day period and is diligently prosecuted to completion.
- (ii) If Licensor is in Default, then Licensee may exercise any remedy available under law, including but not limited to specific performance, that is not waived or limited under this Agreement, subject to the following:
 - (A) Licensee may not terminate this Agreement due to any Licensor Default.
 - (B) No liability under this Agreement is assumed by Licensor's Affiliates.

"Affiliates" means with respect to a party (i) that party's partners, co-members and joint venturers, (ii) each corporation or other entity that is a parent or subsidiary of that party, (iii) each corporation or other entity that is controlled by or under common control of a parent of such

party, and (iv) the directors, officers, employees and agents of that party and each person or entity described in (i-iii) above.

15. Miscellaneous.

(a) Notice. Notice to Licensor must be given to Licensor's Notice Addresses as set forth below. Notice to Licensee must be given to Licensee's Notice Addresses as set forth below. By notice to the other, either party may change its Notice Address. Each notice must be in writing and will be validly given if either: (1) the notice is personally delivered and receipt is acknowledged in writing; or (2) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party 2 business days after the deposit of the notice in the U.S. Mail.

Notice Address:

For each party, the following address:

To Licensor	To Licensee
College for Creative Studies 201 E. Kirby Detroit, Michigan 48292-4034 Attn: Anne Beck, Vice President for Administration and Finance	Thompson Educational Foundation c/o P.O. Box 6349 Plymouth, Michigan 48170 Attn: John G. Cleary
with a copy to:	
College for Creative Studies 201 E. Kirby Detroit, Michigan 48292-4034 Attn: Director of Facilities	

Billing Address:

For each party, the following address:

For Licensor	For Licensee
201 E. Kirby Detroit, Michigan 48292-4034	Thompson Educational Foundation c/o P.O. Box 6349 Plymouth, Michigan 48170 Attn: John G. Cleary
Vice President, Administration and Finance	

(b) <u>Entire Agreement</u>. This Agreement is deemed integrated and contains all of each party's representations, waivers and obligations. The parties may only modify or amend this Agreement in a writing that is fully executed and delivered by each party.

- (c) <u>Successors</u>. Unless provided to the contrary elsewhere in this Agreement, this Agreement binds and inures to the benefit of each party's heirs, successors and permitted assignees.
- (d) <u>No Waiver</u>. A party's waiver of a breach of this Agreement will not be considered a waiver of any other breach. No custom or practice that develops between the parties will prevent either party from requiring strict performance of the terms of this Agreement. No Agreement provision or act of a party creates any relationship between the parties other than that of Licensor and Licensee.
- (e) <u>Independent Covenants</u>. The covenants of this Agreement are independent. A court's declaration that any part of this Agreement is invalid, void or illegal will not impair or invalidate the remaining parts of this Agreement, which will remain in full force and effect.
- (f) <u>Captions</u>. The use of captions, headings, boldface, italics or underlining is for convenience only, and will not affect the interpretation of this Agreement.

(g) Authority.

- (i) Individuals signing this Agreement on behalf of Licensce represent and warrant that they are authorized to bind Licensee to this Agreement, and that Licensee is qualified to do business in the State of Michigan. If required by Licensor, Licensee will, at Licensee's cost, provide Licensor with a corporate resolution or other documentation acceptable to Licensor proving the authority of each individual signatory to bind Licensee to this Agreement.
- (ii) Licensee represents and warrants to Licensor that Licensee is not named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (iii) Licensee represents and warrants to Licensor that any individual or entity involved in this transaction on behalf of Licensee is not named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (h) <u>Applicable Law</u>. The laws of Michigan govern this Agreement. In any action brought under this Agreement, Licensee submits to the jurisdiction of the courts of the State of Michigan, and to venue in the County of Wayne.
- (i) <u>Confidentiality</u>. Licensee will not record this Agreement or a memorandum of this Agreement without Licensor's written consent. Licensee will keep the terms of this Agreement confidential and, unless required by law, may not disclose the terms of

this Agreement to anyone other than Licensee's Affiliates to the extent necessary to Licensee's business.

- (j) <u>Reasonableness</u>. Licensee's sole remedy for any claim against Licensor that Licensor has unreasonably withheld or unreasonably delayed any consent or approval shall be an action for injunctive or declaratory relief, it being acknowledged and agreed that no such claim may be asserted against Licensor except where Licensor has expressly agreed in this Agreement that it may not unreasonably withhold or delay its consent or approval.
- (k) <u>Time</u>. Time is of the essence as to all provisions in this Agreement in which time is a factor.
- (1) <u>Exhibits</u>. The exhibits attached to this Agreement are incorporated herein. If any exhibit is inconsistent with the terms of this Agreement, the provisions of the Exhibit will govern. The Exhibits to this Agreement are:

EXHIBIT A Depiction of Cafeteria

(m) <u>Alternative Location upon Termination</u>. If this Agreement is terminated pursuant to Section 6 hereof or the Term ends pursuant to Section 3(b) hereof, and Licensee or a person or entity controlling, controlled by or under common control with Licensee owns the School Unit and operates a middle school and/or high school therein, Licensor and Licensee shall work together in good faith to agree upon the provision by the Licensor to Licensee of alternative space in the Building where students of the school could consume breakfasts, lunches and snacks prepared outside of the Project and with all costs in connection with such use of such alternative space, including but not limited to costs of utilities, insurance, cleaning, and repairs necessitated by such use or operation, to be borne by Licensee but in no event subject to any license fee in addition to such costs.

[SIGNATURE PAGE FOLLOWS]

Signature Page to Cafeteria License Agreement

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

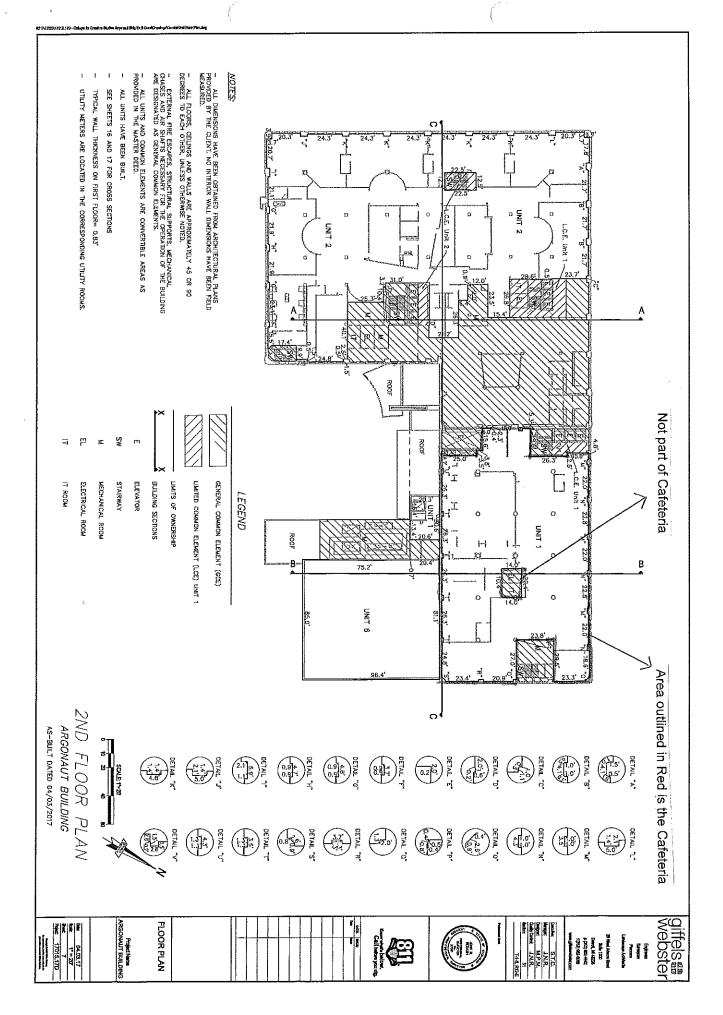
WITNESSES:	LICENSOR:
	COLLEGE FOR CREATIVE STUDIES, a Michigan non profit corporation
Min Mitteller	By: June Deel
	Its: Vice President for Idministration & Finance
	LICENSEE:
	TEF-SIX, LLC, a Michigan limited liability company
	By:
	Its:

Signature Page to Cafeteria License Agreement

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

WITNESSES:	LICENSOR:
	COLLEGE FOR CREATIVE STUDIES, a Michigan non profit corporation
	By:
	Its:
	LICENSEE:
	TEF-SIX, LLC, a Michigan limited liability company
Cally Ebyer	Ву:
John S. Cleary	Its: Authorized Representative

EXHIBIT A DEPICTION OF THE CAFETERIA



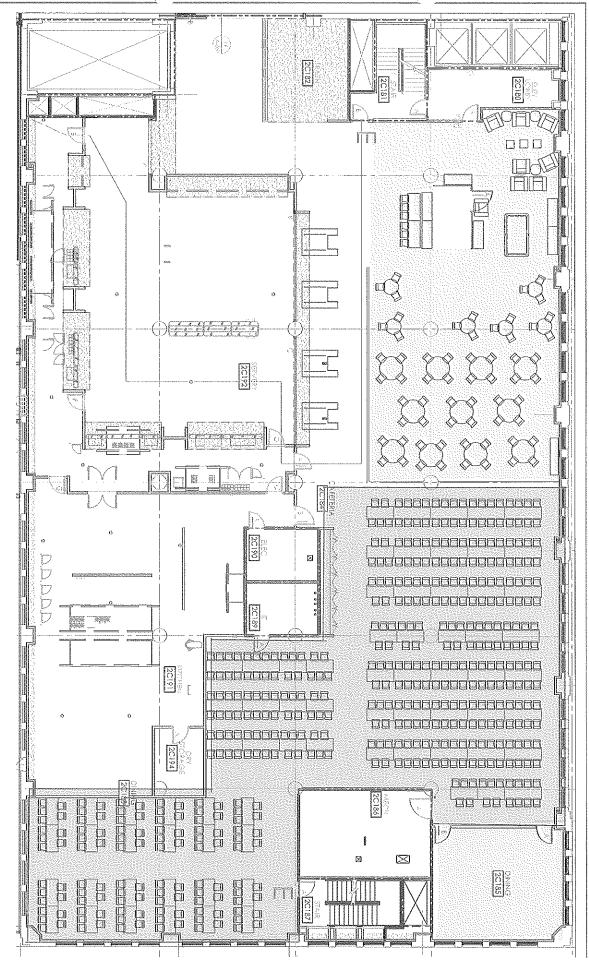
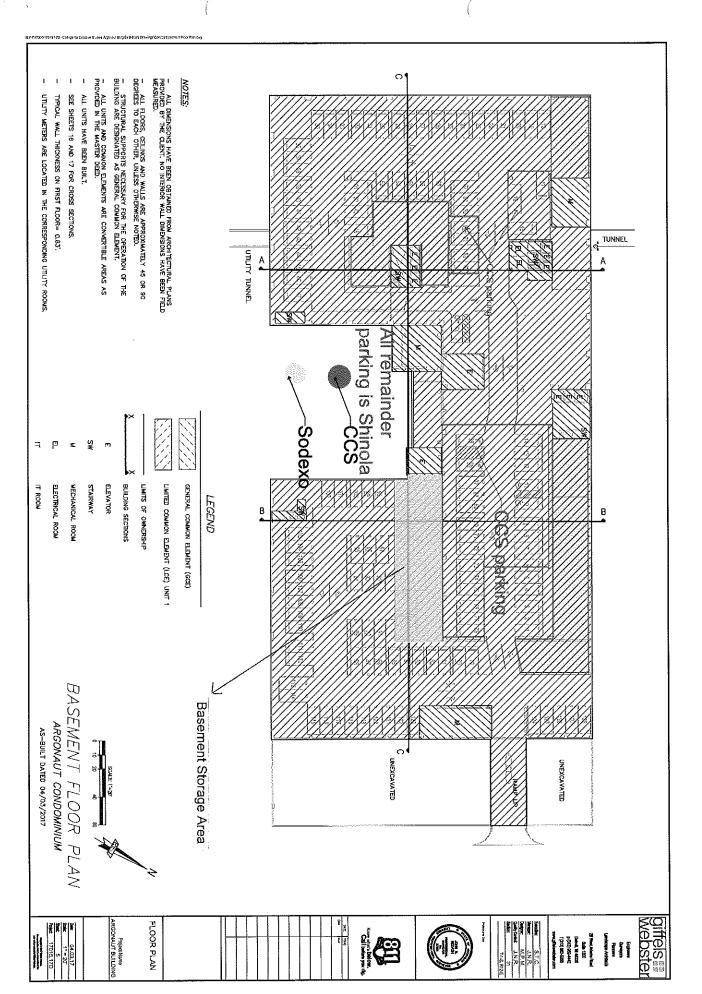


EXHIBIT B

DEPICTION OF BASEMENT STORAGE AREA



CAFETERIA SUBLEASE

Between

SUBLESSOR: TEF-SIX, LLC, a Michigan limited liability company,

And

SUBLESSEE: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated: January 7, 2019

CAFETERIA SUBLEASE

SECTION 1 SCHEDULE

SUBLESSOR: NAME: TEF-SIX, LLC

ADDRESS: Thompson Educational Foundation

c/o P.O. Box 6349 Plymouth, MI 48170 Attn: John G. Cleary

SUBLESSEE: NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

600 Antoinette Detroit, MI 48202

CCS PREMISES Certain condominium units (the "CCS Premises")

located within the Building (as defined below).

DEMISED PREMISES: A portion of the CCS Premises located on the third

floor of the Building and depicted on Exhibit A attached hereto and used as a cafeteria, together with all improvements and fixtures now or hereafter located therein (collectively the "Site" or "Demised")

Premises").

SUBLEASE TERM: January 7, 2019 until June 30, 2023 unless terminated

sooner pursuant to Section 2.2.

SUBLEASE COMMENCEMENT

DATE:

This Sublease shall commence and is effective on January

7, 2019.

RENT COMMENCEMENT DATE: January 7, 2019.

SCHOOL YEAR July 1 to June 30.

TERMINATION DATE: June 30, 2023.

BASE RENT:

The Annual Base Rent shall be equal to 50% of the Cafeteria Costs (as defined below). For the sake of clarity, the Annual Base Rent shall be equal to the Lease Fees (as defined in the Cafeteria Lease defined below) payable by Sublessor pursuant to the Cafeteria Lease.

EXHIBITS ATTACHED:

"A" – Depiction of Demised Premises

"B" - Depiction of Basement Storage Area

"C" – Cafeteria Lease.

RECITALS:

A. College for Creative Studies, a Michigan non-profit corporation, as lessor (the "Lessor" or "CCS"), and Sublessor, as leasee, are parties to a Cafeteria Lease Agreement effective as of July 1, 2018 with respect to the Demised Premises, a copy of which is attached as **Exhibit C** (the "Cafeteria Lease"). This Sublease shall be subject in all respect to all terms and conditions set forth in the Cafeteria Lease. A termination of the Cafeteria Lease shall also result in a termination of this Sublease.

В. On the date thereof, Landlord and Tenant are entering into a lease agreement with respect to the demised premises described therein consisting of: (1) Unit 2 of the Argonaut Condominium (the "Project"), a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records (the "Master Deed"), and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended; also known as The Argonaut Building: located in the City of Detroit, Wayne County, Michigan at for 465-485 W. Milwaukee, Detroit, Michigan 48202 (the "Building"), consisting of Suites 101, 102, 201, 301, and 401, located on the first, second, third, and fourth floors of the Building and deemed to contain 123,552 rentable square feet; and (2) the Gym Unit, Unit 6 of the Project, a Condominium according to the Master Deed thereof recorded in Liber 53803, Page 506, Wayne County Records, and designated as Wayne County Condominium Subdivision No. 1061, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed, and any amendments thereto, as described in Act 59 of the Public Acts of Michigan of 1978, as amended, also known as the Gymnasium: the gymnasium located on the property of the Building, including HVAC, electrical, gas, telecommunications and sprinkler system to the extent part of such Units 2 and 6 pursuant to the Master Deed (the "Gymnasium Building"); together with all improvements located thereon, including without limitation the existing buildings, furnishings, fixtures, equipment and related site improvements to the extent part of such Units 2 and 6 pursuant to the Master Deed and the Limited Common Elements appurtenant to such Units 2 and 6 pursuant to the Master Deed (the "School and Gym Lease Agreement"). Pursuant to the Master Deed, the Argonaut Condominium Association, a Michigan nonprofit corporation (the "Association") administers, operates, manages and maintains the Condominium. The Association's Bylaws (the "Association Bylaws") govern the Association's administration of the Project. The School and

Gym Lease Agreement is hereby incorporated into, and made a part of, this Sublease. Sublessee's use and occupancy of the Demised Premises shall be subject in all respect to all terms and conditions set forth in the Master Deed and the Association Bylaws.

- C. Sublessor has notified the Association of the name and address of Sublessee as required pursuant to Article VI, Section 5 of the Master Deed.
- D. Effective July 1, 2018, Sublessor and Sublessee entered into a Parking Sublease Agreement with respect to the demised premises described therein (the "Parking Sublease"). The Parking Sublease is hereby incorporated into, and made a part of, this Sublease.
- E. Sublessor and Sublessee desire to enter into this Cafeteria Sublease with respect to the demised premises described herein.

SECTION 2 GRANT AND TERM

2.1 Demised Premises

- (a) Sublessor, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Sublessee, does hereby lease to Sublessee and Sublessee hereby rents from Sublessor, the Demised Premises described in Section 1. During the Term of this Sublease, Sublessor hereby grants to Sublessee a non-exclusive Sublease for Sublessee's students and employees to enter the Demised Premises and purchase food and beverages sold therein and consume them in the Demised Premises, subject to and in accordance with all of the terms and conditions of this Sublease. Such Sublease shall be limited to the hours of 7:15 a.m. – 7:45 a.m. and 11:12 a.m. – 1:20 p.m., as such hours may be adjusted from time to time by agreement of Sublessor and Sublessee, on weekdays that the Demised Premises is open for business and the School operated by Sublessee on the Demised Premises as described in the School and Gym Lease Agreement is open. Sublessee's students and employees shall consume their food and beverages solely within the portion of the Demised Premises identified as the School Area on Exhibit A and shall not consume food or beverages or otherwise enter the portion of the Demised Premises identified as the CCS Area on Exhibit A except as required in an emergency.
- (b) Sublessor hereby grants to Sublessee a non-exclusive Sublease for the person who, at any point in time is a party to a contract with Sublessee to prepare, sell and serve within the Demised Premises breakfast, lunches and snacks to Sublessee's students (the "PSAD Food Service Provider"), a Sublease to (i) enter the Demised Premises and (1) prepare, sell and serve breakfast, lunches and snacks to Sublessee's students and (2) prepare breakfast, lunches and snacks for deliver to students of an off-site elementary school that is part of the same charter school district as Sublessee and (ii) enter the portion of the basement of the Building depicted on **Exhibit B** attached hereto for the storage of food and related supplies and items utilized in connection with the Sublease granted in clause (i) above (the "Basement Storage Area"). The parties acknowledge that certain portions of the Demised Premises that will be used by the PSAD Food Service Provider to provide food services, including certain kitchen equipment, will

also be used by the company retained by Lessor from time to time to provide meals, catering and other food services to Sublessee's employees, other occupants of or visitors to the Project and other third parties (such company is referred to herein as the "Lessor Food Service Provider"). The parties further acknowledge that one server (including the cash registers and all other equipment) located within the Demised Premises, as designated by Lessor pursuant to the Cafeteria Lease, shall be dedicated exclusively to the serving and sale of breakfast, lunches and snacks to Sublessee's students by the PSAD Food Service Provider and that the other server or serveries (including the cash registers and all other equipment) located within the Demised Premises shall be dedicated exclusively to the serving and sale of food and other items by the Lessor Food Service Provider. The parties further acknowledge and agree that the Basement Storage Area shall be used by both the PSAD Service Provider and Lessor Food Service Provider to store food and related supplies and items.

- (c) Sublessee shall cause the PSAD Food Service Provider to perform or otherwise comply with all of the following:
- The PSAD Food Service Provider shall work with the Lessor Food (1) Service Provider to establish a mutually acceptable operating plan that clearly defines the responsibilities of the PSAD Food Service Provider and Lessor Food Service Provider, including but not limited to food receiving, storage and sanitation, and the PSAD Food Service Provider shall otherwise cooperate and coordinate its food service operation and other activities with the food service operation and other activities of the Lessor Food Service Provider so as to maximize the efficient and economical operation of each of the food service operations and avoid redundant tasks and costs. Pursuant to the Cafeteria Lease, Lessor has the right to approve the PSAD Food Service Provider, which approval may not be unreasonably withheld or delayed. If the PSAD Food Service Provider and Lessor Food Service Provider are responsible under their respective agreements for performing redundant tasks (e.g. cleaning of kitchen equipment used by both the PSAD Food Service Provider and Lessor Food Service Provider, then, notwithstanding anything to the contrary contained in their respective contracts, any such tasks shall be performed by the party that the PSAD Food Service Provider and Lessor Food Service Provider agree shall perform such task and in the absence of an agreement, such tasks shall be performed by the Lessor Food Service Provider.
- (2) The PSAD Food Service Provider shall place garbage and trash in containers in designated areas as specified by Lessor pursuant to the Cafeteria Lease.
- (3) The PSAD Food Service Provider shall clean the kitchen areas (i) dedicated to the exclusive use of the PSAD Food Service Provider and (ii) shared with the Lessor Food Service Provider after any use of such shared kitchen areas by the PSAD Food Service Provider.
- (4) The PSAD Food Service Provider shall operate and care for all equipment and food service areas (other than equipment and food service areas dedicated to the exclusive use of the Lessor Food Service Provider) in a clean, safe and healthy condition in accordance with, and otherwise comply with, all applicable laws, ordinances, regulations and rules, including but not limited to those related to sanitation, safety, health and recycling, and comply with all applicable laws, ordinances, rules and regulations governing the preparation of food.

- (5) The PSAD Food Service Provider shall obtain and post all leases and permits as required by federal, state, and/or local law.
- (6) The PSAD Food Service Provider shall comply with all rules and regulations set forth in Article VI of the Association Bylaws or any other rules or regulations promulgated from time to time by the Association.
- (7) The PSAD Food Service Provider shall obtain and keep in force during the term of its contract the following insurance:
- (i) Worker's Compensation coverage as required by State law and Employer's Liability Insurance in an amount not less than \$1,000,000 for each accident covering all of its employees employed in connection with its food service operations in the Project.
- (ii) Commercial general liability insurance including but not limited to personal injury liability (with employment exclusion deleted), property damage liability, contractual liability, and products liability covering the operations and activities of the PSAD Food Service Provider at the Project. Such insurance shall name Lessor as an additional insured as required by the Cafeteria Lease and Sublessor as an additional insured. All insurance required to be maintained by the PSAD Food Service Provider shall provide coverage on an "occurrence basis", provide that the insurer shall give Lessor and Sublessor thirty (30) days prior notice of any cancellation of such insurance and otherwise be in form and substance, and contain deductibles, reasonably satisfactory to Lessor and Sublessor. Certificates of Insurance evidencing compliance with the foregoing insurance requirements shall be submitted to the Lessor and Sublessor prior to the date of this Sublease and evidence of renewal thereof shall be submitted at least ten (10) days prior to the expiration of any such insurance policy.
- (8) The PSAD Food Service Provider shall defend, indemnify and hold Lessor and Sublessor harmless from and against all claims, liability, loss and expense, including reasonable collection expenses, attorney's fees and court costs, for any personal injury, death or property damage which may arise because of the sole negligence, misconduct or other fault of the PSAD Food Service Provider, its agents or employees occurring on or about the Project.

Sublessee shall cause all of the provisions of subsections 2.1(b) and (c) to be contained in each contract that is entered into with a PSAD Food Service Provider.

(d) Sublessee shall use commercially reasonable efforts to cause Sublessee's students in the Demised Premises to be supervised by a reasonably sufficient number of Sublessee employees. Pursuant to the Cafeteria Lease, Lessor may promulgate reasonable rules and regulations from time to time governing use of the Demised Premises and Sublessee shall use commercially reasonable efforts to cause all of Sublessee's students and employees to comply with the same. Sublessee shall use commercially reasonable efforts to cause Sublessee's students and employees to, before leaving the Demised Premises, place their uneaten food and trash in the trash receptacles provided therefor outside of the CCS Area and trays at the locations designated therefor outside of the CCS Area. Sublessee shall indemnify and hold Lessor and Sublessor and their respective officers, trustees, agents, and contractors harmless from and against all claims, liability, loss and expense, including reasonable collection expenses,

attorney's fees and court costs, for any personal injury, death or property damage which may arise because of the sole negligence, misconduct or other fault of Sublessee its agents or employees occurring on or about the Project.

2.2 Term

The term of this Sublease shall be for the Sublease Term commencing on the Sublease Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Sublease Term is extended or sooner terminated in accordance with the provisions of this Sublease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated July 1, 2018, by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

SECTION 3 INTENTIONALLY OMITTED

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Sublessee acknowledges it currently has possession and occupancy of the Demised Premises and that the Sublease Term shall commence on the date of this Sublease.

4.2 Memorandum

Upon request of the Sublessor, Sublessee shall join with Sublessor in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Sublease Term. Sublessee's failure to execute the Memorandum (if requested by Sublessor) shall be a default by Sublessee under this Sublease.

SECTION 5 BASE RENT

5.1 Base Rent

Sublessee shall pay to Sublessor the Annual Base Rent stated in Section 1, for the Demised Premises during the Sublease Term. The Annual Base Rent shall be payable in one annual payment in advance on the Rent Commencement Date and the first day of each Sublease Year thereafter at the office of Sublessor stated in Section 1 or such other place designated by Sublessor in writing.

"Cafeteria Costs" means all of the following costs incurred or paid by Sublessor:

- (a) the cost of all materials, supplies and equipment used directly in the operation of the Demised Premises,
 - (b) the cost of electricity and gas furnished to the Demised Premises,
- (c) the portion of the costs of property insurance, liability insurance and other insurance maintained by Sublessor that is allocable to the Demised Premises;
- (d) the cost of cleaning, maintaining, repairing and replacing the Demised Premises or any equipment or other personal property used in connection with the Demised Premises,
- (e) the portion of any real or personal property taxes and assessments allocable to the Demised Premises or any personal property used in connection therewith,
 - (f) pest control costs,
- (g) salary, wages, employee benefits and employer's share of payroll taxes of all employees employed by Lessor in operating, cleaning, maintaining, repairing, replacing or otherwise providing services with respect to the Demised Premises or any equipment or personal property used in connection therewith except that if any such employee is not exclusively dedicated to the performance of such services with respect to the Demised Premises, then only the portion of such employee's salaries, wages, employee benefits and employer's share of payroll taxes for such employee that is reasonably allocable to the performance of services with respect to the Demised Premises or any equipment or other personal property used in connection therewith shall be included in Cafeteria Costs.
 - (h) costs of complying with laws or insurance requirements,
- (i) costs of testing the fire suppression system or other systems serving the Demised Premises, and
- (j) the portion of security costs reasonably allocable to the Demised Premises. Cafeteria Costs shall not include any sums payable to a third party operator of all or a portion of the Demised Premises.

Sublessor shall reasonably estimate Rent for each Sublease Year. Sublessee will pay the estimated Rent in advance, in equal monthly installments, by the first of each month or on an annual basis as stated in Section 5.1 above. Sublessor may reasonably revise its estimate during a Sublease Year and Sublessee shall pay the monthly installments based on the revised estimate, commencing thirty (30) days following the date of such revision. In addition, if Sublessor incurs Cafeteria Costs not anticipated by Sublessor, Sublessor may invoice Sublessee for Sublessee's Share of such Cafeteria Costs (a "Special Assessment") and Sublessee shall pay Sublessee's Share of such Special Assessment within thirty (30) days after Sublessee's receipt of such invoice. The aggregate estimates of Rent and all Special Assessments payable by Sublessee in a Sublease Year are the "Estimated Rent".

Within a reasonable period of time after the end of each calendar quarter, Sublessor shall furnish Sublessee with an invoice reflecting the actual Rent for such calendar quarter. Any invoice for Rent is conclusive, binds Sublessee and Sublessee waives all rights to contest the invoice, except for items of Rent to which Sublessee objects by notice to Sublessor given within ninety (90) days after receipt of such invoice; however, Sublessee's objection shall not relieve Sublessee of its obligation to pay Rent pending resolution of any objection. If the actual Rent exceeds the Estimated Rent for a calendar quarter, Sublessee shall pay the difference to Sublessor with the next installment of Estimated Rent that becomes due. If the Estimated Rent paid by Sublessee exceeds the actual Rent for a calendar quarter, then Sublessor shall credit the overpayment against the next installment of Estimated Rent that becomes due. However, if the term ends during a calendar quarter, Sublessor may, in Sublessor's sole discretion, elect to either: (i) forgo the settlement of Rent for such calendar quarter that is otherwise required and accept Sublessee's payment of Estimated Rent for such calendar quarter in satisfaction of Sublessee's obligations to pay Rent for such final calendar quarter, or (ii) have Sublessor's and Sublessee's obligations under this Section survive the end of the Term.

5.2 Terms of Payment

Unless otherwise provided in this Sublease, Sublessee shall pay the Annual Base Rent without notice, demand, deduction, abatement or setoff, in lawful U.S. currency, at Sublessor's address set forth in Section 1, or to such other address as determined by Sublessor. Sublessor will send an invoice payable by Sublessee to Sublessee's address; however, neither Sublessor's failure to send an invoice nor Sublessee's failure to receive an invoice for installments of Estimated Rent will relieve Sublessee of its obligation to pay installments of Estimated Rent. Each partial payment by Sublessee shall be deemed a payment on account. No endorsement or statement on any check or any accompanying letter shall constitute an accord and satisfaction, affect Sublessor's right to collect the full amount due, or require Sublessor to apply any payment to invoices other than the Rent earliest due. No payment by Sublessee to Sublessor will be deemed to extend the Term or render any notice, pending suit or judgment ineffective. By notice to the other, each party may change its billing address. Following written notice to Sublessee that Sublessor did not receive all or part of any Rent, Sublessee shall have five (5) business days to cure. If Sublessee fails to cure, then Sublessee shall pay Sublessor a "Late Charge" of 5% of the overdue amount. Sublessee agrees that the Late Charge is not a penalty, and will compensate Sublessor for costs not contemplated under this Sublease that are impracticable or extremely difficult to fix. Sublessor's acceptance of a Late Charge does not waive Sublessee's default.

5.3 Sublease Year

Sublease Year shall mean a period of twelve (12) consecutive calendar months commencing July 1, 2018 and ending on June 30, 2019. The first Sublease Year shall begin on the Rent Commencement Date. Each succeeding Sublease Year shall commence on the anniversary of the commencement of the first Sublease Year. The last year of the Sublease Term shall expire on the Termination Date.

SECTION 6 UTILITIES

Sublessee agrees to pay all charges made against the Demised Premises for gas, heat, water, air

conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities") during the Sublease Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities, which costs are included as part of Sublessor's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Sublessee. Sublessor shall not be liable to Sublessee for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Sublessee agrees to pay to Sublessor all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Sublease Year or partial Sublease Years during the Sublease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Sublease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, lease, privilege, sales, use, and occupancy taxes; and (c) all costs and expenses incurred by Landlord during the Sublease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Sublessee pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Sublessor, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Sublease Term shall be paid to Sublessor within ten (10) days after Sublessor delivers to Sublessee a statement for such Taxes. The Taxes for the years in which this Sublease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Sublease Years.

7.4 Tenant's Taxes

Sublessee shall pay all real and personal property taxes levied or assessed against Sublessee's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Sublessee.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Sublessee shall use the Demised Premises during the Sublease Term in accordance with the terms and conditions of the Cafeteria Lease and this Sublease.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any immunities, Sublessee shall defend, indemnify and hold harmless Sublessor and Sublessor's officers, directors, employees and agents (regardless of any negligence imputed to Sublessor by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Sublessor or Sublessor's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Rent Commencement Date and during the Sublease Term, (b) failure of Sublessee to comply with any provision of this Lease, (c) failure of any Sublessee to comply with any provision of any Sublease, (d) occupancy or use by Sublessee and/or Sublessee of the Demised Premises or any act or omission of Sublessee, its employees, agents, representatives, invitees, leasees and contracting parties or any Sublessee, or (e) failure of Sublessee to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Notwithstanding this Section 9.1, the Sublessee shall not be required to indemnify Sublessor against Damages arising from Sublessor's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Rent payable upon demand.

9.2 Liability Insurance

Sublessee shall procure and keep in effect during the Sublease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Sublessor (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for

indemnifications given by Sublessee under this Sublease shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Sublessor as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Sublessor. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Sublessee or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Sublessor. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Sublessor prior to Sublessee taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance and Repairs

Sublessor may modify, renovate or improve the Demised Premises as Sublessor deems appropriate. If any of Sublessee's students or employees are unable to use the Demised Premises because of major repairs or improvements, damage or condemnation to the Demised Premises, Sublessor will not be in default of this Sublease. While Sublessor is not obligated to perform any obligations under this Section 10.1, Sublessor shall, upon Sublessee's request, and at Sublessee's expense, use reasonable efforts to repair, improve, and maintain the Demised Premises for the use contemplated by this Sublease.

10.2 Damage and Repair

If as a result of the damage or destruction caused by fire or other casualty, Sublessee's students and employees cannot fully utilize the Demised Premises as permitted under this Sublease, the Rent due by Sublessee shall, to the extent Sublessor receives the proceeds of business interruption insurance payable with respect to Rent, be equitably abated based on the diminution in use as a result of such damage or destruction until the Demised Premises can be fully used again as permitted under this Sublease. Sublessee's sole remedy against Sublessor for damage or destruction of any part of the Demised Premises is abatement of Rent under this Section 10.2, and Sublessor will not be liable to Sublessee for any other amount, including consequential damages.

SECTION 11 SUBLESSEE'S ALTERATIONS

Sublessee shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Sublessor, which consent may be granted or withheld in the sole and absolute discretion of Sublessor. Sublessee shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Sublessor, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Sublessee shall, during the Sublease Term, at its sole cost and expense, keep the Demised Premises and all Sublessor owned FF&E insured for the benefit of Sublessor:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Sublessor from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Sublessor in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Sublessor owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Sublessor, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Sublessor;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Sublessor; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Sublessor Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Sublessor.

Sublessee shall provide Sublessor with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Sublessor shall be named as an additional insured on all such policies. If Subenant fails to maintain such insurance coverage, Sublessor may, at its option, procure such insurance for the account of Sublessee and the cost thereof shall be paid by Sublessee to Sublessor upon delivery to Sublessee of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Sublessor and shall be issued by insurance companies authorized to do business in the state of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Sublessor may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate this Sublease by notifying the Sublessee of such termination within thirty (30) days after the date of such damage, at its sole option. Sublessee shall immediately notify Sublessor of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Sublessor or Sublessee or any policy covering both the interest of Sublessor or Sublessee under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Sublessor or Sublessee in connection with any loss or damage covered by any such policy. Sublessor or Sublessee hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Taking

"Taking" means government acquiring of all or part of the Demised Premises for any public or quasi-public use by exercise of a right of eminent domain or under any other law, or any sale in lieu thereof. If a Taking occurs:

- (a) If a Taking of substantially all of the Demised Premises for substantially all of the remaining Term occurs, then this Sublease terminates on the date of the Taking.
- (b) If a Taking does not cause this Sublease to be terminated under (a) above, then Sublessor is responsible under this Sublease to restore (and alter, as necessary) the Demised Premises, unless this Sublease is terminated by Sublessee under the following circumstances:
- (1) Sublessor may terminate this Sublease upon sixty (60) days prior written notice to Sublessee if Sublessor reasonably determines that it is uneconomical to restore or alter the Demised Premises.
- (2) Sublessee may terminate this Sublease upon sixty (60) days prior written notice to Sublessor if more than 50% of the Demised Premises are taken pursuant to such Taking for the remainder of the Term.

Sublessor is entitled to the entire award for any claim for a Taking, without deduction or offset for Sublessee's interest.

13.2 Sublessor's and Sublessee's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Sublessor.

SECTION 14 ACCESS TO PREMISES

Sublessor or Sublessor's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Sublessor may deem necessary or desirable. Sublessor shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Sublessee at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

- (a) All FF&E installed by Sublessor shall remain the property of Sublessor at the termination of this Sublease. If Sublessee installs any FF&E during the Sublease Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Sublessor upon installation and shall not be removed without Sublessor's prior written consent, which may be granted or withheld in Sublessor's sole and absolute discretion. All FF&E installed by Sublessee and not removed at the termination of the Sublease Term shall remain the property of Sublessor. In the event Sublessor consents to such removal, Sublessee shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.
- (b) If Sublessee installs any FF&E during the Sublease Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Sublessee may remove such FF&E at the termination of this Sublease.
- (c) Annually, on or about April 15 of each calendar year, Sublessee shall provide Sublessor with an accounting as to any FF&E of Sublessor which have been replaced or otherwise disposed of by Sublessee. Except for any such items which have become damaged or unusable, Sublessee shall offer Sublessor the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Sublessee. If Sublessor does not exercise its right to claim such items, they may be disposed of by Sublessee in such fashion as Sublessee may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY SUBLESSEE

16.1 Sublessor Transfers

Sublessor's right to transfer any interest in the Demised Premises or this Sublease is not limited by this Sublease provided that the transferee of this Sublease agrees in writing (i) to assume Sublessor's obligations under this Sublease that accrue after such transfer and (ii) not to terminate this Sublease except as expressly permitted under this Sublease. Upon any such transfer, Sublessee will attorn to Sublessor's transferee and Sublessor will be released from liability under this Sublease, except for any obligations under this Sublease accruing before the transfer that are not assumed by the transferee.

16.2 Subordination

This Sublease is, and will at all times be, subject and subordinate to each ground lease, mortgage, deed to secure debt or deed of trust now or later encumbering the Demised Premises or any portion thereof, including each renewal, modification, supplement, amendment, consolidation or replacement thereof (each, an "Encumbrance"); provided that the Encumbrance holder enters into a commercially reasonable subordination, non-disturbance and attornment agreement that contains customary non-disturbance provisions that are not inconsistent with Sublessee's rights under this Sublease. At Sublessor's request, Sublessee will, without charge, promptly execute, acknowledge and deliver to Sublessor (or, at Sublessor's request, the Encumbrance holder) any such subordination, non-disturbance and attornment agreement. Notwithstanding the foregoing, each Encumbrance holder may unilaterally elect to subordinate its Encumbrance to this Sublease.

16.3 Attornment

Sublessee will automatically attorn to any transferee of Sublessor's interest in the Demised Premises that succeeds Sublessor by reason of a termination, foreclosure or enforcement proceeding of an Encumbrance, or by delivery of a deed in lieu of any foreclosure or proceeding (a "Successor Sublessor"). In this event, this Sublease will continue in full force and effect as a direct lease between the Successor Sublessor and Sublessee on all of the terms of this Sublease, except that the Successor Sublessor shall not be:

- (a) Liable for any obligation of Sublessor under this Sublease, or be subject to any counterclaim, defense or offset accruing before Successor Sublessor succeeds to Sublessor's interest;
- (b) Bound by any modification or amendment of this Sublease made without Successor Sublessor's consent;
- (c) Obligated to perform any improvements to the Demised Premises (or provide an allowance therefor). Upon Successor Sublessor's request, Sublessee will, without charge, promptly execute, acknowledge and deliver to Successor Sublessor any instrument reasonably

necessary or required to evidence such attornment.

16.4 Estoppel Certificate

Within ten (10) days after receipt of Sublessor's written request, Sublessee will execute, acknowledge and deliver to Sublessor a certificate upon which Sublessor and each existing or prospective Encumbrance holder may rely confirming the following (or any exceptions to the following):

- (a) The Sublease Commencement Date and Sublease Termination Date;
- (b) The documents that constitute the Sublease, and that the Sublease is unmodified and in full force and effect;
 - (c) The date through which Rent has been paid;
 - (d) That neither Sublessor nor Sublessee is in default of this Sublease; and
- (e) Such other matters concerning this Sublease that Sublessor may reasonably require.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Unless otherwise restricted in the Lease Agreement between Landlord and Tenant, Sublessor shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Sublessor to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage") under the terms and conditions set forth in the Cafeteria Agreement. In the event of a Mortgage, the Sublessee shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Sublessee under this Sublease upon the condition that the Mortgagee executes and delivers to Sublessee an agreement ("SNDA Agreement") in a form satisfactory to Sublessee and Mortgagee that provides that the Mortgagee will recognize this Sublease and not disturb Sublessee's possession of the Demised Premises, so long as Sublessee is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Sublessee agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Sublease to the lien of any such Mortgage.

17.2 Sale or Transfer

Unless other restricted in the Lease Agreement between Landlord and Tenant, Sublessor shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"), as set forth under the terms and conditions of the Cafeteria Agreement. In the event of a Conveyance, Sublessee shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee

as Sublessor under this Sublease and Sublessor shall be relieved from all subsequent obligations and liabilities under this Sublease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Sublessee.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Sublease:

- (a) Sublessee fails to pay Sublessor Rent when due, and the failure continues for ten (10) days after Sublessee's receipt of written notice of such failure.
- (b) Sublessee fails to perform a non-monetary obligation under this Sublease and the failure continues for twenty (20) days after Sublessee's receipt of written notice of such failure, except that if Sublessee begins performing this obligation within twenty (20) days after notice to Sublessee of this failure, but it will reasonably take more than twenty (20) days to complete performing the obligation, then Sublessee will have a reasonable amount of additional time to complete performing the obligation so long as Sublessee diligently pursues the performance of such obligation to completion.
- (c) Sublessee assigns this Sublease or gives a lease to use or the Demised Premises in violation of this Sublease.
- (d) Sublessee fails to discharge any attachment or levy on Sublessee's interest in this Sublease within fifteen (15) days after the attachment or levy encumbers this Sublease.
- (e) Sublessee fails to cause any of the following proceedings to be vacated or dismissed within sixty (60) days after commencement; (l) the appointment of a receiver or trustee of the assets of Sublessee or any guarantor of this Sublease, (2) the voluntary or involuntary bankruptcy of Sublessee or any guarantor of this Sublease, or (3) any assignment for the benefit of creditors of the assets of Sublessee or any guarantor of this Sublease.
- (f) Sublessee is named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
 - (g) A Default under the Cafeteria Lease occurs.
- (h) A default by Sublessee under the terms of any current leases (or Subleases, or leases) between Sublessee, or any entity related to Sublessee, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to the TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-SIX, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such lease.

- (i) Sublessee fails to pay to the Argonaut Condominium Association when due any assessment or installment thereof levied by the Argonaut Condominium Association against Sublessor or Sublessee and/or the School Unit (as defined in the School and Gym Lease Agreement) or any portion thereof and such failure is not cured within thirty (30) days after the Argonaut Condominium Association has given Sublessor or Sublessee written notice thereof.
- (j) Sublessee violates any of the terms or provisions of the Master Deed or the Association Bylaws.
- (k) A default by Sublessee under the terms of the School and Gym Lease Agreement that is not cured within the time specified in the Gym Lease Agreement.
- (l) A default by Sublessee under the terms of the Parking Sublease that is not cured within the time specified in the Parking Sublease.

18.2 Sublessor's Remedies Upon Default

If a Default occurs, Sublessor shall have the rights and remedies set forth in this 18.2 which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Sublessor of any other right or remedy allowed it by law or at equity.

- (a) Sublessor may terminate this Sublease by giving notice to Sublessee of Sublessor's election to do so, in which event the Term of this Sublease shall end, and all right, title and interest of Sublessee hereunder shall expire, on the date stated in such notice. Written notice alone shall be proof of any such election by Sublessor.
- (b) Sublessor may enforce the provisions of this Sublease and may enforce and protect the rights of Sublessor by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained in this Sublease, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Sublessee under any of the provisions of this Sublease.
- (c) Sublessor may, but shall not be obligated to, cure Sublessee's Default by making any payment or performing such other act to the extent Sublessor may deem desirable. Any such cure by Sublessor shall be without notice and shall not waive or release Sublessee from any obligation under this Sublease. Sublessee covenants and agrees to pay Sublessor, upon demand, all advances, costs and expenses incurred by Sublessor in connection with such cure, including reasonable attorney's fees, together with interest at the Default Rate (as defined below), from the date such are incurred by Sublessor to the date of payment to Sublessor.

18.3 Sublessor's Termination

In the event Sublessor terminates this Sublease pursuant to Section 18.2:

(a) Sublessor shall be entitled to recover any and all Rent due and unpaid as of the date of termination. In addition, Sublessee shall pay to Sublessor liquidated damages equal to the lesser of the sum of the actual Rent payable for the four full calendar quarters immediately

preceding the date of termination or the product of \$75,000 and a fraction, the numerator of which is the figure at which the Revised Consumer Price Index All Urban Consumers (All Items) for Detroit-Ann Arbor-Flint, Michigan (1982-84 = 100) of the Bureau of Labor Statistics, U.S. Department of Labor (the "Consumer Price Index"), stands for the month most recently published preceding the date of termination of this Sublease, and the denominator of which is the figure at which the Consumer Price Index stood for the month most recently published preceding the Sublease Commencement Date, but in no event shall such fraction ever be less than one (1). If the Consumer Price Index is discontinued, any other index published by the Bureau of Labor Statistics (or the most comparable index if more than one is published) shall be substituted. If the base year of the Consumer Price Index is changed, a new base year shall be used, subject to conversion factors published by the Bureau of Labor Statistics. If no conversion factors are published, the base year shall be converted based upon the adjustment between the new base and the old base at the time the new base become effective. Sublessee shall immediately pay to Sublessor all such Rent and liquidated damages.

(b) Sublessee shall, upon demand, reimburse Sublessor, with interest at the Default Rate from the date incurred through the date of payment to Sublessor, the Enforcement Costs.

18.4 Definitions

As used in this Section:

- (a) "Enforcement Costs" shall be all sums, costs, expenses and damages (in addition to Costs of Releasing and including reasonable attorneys' fees) which are incurred by Sublessor in enforcing the Sublessee's obligations under this Sublease or by reason of Sublessee's Default, including without limitation, those arising out of any action brought by Sublessor against Sublessee to interpret any provision of this Sublease or in connection with a bankruptcy or an assignment for the benefit of creditors.
- (b) "Default Rate" shall mean the rate per annum equal to the Prime Rate as published in the Wall Street Journal (or another publication selected by Sublessor if the Wall Street Journal ceases to exist) from time to time plus 5% per annum, but in no event in excess of the maximum interest rate permitted by law.
- (c) "Reasonable attorneys' fees" shall include the value of services provided by counsel employed by Sublessor or its Affiliates in the amount that Sublessor would have reasonably incurred if the services had been performed by unaffiliated counsel.
- (d) "Force Majeure" means any cause or event beyond the reasonable control of a party to this Sublease, including any act of God, government act or restriction, labor disturbance, general shortage of materials or supplies, riot, insurrection, or act of war or terrorism. Force Majeure excuses a party from performing any non-monetary obligation under this Sublease for a commercially reasonable amount of time.

18.5 Waiver of Jury Trial and Counterclaim

In the event Sublessor commences any proceedings for non-payment of Rent or any other amount payable to Sublessor by Sublessee, Sublessee shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Sublessee's right to assert such a claim in any separate action brought by Sublessee. Sublessor and Sublessee waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Sublease, the relationship of sublessor and sublessee, Sublessee's use of the Demised Premises, or any claim of injury or damage.

18.6 Sublessor's Default and Sublessee's Remedies

- (a) Sublessor will be in "Default" of this Sublease if Sublessor fails to perform any obligation of Sublessor under this Sublease and this failure continues for thirty (30) days after Sublessee notifies Sublessor of such failure in writing, or such longer period of time as is reasonable if more than thirty (30) days is reasonably required to perform this obligation if performance commences within this 30-day period and is diligently prosecuted to completion.
- (b) If Sublessor is in Default, then Sublessee may exercise any remedy available under law, including but not limited to specific performance, that is not waived or limited under this Sublease, subject to the following:
- (i) Sublessee may terminate this Sublease due to any Sublessor Default not cured within the allotted notice and cure period; and
- (ii) No liability under this Sublease is assumed by Sublessor's Affiliates. "Affiliates" means with respect to a party (i) that party's partners, co-members and joint venturers, (ii) each corporation or other entity that is a parent or subsidiary of that party, (iii) each corporation or other entity that is controlled by or under common control of a parent of such party, and (iv) the directors, officers, employees and agents of that party and each person or entity described in (i-iii) above.

SECTION 19 QUIET ENJOYMENT

Sublessor covenants that so long no Default has occurred and is continuing, Sublessee may peacefully and quietly hold and enjoy the Demised Premises for the Sublease Term without interference by Sublessor or any person claiming by, through or under Sublessor.

SECTION 20 SIGNS

Sublessee will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Sublessor's prior written approval.

SECTION 21 OPTION TO RENEW

So long as no Default has occurred and is continuing, Sublessee shall have one (1) option to renew this Sublease (the "Renewal Option") for one (1) additional term of five (5) years (a "Renewal Term") upon the same terms, covenants and conditions as are contained in this Sublease. For the sake of clarity, the Rent for the Option Term shall be equal to the amount of the Lease Fees payable pursuant to the Cafeteria Lease. Sublessee must exercise the Renewal Option by giving written notice thereof to Sublessor at least twelve (12) months prior to the expiration of the Sublease Term, as the same may have been renewed (a "Notice"). A Notice shall be effective only if (a) on the date the Notice, Sublessee is not in Default, (b) Sublessee exercises or has exercised its option to renew the Sublease pursuant to the terms thereof for the corresponding Renewal Term thereunder, and (c) Sublessor exercises or has exercised its option to renew the Cafeteria Lease for an additional term.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Sublease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, Subleases, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Sublessor and Sublessee concerning the Demised Premises. Sublessor and Sublessee agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Sublease shall not be modified or amended unless in writing signed by Sublessor and Sublessee.

22.3 Notices

Any notices or demands required under this Sublease shall be in writing addressed to each party at the address set forth Section 1. By notice to the other, either party may change its address for notices. Each notice must be in writing and will be validly given if either: (a) the notice is personally delivered and receipt is acknowledged in writing, or (b) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party two (2) business days after the deposit of the notice in the U.S. Mail.

22.4 Survival

Any obligation of Sublessee under this Sublease which is not performed in full prior to the termination of this Sublease shall survive the termination of this Sublease and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Sublease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Sublease.

22.6 Construction

This Sublease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Sublease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Sublease shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Sublease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns, and permitted transferees.

22.8 Joint Drafting

Sublessor and Sublessee acknowledge and agree that each has joined in and contributed to the drafting of this Sublease and as a result there shall be no presumption in construing the provisions of this Sublease favoring or burdening either Sublessor or Sublessee based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Sublease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Signatures on following page]

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease on the day and year first above written.

SUBLESSOR:

TEF-SIX, LLC, a Michigan limited liability company

By: Thompson Educational Foundation, its sole

member

By: ______

Røbert M. Thompson, President

SUBLESSEE:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By:

Joseph A. Artiseo

President

Exhibit A

Depiction of the Demised Premises

Exhibit B

Depiction of Basement Storage Area

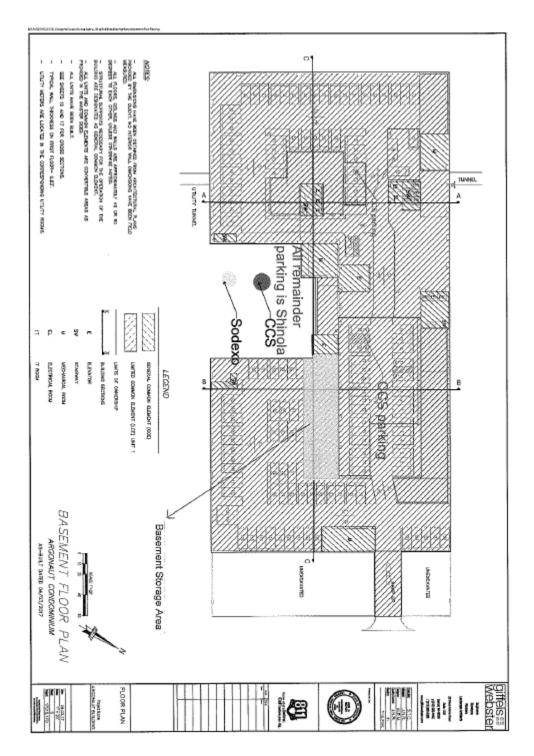


Exhibit C

Cafeteria Lease

See attached.

DETROIT 38030-1 1452674v6

UPAD 300C PSAD Office Sublease

(TEF-Six)

Schedule 10-9, Exhibit A4

SUITE #300C SUBLEASE

Between

SUBLESSOR: TEF-SIX, LLC, a Michigan limited liability company,

And

SUBLESSEE: The Public School Academies of Detroit, a Michigan nonprofit corporation

Dated: March 1, 2019

SUITE #300C SUBLEASE

SECTION 1 SCHEDULE

SUBLESSOR: NAME: TEF-SIX, LLC

ADDRESS: Thompson Educational Foundation

c/o P.O. Box 6349 Plymouth, MI 48170 Attn: John G. Cleary

SUBLESSEE: NAME: The Public School Academies of Detroit

ADDRESS: c/o Board President

600 Antoinette Detroit, MI 48202

PREMISES Suite 300C (identified on Exhibit A), located on the

third floor of the Building and deemed to contain 9,439 usable square feet and 10,572 rentable square

feet ("RSF").

USE Office use by the Public School Academies of Detroit

middle school and high schools (collectively, the "School") and its designated educational management

provider.

SUBLEASE TERM: March 1, 2019 until June 30, 2023 unless terminated

sooner pursuant to Section 2.2.

SUBLEASE COMMENCEMENT

DATE:

This Sublease shall commence and is effective on March

1, 2019.

RENT COMMENCEMENT DATE: March 1, 2019

SCHOOL YEAR July 1 to June 30.

TERMINATION DATE: June 30, 2023.

BASE RENT:

Period of Time	Annual Base Rent	Monthly Base Rent
March 1, 2018 to June 30, 2023	\$94,389.96	\$7,865.83
First Renewal Term	\$103,829.04	\$8,652.42
Second Renewal Term	\$113,268.00	\$9,439.00

EXHIBITS ATTACHED:

"A" – Depiction of Demised Premises

SECTION 2 GRANT AND TERM

2.1 Demised Premises

Sublessor, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Sublessee, does hereby lease to Sublessee and Sublessee hereby rents from Sublessor, the Demised Premises described in Section 1. During the Term of this Sublease, Sublessor hereby grants to Sublessee an exclusive Sublease for the Demised Premises for Subleasee and or its designated educational service provider to use the Demised Premises as office space for operations limited to operating and managing the Public School Academies of Detroit's school(s).

2.2 Term

The term of this Sublease shall be for the Sublease Term commencing on the Sublease Commencement Date stated in Section 1 and expiring on the Termination Date stated in Section 1, unless the Sublease Term is extended or sooner terminated in accordance with the provisions of this Sublease, or automatically and immediately terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated July 1, 2018, by and between Grand Valley State University Board of Trustees ("GVSU") and the Public School Academies of Detroit (the "Charter School Contract).

SECTION 3 <u>INTENTIONALLY OMITTED</u>

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Sublessee acknowledges it currently has possession and occupancy of the Demised Premises and that the Sublease Term shall commence on the date of this Sublease.

[&]quot;B" – Suite #300C Lease Agreement

4.2 Memorandum

Upon request of the Sublessor, Sublessee shall join with Sublessor in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Sublease Term. Sublessee's failure to execute the Memorandum (if requested by Sublessor) shall be a default by Sublessee under this Sublease.

SECTION 5 BASE RENT

5.1 Base Rent

Sublessee shall pay to Sublessor the Annual Base Rent stated in Section 1, for the Demised Premises during the Sublease Term. Sublessee shall pay all Base Rent in advance, in Monthly installments in the amounts set forth in Section 1, on March 1, 2019 and on the first day of each month thereafter. Base Rent for any Partial Month shall be prorated.

5.2 Terms of Payment.

"Rent" means all amounts payable by Sublessee under this Lease and the exhibits, including Base Rent, taxes (as discussed below), and Utility Rent (as hereinafter defined). If a time for payment of an item of Rent is not specified in this Lease, then Sublessee will pay Rent within 30 days after receipt of Sublessor's statement or invoice. Unless otherwise provided in this Sublease, Sublessor shall pay Rent without notice, demand, deduction, abatement or setoff, in lawful U.S. currency, at Sublessor's Billing Address. Sublessor will send invoices payable by Sublessee to Sublessee's Billing Address; however, neither Sublessor's failure to send an invoice nor Sublessee's failure to receive an invoice will relieve Sublessee of its obligation to timely pay. Each partial payment by Sublessee shall be deemed a payment on account. No endorsement or statement on any check or any accompanying letter shall constitute an accord and satisfaction, affect Sublessor's right to collect the full amount due, or require Sublessor to apply any payment to other than Rent earliest due. No payment by Sublessee to Sublessor will be deemed to extend the Term or render any notice, pending suit or judgment ineffective. By notice to the other, each party may change its Billing Address.

5.3 Sublease Year

Sublease Year shall mean a period of twelve (12) consecutive calendar months commencing March 1, 2019. The first Sublease Year shall begin on the Rent Commencement Date. Each succeeding Sublease Year shall commence on the anniversary of the commencement of the first Sublease Year. The last year of the Sublease Term shall expire on the Termination Date.

SECTION 6 UTILITIES

Sublessee agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone, internet service, cable service and all other utilities (collectively, the "Utilities Rent") during the Sublease Term (but specifically excluding the expenses of bringing Utilities to the Site and metering the Utilities,

which costs are included as part of Sublessor's Improvements) as the same shall become due, all of which shall be separately metered and billed directly to Sublessee. Sublessor shall not be liable to Sublessee for the quality or quantity of any Utilities, or for any interruption in the supply of any Utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Sublessee agrees to pay to Sublessor all Taxes (as defined below) assessed against the Demised Premises or any personal property located on the Demised Premises for each Sublease Year or partial Sublease Years during the Sublease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Sublease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, lease, privilege, sales, use, and occupancy taxes; and (c) all costs and expenses incurred by Sublessor during the Sublease Term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees incurred in connection therewith; provided that Sublessee pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Sublessor, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Sublease Term shall be paid to Sublessor within ten (10) days after Sublessor delivers to Sublessee a statement for such Taxes. The Taxes for the years in which this Sublease commences and terminates shall be prorated on a due date and per diem basis for the number of days comprising the portion of such Sublease Years.

7.4 Sublessee's Taxes

Sublessee shall pay all real and personal property taxes levied or assessed against Sublessee's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Sublessee.

USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Sublessee shall use the Demised Premises during the Sublease Term for the purpose stated above in Section 1 and in accordance with the terms and conditions of the Suite #300C Lease and this Sublease.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any immunities, Sublessee shall defend, indemnify and hold harmless Sublessor and Sublessor's officers, directors, employees and agents (regardless of any negligence imputed to Sublessor by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively, the "Damages") which may be imposed upon, incurred by, or asserted against Sublessor or Sublessor's officers, directors, employees or agents (collectively, the "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Rent Commencement Date and during the Sublease Term, (b) failure of Sublessee to comply with any provision of this Lease, (c) failure of any Sublessee to comply with any provision of any Sublease, (d) occupancy or use by Sublessee of the Demised Premises or any act or omission of Sublessee, its employees, agents, representatives, invitees, leasees and contracting parties or any Sublessee, or (e) failure of Sublessee to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include reasonable attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Notwithstanding this Section 9.1, the Sublessee shall not be required to indemnify Sublessor against Damages arising from Sublessor's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, reasonable attorneys' fees, shall constitute Rent payable upon demand.

9.2 Liability Insurance

Sublessee shall procure and keep in effect during the Sublease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury, death or property damage occurring in, upon or about the Site or the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Sublessor (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Sublessee under this Sublease shall not in any way limit such indemnifications.

9.3 Delivery of Policy and Special Endorsement

The insurance policies required by this Section 9 shall name Sublessor as an additional insured and contain provisions, deductibles and special endorsements satisfactory to Sublessor. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Sublessee or the insurance company issuing the policy, without at least thirty (30) days' prior written notice having been given to Sublessor. All insurance policies shall be written by carriers with a Best rating of B+ or greater. Original insurance certificates and copies of insurance policies and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Sublessor prior to Sublessee taking possession of the Demised Premises and at least thirty (30) days prior to expiration or renewal of such insurance.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance and Repairs

Sublessor may modify, renovate or improve the Demised Premises as Sublessor deems appropriate. If any of Sublessee's agents, representatives, and/or contractors, are unable to use the Demised Premises because of major repairs or improvements, damage or condemnation to the Demised Premises, Sublessor will not be in default of this Sublease. While Sublessor is not obligated to perform any obligations under this Section 10.1, Sublessor shall, upon Sublessee's request, and at Sublessee's expense, use reasonable efforts to repair, improve, and maintain the Demised Premises for the use contemplated by this Sublease.

10.2 Damage and Repair

If as a result of the damage or destruction caused by fire or other casualty, Sublessee's agents, representatives, and/or contractors cannot fully utilize the Demised Premises as permitted under this Sublease, the Rent due by Sublessee shall, to the extent Sublessor receives the proceeds of business interruption insurance payable with respect to Rent, be equitably abated based on the diminution in use as a result of such damage or destruction until the Demised Premises can be fully used again as permitted under this Sublease. Sublessee's sole remedy against Sublessor for damage or destruction of any part of the Demised Premises is abatement of Rent under this Section 10.2, and Sublessor will not be liable to Sublessee for any other amount, including consequential damages.

SECTION 11 SUBLESSEE'S ALTERATIONS

Sublessee shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Sublessor, which consent may be granted or withheld in the sole and absolute discretion of Sublessor. Sublessee shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Sublessor, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Sublessee shall, during the Sublease Term, at its sole cost and expense, keep the Demised Premises and all Sublessor owned FF&E insured for the benefit of Sublessor:

- (a) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Sublessor from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Sublessor in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building, improvements and Sublessor owned FF&E which are a part of the Demised Premises (including any alterations) as determined solely by Sublessor, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (b) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Sublessor;
- (c) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Sublessor; and
- (d) during the period of any construction, repair, restoration, or replacement of the Demised Premises performed after the construction of the Sublessor Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Sublessor.

Sublessee shall provide Sublessor with evidence of the above-referenced insurance on or before the Lease Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Sublessor shall be named as an additional insured on all such policies. If Sublessee fails to maintain such insurance coverage, Sublessor may, at its option, procure such insurance for the account of Sublessee and the cost thereof shall be paid by Sublessee to Sublessor upon delivery to Sublessee of bills therefor. The insurer or insurers shall be such as may from time to time be approved by Sublessor and shall be issued by insurance companies authorized to do business in the state of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Sublessor may either restore them or make them tenable (to the extent of available insurance proceeds) or terminate

this Sublease by notifying the Sublessee of such termination within thirty (30) days after the date of such damage, at its sole option. Sublessee shall immediately notify Sublessor of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Sublessor or Sublessee or any policy covering both the interest of Sublessor or Sublessee under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Sublessor or Sublessee in connection with any loss or damage covered by any such policy. Sublessor or Sublessee hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Taking

"Taking" means government acquiring of all or part of the Demised Premises for any public or quasi-public use by exercise of a right of eminent domain or under any other law, or any sale in lieu thereof. If a Taking occurs:

- (a) If a Taking of substantially all of the Demised Premises for substantially all of the remaining Term occurs, then this Sublease terminates on the date of the Taking.
- (b) If a Taking does not cause this Sublease to be terminated under (a) above, then Sublessor is responsible under this Sublease to restore (and alter, as necessary) the Demised Premises, unless this Sublease is terminated by Sublessee under the following circumstances:
- (1) Sublessor may terminate this Sublease upon sixty (60) days prior written notice to Sublessee if Sublessor reasonably determines that it is uneconomical to restore or alter the Demised Premises
- (2) Sublessee may terminate this Sublease upon sixty (60) days prior written notice to Sublessor if more than 50% of the Demised Premises are taken pursuant to such Taking for the remainder of the Term.

Sublessor is entitled to the entire award for any claim for a Taking, without deduction or offset for Sublessee's interest.

13.2 Sublessor's and Sublessee's Damages

Subject to Section 13.1 above, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Demised Premises, shall belong to and be the property of Sublessor.

SECTION 14 ACCESS TO PREMISES

Sublessor or Sublessor's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Sublessor may deem necessary or desirable. Sublessor shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Sublessee at the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

- (a) All FF&E installed by Sublessor shall remain the property of Sublessor at the termination of this Sublease. If Sublessee installs any FF&E during the Sublease Term that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then such FF&E shall automatically become the property of Sublessor upon installation and shall not be removed without Sublessor's prior written consent, which may be granted or withheld in Sublessor's sole and absolute discretion. All FF&E installed by Sublessee and not removed at the termination of the Sublease Term shall remain the property of Sublessor. In the event Sublessor consents to such removal, Sublessee shall remove such FF&E in accordance with all applicable Laws and Restrictions and shall repair any damage or injury caused by the removal thereof in a good and workmanlike manner.
- (b) If Sublessee installs any FF&E during the Sublease Term of which can be removed from the Demised Premises without substantial damage or injury to the buildings or improvements, then Sublessee may remove such FF&E at the termination of this Sublease.
- (c) Annually, on or about April 15 of each calendar year, Sublessee shall provide Sublessor with an accounting as to any FF&E of Sublessor which have been replaced or otherwise disposed of by Sublessee. Except for any such items which have become damaged or unusable, Sublessee shall offer Sublessor the opportunity, in writing and with reasonable notice (not less than seven (7) days), to claim any items being replaced by Sublessee. If Sublessor does not exercise its right to claim such items, they may be disposed of by Sublessee in such fashion as Sublessee may deem appropriate.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY SUBLESSEE

16.1 Sublessor Transfers

Sublessor's right to transfer any interest in the Demised Premises or this Sublease is not limited by this Sublease provided that the transferee of this Sublease agrees in writing (i) to assume Sublessor's obligations under this Sublease that accrue after such transfer and (ii) not to terminate this Sublease except as expressly permitted under this Sublease. Upon any such transfer, Sublessee will attorn to Sublessor's transferee and Sublessor will be released from liability under this Sublease, except for any obligations under this Sublease accruing before the transfer that are not assumed by the transferee.

16.2 Subordination

This Sublease is, and will at all times be, subject and subordinate to each ground lease, mortgage, deed to secure debt or deed of trust now or later encumbering the Demised Premises or any portion thereof, including each renewal, modification, supplement, amendment, consolidation or replacement thereof (each, an "Encumbrance"); provided that the Encumbrance holder enters into a commercially reasonable subordination, non-disturbance and attornment agreement that contains customary non-disturbance provisions that are not inconsistent with Sublessee's rights under this Sublease. At Sublessor's request, Sublessee will, without charge, promptly execute, acknowledge and deliver to Sublessor (or, at Sublessor's request, the Encumbrance holder) any such subordination, non-disturbance and attornment agreement. Notwithstanding the foregoing, each Encumbrance holder may unilaterally elect to subordinate its Encumbrance to this Sublease.

16.3 Attornment

Sublessee will automatically attorn to any transferee of Sublessor's interest in the Demised Premises that succeeds Sublessor by reason of a termination, foreclosure or enforcement proceeding of an Encumbrance, or by delivery of a deed in lieu of any foreclosure or proceeding (a "Successor Sublessor"). In this event, this Sublease will continue in full force and effect as a direct lease between the Successor Sublessor and Sublessee on all of the terms of this Sublease, except that the Successor Sublessor shall not be:

- (a) Liable for any obligation of Sublessor under this Sublease, or be subject to any counterclaim, defense or offset accruing before Successor Sublessor succeeds to Sublessor's interest;
- (b) Bound by any modification or amendment of this Sublease made without Successor Sublessor's consent;
- (c) Obligated to perform any improvements to the Demised Premises (or provide an allowance therefor). Upon Successor Sublessor's request, Sublessee will, without charge, promptly execute, acknowledge and deliver to Successor Sublessor any instrument reasonably

necessary or required to evidence such attornment.

16.4 Estoppel Certificate

Within ten (10) days after receipt of Sublessor's written request, Sublessee will execute, acknowledge and deliver to Sublessor a certificate upon which Sublessor and each existing or prospective Encumbrance holder may rely confirming the following (or any exceptions to the following):

- (a) The Sublease Commencement Date and Sublease Termination Date;
- (b) The documents that constitute the Sublease, and that the Sublease is unmodified and in full force and effect;
 - (c) The date through which Rent has been paid;
 - (d) That neither Sublessor nor Sublessee is in default of this Sublease; and
- (e) Such other matters concerning this Sublease that Sublessor may reasonably require.

SECTION 17 MORTGAGE, SALE OR TRANSFER

17.1 Mortgage

Unless otherwise restricted in the Lease Agreement between Landlord and Tenant, Sublessor shall have the right to mortgage or otherwise encumber (which shall include any form of encumbrance, mortgage, deed of trust or other similar instrument which will enable Sublessor to secure tax credits relating to the Demised Premises and/or the use thereof) the Demised Premises ("Mortgage") under the terms and conditions set forth in this Sublease. In the event of a Mortgage, the Sublessee shall attorn to the mortgagee or other similarly situated party ("Mortgagee") and recognize the Mortgage as superior to the rights of the Sublessee under this Sublease upon the condition that the Mortgagee executes and delivers to Sublessee an agreement ("SNDA Agreement") in a form satisfactory to Sublessee and Mortgagee that provides that the Mortgagee will recognize this Sublease and not disturb Sublessee's possession of the Demised Premises, so long as Sublessee is not otherwise in Default beyond any applicable cure period, in the event of foreclosure or other enforcement activity. Sublessee agrees, upon receipt of such SNDA Agreement, to execute such further reasonable instrument(s) as may be necessary to subordinate this Sublease to the lien of any such Mortgage.

17.2 Sale or Transfer

Unless other restricted in the Lease Agreement between Landlord and Tenant, Sublessor shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"), as set forth under the terms and conditions of this Sublease. In the event of a Conveyance, Sublessee shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as

Sublessor under this Sublease and Sublessor shall be relieved from all subsequent obligations and liabilities under this Sublease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Sublessee.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following shall constitute a default ("Default") under this Sublease:

- (a) Sublessee fails to pay Sublessor Rent when due, and the failure continues for ten (10) days after Sublessee's receipt of written notice of such failure.
- (b) Sublessee fails to perform a non-monetary obligation under this Sublease and the failure continues for twenty (20) days after Sublessee's receipt of written notice of such failure, except that if Sublessee begins performing this obligation within twenty (20) days after notice to Sublessee of this failure, but it will reasonably take more than twenty (20) days to complete performing the obligation, then Sublessee will have a reasonable amount of additional time to complete performing the obligation so long as Sublessee diligently pursues the performance of such obligation to completion.
- (c) Sublessee assigns this Sublease or gives a lease to use the Demised Premises in violation of this Sublease.
- (d) Sublessee fails to discharge any attachment or levy on Sublessee's interest in this Sublease within fifteen (15) days after the attachment or levy encumbers this Sublease.
- (e) Sublessee fails to cause any of the following proceedings to be vacated or dismissed within sixty (60) days after commencement; (l) the appointment of a receiver or trustee of the assets of Sublessee or any guarantor of this Sublease, (2) the voluntary or involuntary bankruptcy of Sublessee or any guarantor of this Sublease, or (3) any assignment for the benefit of creditors of the assets of Sublessee or any guarantor of this Sublease.
- (f) Sublessee is named on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the United States Department of the Treasury or any such similar list maintained by the state or federal government.
- (g) A default by Sublessee under the terms of any current leases (or Subleases, or leases) between Sublessee, or any entity related to Sublessee, and Thompson Educational Foundation, or any subsidiary or related entity which may include but are not limited to the TEF-ONE, LLC, TEF-TWO, LLC, TEF-THREE, LLC, TEF-FOUR, LLC, TEF-FIVE, LLC, TEF-SEVEN, LLC, TEF-EIGHT, LLC and TEF Franklin, LLC, that is not cured within the time specified in such lease.
- (h) Sublessee fails to pay to the Argonaut Condominium Association when due any assessment or installment thereof levied by the Argonaut Condominium Association against

Sublessor or Sublessee and/or the School Unit (as defined in the School and Gym Lease Agreement) or any portion thereof and such failure is not cured within thirty (30) days after the Argonaut Condominium Association has given Sublessor or Sublessee written notice thereof.

(i) Sublessee violates any of the terms or provisions of the Master Deed or the Association Bylaws.

18.2 Sublessor's Remedies Upon Default

If a Default occurs, Sublessor shall have the rights and remedies set forth in this 18.2 which shall be distinct, separate and cumulative and shall not operate to exclude or deprive Sublessor of any other right or remedy allowed it by law or at equity.

- (a) Sublessor may terminate this Sublease by giving notice to Sublessee of Sublessor's election to do so, in which event the Term of this Sublease shall end, and all right, title and interest of Sublessee hereunder shall expire, on the date stated in such notice. Written notice alone shall be proof of any such election by Sublessor.
- (b) Sublessor may enforce the provisions of this Sublease and may enforce and protect the rights of Sublessor by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained in this Sublease, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from Sublessee under any of the provisions of this Sublease.
- (c) Sublessor may, but shall not be obligated to, cure Sublessee's Default by making any payment or performing such other act to the extent Sublessor may deem desirable. Any such cure by Sublessor shall be without notice and shall not waive or release Sublessee from any obligation under this Sublease. Sublessee covenants and agrees to pay Sublessor, upon demand, all advances, costs and expenses incurred by Sublessor in connection with such cure, including reasonable attorney's fees, together with interest at the Default Rate (as defined below), from the date such are incurred by Sublessor to the date of payment to Sublessor.

18.3 Sublessor's Termination

In the event Sublessor terminates this Sublease pursuant to Section 18.2:

(a) Sublessor shall be entitled to recover any and all Rent due and unpaid as of the date of termination. In addition, Sublessee shall pay to Sublessor liquidated damages equal to the lesser of the sum of the actual Rent payable for the four full calendar quarters immediately preceding the date of termination or the product of \$75,000 and a fraction, the numerator of which is the figure at which the Revised Consumer Price Index All Urban Consumers (All Items) for Detroit-Ann Arbor-Flint, Michigan (1982-84 = 100) of the Bureau of Labor Statistics, U.S. Department of Labor (the "Consumer Price Index"), stands for the month most recently published preceding the date of termination of this Sublease, and the denominator of which is the figure at which the Consumer Price Index stood for the month most recently published preceding the Sublease Commencement Date, but in no event shall such fraction ever be less than one (1). If the Consumer Price Index is discontinued, any other index published by the Bureau of Labor

Statistics (or the most comparable index if more than one is published) shall be substituted. If the base year of the Consumer Price Index is changed, a new base year shall be used, subject to conversion factors published by the Bureau of Labor Statistics. If no conversion factors are published, the base year shall be converted based upon the adjustment between the new base and the old base at the time the new base become effective. Sublessee shall immediately pay to Sublessor all such Rent and liquidated damages.

(b) Sublessee shall, upon demand, reimburse Sublessor, with interest at the Default Rate from the date incurred through the date of payment to Sublessor, the Enforcement Costs.

18.4 Definitions

As used in this Section:

- (a) "Enforcement Costs" shall be all sums, costs, expenses and damages (in addition to Costs of Releasing and including reasonable attorneys' fees) which are incurred by Sublessor in enforcing the Sublessee's obligations under this Sublease or by reason of Sublessee's Default, including without limitation, those arising out of any action brought by Sublessor against Sublessee to interpret any provision of this Sublease or in connection with a bankruptcy or an assignment for the benefit of creditors.
- (b) "Default Rate" shall mean the rate per annum equal to the Prime Rate as published in the Wall Street Journal (or another publication selected by Sublessor if the Wall Street Journal ceases to exist) from time to time plus 5% per annum, but in no event in excess of the maximum interest rate permitted by law.
- (c) "Reasonable attorneys' fees" shall include the value of services provided by counsel employed by Sublessor or its Affiliates in the amount that Sublessor would have reasonably incurred if the services had been performed by unaffiliated counsel.
- (d) "Force Majeure" means any cause or event beyond the reasonable control of a party to this Sublease, including any act of God, government act or restriction, labor disturbance, general shortage of materials or supplies, riot, insurrection, or act of war or terrorism. Force Majeure excuses a party from performing any non-monetary obligation under this Sublease for a commercially reasonable amount of time.

18.5 Waiver of Jury Trial and Counterclaim

In the event Sublessor commences any proceedings for non-payment of Rent or any other amount payable to Sublessor by Sublessee, Sublessee shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Sublessee's right to assert such a claim in any separate action brought by Sublessee. Sublessor and Sublessee waive trial by jury in any action or proceeding brought by either party on any matter whatsoever

arising out of or in any way connected with this Sublease, the relationship of sublessor and sublessee, Sublessee's use of the Demised Premises, or any claim of injury or damage.

18.6 Sublessor's Default and Sublessee's Remedies

- (a) Sublessor will be in "Default" of this Sublease if Sublessor fails to perform any obligation of Sublessor under this Sublease and this failure continues for thirty (30) days after Sublessee notifies Sublessor of such failure in writing, or such longer period of time as is reasonable if more than thirty (30) days is reasonably required to perform this obligation if performance commences within this 30-day period and is diligently prosecuted to completion.
- (b) If Sublessor is in Default, then Sublessee may exercise any remedy available under law, including but not limited to specific performance, that is not waived or limited under this Sublease, subject to the following:
- (i) Sublessee may terminate this Sublease due to any Sublessor Default not cured within the allotted notice and cure period; and
- (ii) No liability under this Sublease is assumed by Sublessor's Affiliates. "Affiliates" means with respect to a party (i) that party's partners, co-members and joint venturers, (ii) each corporation or other entity that is a parent or subsidiary of that party, (iii) each corporation or other entity that is controlled by or under common control of a parent of such party, and (iv) the directors, officers, employees and agents of that party and each person or entity described in (i-iii) above.

SECTION 19 QUIET ENJOYMENT

Sublessor covenants that so long no Default has occurred and is continuing, Sublessee may peacefully and quietly hold and enjoy the Demised Premises for the Sublease Term without interference by Sublessor or any person claiming by, through or under Sublessor.

SECTION 20 SIGNS

Sublessee will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Sublessor's prior written approval.

SECTION 21 OPTION TO RENEW

So long as no Default has occurred and is continuing, Sublessee shall have the option to renew this Sublease (the "Renewal Option") for two (2) additional terms of five (5) years each (a "Renewal Term") upon the same terms, covenants and conditions as are contained in this Sublease. Sublessee must exercise the Renewal Option by giving written notice thereof to Sublessor at least twelve (12) months prior to the expiration of the Sublease Term, as the same may have been renewed (a "Notice"). A Notice shall be effective only if (a) on the date the Notice, Sublessee is not in Default, (b) Sublessee exercises or has exercised its option to renew the Sublease pursuant to the terms thereof for the corresponding Renewal Term thereunder, and (c) Sublessor exercises or has exercised its option to renew the Cafeteria Lease for an additional term.

SECTION 22 MISCELLANEOUS

22.1 Condition of Demised Premises

This Sublease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, Subleases, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Sublessor and Sublessee concerning the Demised Premises. Sublessor and Sublessee agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

22.2 Modification

This Sublease shall not be modified or amended unless in writing signed by Sublessor and Sublessee.

22.3 Notices

Any notices or demands required under this Sublease shall be in writing addressed to each party at the address set forth Section 1. By notice to the other, either party may change its address for notices. Each notice must be in writing and will be validly given if either: (a) the notice is personally delivered and receipt is acknowledged in writing, or (b) the notice is delivered by a nationally recognized overnight courier service (e.g., Federal Express or Airborne Express) and receipt is acknowledged in writing. If the party to receive notice fails to either accept delivery or acknowledge its receipt in writing, then notice may be validly given by mailing the notice first-class, certified or registered mail, postage prepaid, and the notice will be deemed received by the party two (2) business days after the deposit of the notice in the U.S. Mail.

22.4 Survival

Any obligation of Sublessee under this Sublease which is not performed in full prior to the termination of this Sublease shall survive the termination of this Sublease and continue in full force and effect until performed in full.

22.5 Captions and Section Numbers

The captions, section numbers and article numbers appearing in this Sublease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Sublease.

22.6 Construction

This Sublease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Sublease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Sublease shall not be affected thereby and shall be valid and enforceable.

22.7 Binding Effect

This Sublease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns, and permitted transferees.

22.8 Joint Drafting

Sublessor and Sublessee acknowledge and agree that each has joined in and contributed to the drafting of this Sublease and as a result there shall be no presumption in construing the provisions of this Sublease favoring or burdening either Sublessor or Sublessee based upon draftsmanship or similar rule of construction.

22.9 Counterparts

This Sublease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Signatures on following page]

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease on the day and year first above written.

SUBLESSOR:

TEF-SIX, LLC,

a Michigan limited liability company

By: Thompson Educational Foundation, its sole

member

By:

Robert M. Thompson, President

SUBLESSEE:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT,

a Michigan nonprofit corporation

By:

Joseph A. Artiseo

President

Exhibit A

Depiction of the Demised Premises

Exhibit B

Suite #300C Lease

See attached.

UPAD Elementary Lease

(TEF-Three)

Schedule 10-9, Exhibit B

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to the Lease Agreement ("Agreement") is made as of the 25 day of June, 2019, by and between, TEF-THREE, LLC, a Michigan limited liability company, owner and Landlord of the property located at 10225 Third, Detroit, MI 48202 and PUBLIC SCHOOL ACADEMIES OF DETROIT ("PSAD"), a Michigan nonprofit corporation, and Tenant of the property located at 10225 Third, Detroit, MI 48202

RECITALS:

- A. WHEREAS, Landlord and Tenant are parties to that certain Lease Agreement, dated December 28, 2011 (the "Lease"), for certain premises (the "Premises") legally described in Exhibit A to the Lease and incorporated herein by reference;
- B. WHEREAS, the parties desire to amend the Lease on the terms and conditions set forth below, with all other terms of the Lease and rights of all parties otherwise remaining.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree to amend the Lease to insert the following paragraph:

Authorizer Termination. The Academy may terminate the lease, without cost or penalty associated with the early termination of the lease to the Academy or PSAD, in the event that the Academy is required to close (i) pursuant to a notice issued by the Department of Education under Section 528 of the Code, MCL 380.528; or (ii) pursuant to a reconstitution by GVSU pursuant to Section 528 of the Code, MCL 380.528 and these Contract Terms and Conditions. The Landlord shall have no recourse against the Academy or the GVSU Board for implementing the site closure or reconstitution. Nothing in this paragraph shall prevent the lessor/landlord from receiving lease payments owed prior to site closure or reconstitution, or relieve the Academy from paying any costs or expenses or fees related to damage to the building above normal wear and tear owed under the lease prior to site closure or reconstitution.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date first above written.

LANDLORD:

TENANT:

TEF-THREE, LLC,

a Michigan nonprofit limited liability company

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Robert M. Thompson

B

Joseph Aristeo

BLOOMFIELD 38030-1 2391511v2

LEASE

Between

LANDLORD: TEF-THREE, LLC a Michigan limited liability company,

And

TENANT: PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan non-profit corporation

Dated: December 28, 2011

LEASE

SECTION 1 SCHEDULE

NAME: TEF-THREE, LLC ADDRESS: P.O. Box 6349

Plymouth, MI 48170

NAME: PUBLIC SCHOOL ACADEMIES OF

DETROIT

ADDRESS: 600 Antoinette, Detroit, MI 48202

DEMISED PREMISES: Land located in the City of Detroit, Wayne County,

Michigan at 10225 Third, Detroit, Michigan as described in legal description attached as <u>Exhibit A</u> (the "Site"), together with all improvements located thereon, including without limitation the existing building, and the Landlord Improvements (defined herein)(collectively, the "Demised

Premises")

LEASE TERM: July 15, 2012 until June 30, 2022 unless terminated sooner

pursuant to Paragraph 2.2.

EFFECTIVE DATE

The date this Lease has been executed by Landlord and

Tenant below.

COMMENCEMENT

DATE:

TENANT:

The term of this Lease shall commence on July 15, 2012.

TERMINATION DATE: June 30, 2022.

BASE RENT: Base Rent for each Lease Year shall be as set forth in

Exhibit B attached hereto.

EXHIBITS ATTACHED: "A" - Legal Description of Site

"B" – Base Rent Schedule

SECTION 2 GRANT AND TERM

2.1 Demised Premises

Landlord, in consideration of the rents to be paid and the covenants, promises and agreements to be performed by Tenant, does hereby lease to Tenant and Tenant hereby rents from Landlord, the Demised Premises described in Section 1.

2.2 Term

The term of this Lease shall be for the Lease Term, unless the Lease Term is extended or sooner terminated in accordance with the provisions of this Lease. Also, the Lease Term shall immediately terminate if Tenant's authorization to operate the Henry Ford Academy Elementary School is terminated in accordance with Article X of a certain Contract to Charter One or More Urban High School Academies and Related Documents dated December 14, 2007, as amended, by and between GVSU Board of Trustees ("Authorizer") and the Public School Academies of Detroit (the "Charter School Contract").

SECTION 3 CONSTRUCTION OF DEMISED PREMISES

3.1 Construction

Landlord agrees to cause Substantial Completion (defined below) of the Landlord Improvements, at Landlord's sole cost and expense, prior to the Commencement Date.

3.2 Delays

In the event Landlord's contractors shall be delayed or hindered in the construction of the Landlord Improvements or prevented from completing such construction or prevented from delivering possession of the Demised Premises on or prior to the Commencement Date because of any strike, lockout, labor dispute; fire, damage or destruction or casualty; unavailability of material; weather; power failures; unavailability of utilities; restrictive governmental laws or regulations; riots; insurrection; war; or any other reason, beyond the reasonable control of the Landlord or its contractors ("Force Majeure Event"), then Landlord shall be excused for the period of delay caused by the Force Majeure Event and the Commencement Date shall be extended for such period of delay, and the Termination Date shall be extended for the same number of days as the Commencement Date has been postponed.

3.3 Substantial Completion

"Substantial Completion" shall mean the completion of the Landlord Improvements so that the Demised Premises is available and all required governmental permits and approvals have been obtained (including a certificate of occupancy) for occupancy and use by Tenant as a public school academy for use as a high school.

SECTION 4 POSSESSION AND COMMENCEMENT OF TERM

4.1 Possession and Commencement of Lease Term

Landlord shall deliver actual possession of the Demised Premises to Tenant on or before the Commencement Date, but if delivery is delayed by reason of a Force Majeure Event, the date upon which such possession is delivered shall constitute the "Commencement Date" in lieu of the date provided in Section 1 and the Termination Date provided in Section 1 shall be extended for the same number of days. In the event that Tenant occupies the Demised Premises prior to the Commencement Date, the Commencement Date shall be the date that Tenant occupies the Demised Premises, but the Termination Date shall not be changed from the date provided in Section 1. Landlord shall, when construction progress so permits, notify Tenant of the date that Substantial Completion of the Landlord Improvements is anticipated. By occupying the Demised Premises, Tenant will be deemed to have accepted the Landlord Improvements and the Demised Premises. The Rent, as defined herein, due under this Lease and the term of this Lease shall commence on the Commencement Date.

4.2 Landlord Not Liable For Delays

Under no circumstances shall Landlord be liable for any delays in the delivery of possession to Tenant on the Commencement Date. Tenant's sole and exclusive remedy shall be the abatement of Rent until the Demised Premises are ready for occupancy and possession is delivered to Tenant.

4.3 Memorandum

Within 30 days after the delivery of possession to Tenant, Tenant shall join with Landlord in the execution of a written memorandum confirming the Commencement Date and Termination Date of the Lease Term. Tenant's failure to execute the Memorandum (if requested by Landlord) shall be a default by Tenant under this Lease.

SECTION 5 BASE RENT

5.1 Base Rent

Tenant shall pay to Landlord Base Rent during the Lease Term. Base Rent shall be payable in quarterly installments in arrears with the first such payment due on October 1, 2012 and then on the first day of each calendar quarter of each Lease Year thereafter at the office of Landlord stated in Section 1 or such other place designated by Landlord.

5.2 Rent Net of Expenses

Landlord and Tenant intend that Base Rent due hereunder, together with any adjustments during the Lease Term shall be absolutely net of all costs, expenses, taxes (real and personal) and charges of every kind and nature whatsoever relating to the ownership, occupancy or use of the Demised Premises. To the extent permitted by law and without

waiving any privilege or immunity, Tenant shall indemnify and hold Landlord harmless from and against any such costs, expenses, taxes (real or personal) and charges for which Tenant is responsible under this Lease.

5.3 Additional Rent

All amounts due from Tenant and payable to Landlord or the provider of any service (such as utilities, maintenance, etc.), if provided direct to Tenant, excluding Base Rent, including, without limitation, utilities, taxes, maintenance and insurance costs shall be deemed to be additional rent ("Additional Rent"). Upon Tenant's failure to pay any such amount, Landlord, in addition to any other remedies, shall have the same remedies provided for Tenant's failure to pay Base Rent (Base Rent, together with the Additional Rent, shall be collectively referred to as "Rent"). Tenant shall pay any and all sums of money or charges required to be paid by Tenant under this Lease, including, but not limited to, Additional Rent, promptly when the same are due, without any deductions or setoff whatsoever except as otherwise specifically set forth herein. Landlord will forward to Tenant any bills Landlord receives that Tenant is obligated to pay, including but not limited to tax, utility and other service bills, within five (5) days of Landlord's receipt thereof.

5.4 Lease Year

"Lease Year" shall mean a period of twelve (12) consecutive calendar months, except (a) the last year of the Lease Term, which shall expire on the Termination Date and (b) the first Lease Year, shall begin on the Commencement Date and expire on December 31, 2012.

SECTION 6 UTILITIES

Tenant agrees to pay all charges made against the Demised Premises for gas, heat, water, air conditioning, electricity, sanitary and storm sewage disposition, telephone and all other utilities ("Utilities") during the Lease Term (but specifically excluding the expenses of bringing Utilities to the Site and to the improvements constituting the Landlord Improvements and separately metering the Utilities, which costs are included as part of the Landlord Improvements) as the same shall become due all of which shall be separately metered and billed directly to Tenant. Landlord shall not be liable to Tenant for the quality or quantity of any such utilities, or for any interruption in the supply of any such utilities.

SECTION 7 TAXES AND ASSESSMENTS

7.1 Obligation

Tenant agrees to pay to Landlord as Additional Rent any and all Taxes (as defined in Section 7.2) assessed against the Demised Premises for each Lease Year or partial Lease Years during the Lease Term.

7.2 Definition

"Taxes" shall be defined as: (a) all taxes (either real or personal), assessments (general or specific), all water and sewer charges, and all other governmental impositions, which may be levied during the Lease Term upon the land, buildings or improvements comprising the Demised Premises or any part thereof; (b) all other taxes and other charges imposed by the State of Michigan or any subdivision thereof which: (1) are in replacement of or in lieu of increases in all or any part of ad valorem taxes as sources of revenue and (2) are based in whole or in part upon Demised Premises or any interest therein or the ownership thereof, or the rents, profits or other income therefrom, including, without limitation, income, single business, franchise, excise, license, privilege, sales, use, and occupancy taxes; (c) a tax or surcharge of any kind or nature upon, against or with respect to the parking areas or the number of parking spaces on the Demised Premises; and (d) all costs and expenses incurred by Landlord during the lease term for negotiations for or contests of the amount of such taxes and assessments, without regard to the result, including, without limitation, actual attorneys' fees; provided, that Tenant pre-approves such contests for taxes or assessments. Taxes shall not include any tax on the net income of Landlord, except to the extent included in subparagraph (b) above.

7.3 Payments

Taxes on the Demised Premises levied or assessed for or during the Lease Term shall be paid to Landlord within ten (10) days after Landlord delivers to Tenant a statement for such Taxes. The Taxes for the years in which this Lease commences and terminates shall be prorated on a due date basis.

7.4 Tenant's Taxes

Tenant shall pay all real and personal property taxes levied or assessed against Tenant's property and improvements upon or affixed to the Demised Premises, including taxes attributable to all alterations, additions, or improvements made by Tenant.

SECTION 8 USE OF DEMISED PREMISES

8.1 Use of Demised Premises

Tenant shall use and occupy the Demised Premises during the Lease Term only for (a) the purpose of establishing, managing, and operating a public school academy for use as a elementary school known as the Henry Ford Academy Elementary School and attendant office use, and for no other purpose without the prior written consent of Landlord, which may be granted or withheld in its sole and absolute discretion, provided that such use does not include (A) the rental to others of residential rental property, which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986 (the "Code") as property where eighty percent (80%) or more of the gross rental income from such property is derived from the rental of dwelling units, or (B) the operation of any: (1) private or commercial golf course, (2) country club, (3) massage parlor, hot tub facility, or suntan facility, (4) race track or other facility used for gambling, or (5) store the principal

business of which is the sale of alcoholic beverages for consumption off premises. Tenant shall not use or permit any person to use the Demised Premises or any part thereof for any use or purpose other than the use stated in this Lease or in violation of any law, statute, order, ordinance, code, rule or regulation of any federal, state or municipal body or other governmental agency or authority having jurisdiction thereof, including, without limitation, zoning, land use and building ordinances, uses and requirements; occupational safety and health requirements; community right-to-know requirements; the Americans With Disabilities Act of 1990; and state and federal environmental laws (collectively "Laws"), affecting the Demised Premises, if any; provided, however, that Tenant shall not be responsible for any violation of Laws or any condition at the Demised Premises existing on or before the Commencement Date. Tenant shall comply strictly with each and every term, condition and requirement of the Charter School Contract.

8.2 Care of Demised Premises

Tenant shall keep the Demised Premises orderly, neat, safe and clean and free from rubbish and dirt at all times and shall store all inventory, supplies, trash and garbage within the buildings on the Demised Premises. Tenant shall keep the driveways and walkways within the Demised Premises free from snow and ice, and shall arrange for the regular removal of snow during the winter months and the pick up of trash and garbage at Tenant's expense. At the expiration of the Lease Term, or the sooner termination thereof, Tenant shall surrender the Demised Premises in as good condition and repair as existed at the time Tenant took possession, reasonable wear and tear excepted.

8.3 Hazardous Substances

Tenant shall not use, cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances.

SECTION 9 INDEMNITY

9.1 Indemnity

To the extent permitted by applicable law and without waiving any privilege or immunity, Tenant shall defend, indemnify and hold harmless Landlord and Landlord's officers, directors, employees and agents (regardless of any negligence imputed to Landlord by law due to its ownership of the real property involved), from and against any and all claims, suits, personal injuries, death, property damage, liabilities, damages, losses, costs or expenses, including, without limitation, reasonable legal, accounting, consulting, engineering and other expenses (collectively "Damages") which may be imposed upon, incurred by, or asserted against Landlord or Landlord's officers, directors, employees or agents (collectively "Indemnified Parties"), arising directly or indirectly from any (a) occurrence on or about the Demised Premises from any cause whatsoever from and after the Commencement Date and during the Lease Term, (b) failure of Tenant to comply with

any provision of this Lease, (c) failure of any subtenant to comply with any provision of any sublease, (d) occupancy or use by Tenant and/or subtenant of the Demised Premises or any act or omission of Tenant, its employees, agents, representatives, invitees, licensees and contracting parties or any subtenant, or (e) failure of Tenant to strictly comply with the terms and conditions of the Charter School Contract. The indemnities provided herein shall include attorneys' fees incurred by the Indemnified Parties in connection with such Damages or to enforce the indemnity given hereunder. Tenant shall not be required, however, to indemnify Landlord against Damages arising from Landlord's gross negligence or willful misconduct. Any liability or loss as to which the Indemnified Parties are entitled under this Section 9.1 and all expenses incurred in connection therewith including, but not limited to, attorneys fees, shall constitute Additional Rent payable upon demand.

9.2 Liability Insurance

Tenant shall procure and keep in effect during the Lease Term commercial, general liability insurance on an occurrence basis, including operations and insured contract coverage, for personal injury or death or property damage occurring in, upon or about the Demised Premises or any street, drive, sidewalk, curb or passageway adjacent thereto in the amount reasonably required by Landlord (but in no event less than Ten Million (\$10,000,000) Dollars combined single limit per occurrence, which may be based on a combination of primary coverage plus excess insurance or "umbrella" coverage. Any contractual liability coverage for indemnifications given by Tenant under this Lease shall not in any way limit such indemnifications.

9.3 Delivery of Policy.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

SECTION 10 MAINTENANCE AND REPAIRS

10.1 Maintenance And Repairs

Tenant shall, at its sole cost and expense, during the Lease Term, maintain, repair and replace and keep neat and in good appearance and condition the Demised Premises, including, but not limited to, the roof, exterior, interior, ceiling, electrical system,

plumbing system, HVAC system, storm sewers, sanitary sewers, water main, the driveways, walkways, parking area, lighting facilities, landscaping and land, which are part of the Demised Premises; provided, however, that Tenant shall not be responsible for (a) latent defects at the Demised Premises, or (b) any work covered by warranties Landlord receives from any construction contractor, subcontractor or materialman providing services and/or material in connection with the Landlord Improvements, all of which maintenance Landlord shall be responsible to cause to be performed at its cost. The plumbing system, including the sewage facility, serving the Demised Premises shall not be used for any purpose other than for which it was constructed and Tenant shall not introduce any matter therein which results in blocking such system. Tenant shall, at its sole cost and expense, also repair or replace the driveways, walkways, parking areas, and landscaping on the Demised Premises. Tenant shall, at its sole cost and expense, contract with contractors acceptable to Landlord (except in the case of emergency) for the performance of all maintenance, repairs and replacement required of Tenant under this Lease. Tenant shall perform such maintenance, repairs and replacement so as to maintain the Demised Premises in the same condition in which it was delivered to Tenant, reasonable wear and tear excepted. Such maintenance, repair and replacement obligations of Tenant shall include items deemed to be capital improvements for tax purposes. The maintenance, repair and replacement obligations of Tenant hereunder, shall survive termination of this Lease to the extent such obligations accrued prior to the termination of this Lease.

Tenant agrees to establish an capital reserve fund for major capital repairs or replacements of the Demised Premises (the "Capital Reserve") that shall contain at least \$40,000 at the start of the fourth Lease Year. At the start of each successive Lease Year, the Capital Reserve shall increase by \$40,000. If none of the Capital Reserve is spent during the initial five (5)-year Lease Term, the balance would contain an amount of \$80,000 at the end of the Lease Term. The Capital Reserve shall be available for major capital repairs or replacement of the Demised Premises, such as major repair or replacement of a building roof, an HVAC unit, the plumbing system, the water main, the electrical system, or other major facility elements. Withdrawal of funds from the Capital Reserve account shall require the signatures of both Landlord and Tenant. Withdrawal of funds from the Capital Reserve for furniture, fixtures, equipment or technology related items, such as computers and software, is prohibited. If Tenant exercises its option to extend the Lease Term, Tenant shall place \$40,000 a Lease Year into the Capital Reserve until a total of \$200,000 has been placed into the Capital Reserve.

10.2 Compliance With Laws

During the term of this Lease, Tenant shall comply with all Laws (as defined in Section 8.1) and make any repairs, additions, modifications or alterations to the Demised Premises, regardless of the nature thereof, which are required by any Laws or required by the insurance carrier to maintain the insurance required under this Lease; provided, however, that Tenant shall not be responsible for any conditions existing at the Demised Premises prior to the Lease Commencement Date, or to perform any obligation that was to be performed by Landlord as part of the Landlord Improvements.

SECTION 11 TENANT'S ALTERATIONS

Tenant shall not make any structural alterations, additions, modifications or improvements to the Demised Premises without the prior written consent of Landlord, which consent may be granted or withheld in the sole and absolute discretion of Landlord. Tenant shall not make any non-structural alterations, additions, modifications or improvements having a cost in excess of \$10,000 to the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

SECTION 12 PROPERTY INSURANCE, REBUILDING AND WAIVER OF SUBROGATION

12.1 Property Insurance

Tenant shall, during the Lease Term, at its sole cost and expense keep the Demised Premises insured for the benefit of Landlord:

- (i) by an "All Risk of Physical Loss" policy with the broadest form of extended coverage endorsement in an amount sufficient to prevent Landlord from becoming a co-insurer under the policies or Laws, including special extended coverage endorsements reasonably required by Landlord in an amount equal to the full replacement and reconstruction cost and valued on a replacement cost basis of the building and improvements which are a part of the Demised Premises (including any alterations made by Tenant and incorporated into the Demised Premise) as determined solely by Landlord, without allowance for depreciation and exclusive of the cost of excavations, foundations and footings;
- (ii) against damage by flood if the Site is located in an area identified by the Secretary of Housing and Urban Development, or any successor, as an area having special flood hazard and in which flood insurance has been made available under the Flood Acts, in an amount determined solely by Landlord;
- (iii) against damage or loss from (1) sprinkler system leakage, and (2) boilers, if any, boiler tanks, if any, heating and air-conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, in an amount determined solely by Landlord; and
- (iv) during the period of any construction, repair, restoration, or replacement of the Demised Premises, performed after the construction of the Landlord Improvements, by a standard builder's risk policy with extended coverage in an amount at least equal to the full replacement and reconstruction cost and valued on a replacement cost basis, workers compensation in statutory amounts, and such endorsements as required by Landlord.

Tenant shall provide Landlord with evidence of the above-referenced insurance on or before the Commencement Date. Evidence of such insurance shall be in the form of an insurance policy or binder. Landlord shall be named as an additional insured and loss payee on all such policies. Such insurance policies shall prohibit cancellation, alterations, changes, amendments, modifications, deletions or reductions in coverage either at the insistence of Tenant or the insurance company issuing the policy, without at least thirty (30) days prior written notice having been given to Landlord. If Tenant fails to maintain such insurance coverage, Landlord may, at its option, procure such insurance for the account of Tenant and the cost thereof shall be paid by Tenant to Landlord upon delivery to Tenant of bills therefore. The insurer or insurers shall be such as may from time to time be approved by Landlord and shall be issued by insurance companies authorized to do business in the State of Michigan.

12.2 Rebuilding

If the Demised Premises shall become damaged by fire or other casualty, Landlord may either restore the Demised Premises or make it tenable (to the extent of available insurance proceeds) or terminate this Lease by notifying the Tenant of such termination within thirty (30) days after the date of such damage, at its sole option. Tenant shall immediately notify Landlord of the occurrence of a fire or other casualty at the Demised Premises.

12.3 Waiver of Subrogation

Any property insurance policy carried by Landlord or Tenant or any policy covering both the interest of Landlord or Tenant under this Section 12 shall include a provision under which the insurance company waives all right of recovery by way of subrogation against Landlord or Tenant in connection with any loss or damage covered by any such policy. Landlord or Tenant hereby release and discharge each other from any liability whatsoever arising from any loss, damage or injury caused by fire or other casualty to the extent of the insurance covering such loss, damage or injury.

SECTION 13 EMINENT DOMAIN

13.1 Condemnation

If all or any material part of the Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, the Lease Term shall, at the option of Landlord, end as of the date of a stipulation, agreement, or order of possession. If the Demised Premises may not be reasonably used for the purpose contemplated by this Lease following any taking, Tenant, at its sole and absolute discretion, may terminate this Lease by written notice to Landlord. In the event of a termination pursuant to this Section, Rent shall be pro rated to the date of such taking. In the event of a condemnation, Landlord shall be entitled to the entire condemnation award, except that Tenant shall be entitled to receive any portion of the condemnation proceeds awarded for Tenant moving costs and related expenses, diminution in value of the leasehold interest only, and other just compensation and reimbursement to which Tenant is entitled from the condemning authority.

SECTION 14 ACCESS TO PREMISES

Landlord or Landlord's agent shall have the right to enter the Demised Premises at all reasonable times to inspect or examine the same, and to make such tests, repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord shall conduct all inspections and examinations and all repairs, alterations, improvements and/or additions in such a manner so as to not unreasonably disrupt the operations of Tenant at the Demised Premises. Landlord and Landlord's agent shall comply with all Laws when accessing the Demised Premises.

SECTION 15 FIXTURES AND EQUIPMENT

All furnishings, fixtures and equipment installed by Landlord shall remain the property of Landlord at the termination of this Lease. Unless otherwise agreed to in a prior writing signed by Landlord and Tenant, if Tenant installs any furnishings, fixtures or equipment during the Term of this Lease that are incorporated into and/or affixed to the buildings or improvements located on the Demised Premises and cannot be removed without substantial damage or injury to the buildings or improvements, then they shall become the property of Landlord at the termination of the Lease Term and shall not be removed without Landlord's prior written consent, which may be granted or withheld in its sole and absolute discretion. All fixtures and equipment installed by Tenant and not removed at the termination of the Lease Term shall remain the property of Landlord. In the event Landlord consents to such removal, Tenant shall remove such fixtures in accordance with all applicable Laws and shall repair any such damage or injury in a good and workmanlike manner.

SECTION 16 ASSIGNMENT, SUBLETTING AND TRANSFERS BY TENANT

Tenant shall not sell, assign, sublet, hypothecate, encumber, mortgage or in any manner transfer this Lease or any estate or interest therein (including any transfer by operation of law or otherwise), the Demised Premises or any part thereof or permit the use of the Demised Premises by any person or entity other than Tenant without the prior written consent of the Landlord, which may be granted or withheld in its sole and absolute discretion.

SECTION 17 SALE OR TRANSFER

Landlord shall have the right to sell, transfer or assign the Demised Premise ("Conveyance"). In the event of Conveyance, Tenant shall attorn to the purchaser, transferee or assignee ("Transferee") and recognize such Transferee as Landlord under this Lease and Landlord shall be relieved from all subsequent obligations and liabilities under this Lease, provided such obligations are assumed in writing by such Transferee and a copy thereof is provided to Tenant.

SECTION 18 DEFAULT, RE-ENTRY AND DAMAGES

18.1 Default

The following non-exhaustive list of events shall constitute a default ("Default") under this Lease:

- (a) Tenant fails to pay within seven (7) days of the due date any Base Rent or Additional Rent due hereunder on the day the same shall be due;
- (b) Tenant fails to perform any of the terms and conditions under this Lease, other than the payment of Base Rent or Additional Rent, and such failure remains uncured for thirty (30) days following written notice;
- (c) Tenant not operating the Henry Ford Academy Elementary School ("Elementary School") at the location in accordance with the Charter School Contract.
- (d) Tenant has abandoned or vacated the Demised Premises;
- (e) Tenant fails to meet any one or more of the following performance standards relating to its operation of a public school academy as an Elementary School on the Demised:
 - 1. At least 90% of the graduating 5th graders enter a Tenant middle school the following fall every year beginning in September 2013;
 - 2. An average daily attendance rate of 92.5%; and
 - 3. Meet the Adequate Yearly Progress (AYP) requirements of *No Child Left Behind*;
- (f) The failure of Tenant to establish policies required by the Charter School Contract when and as required by the Charter School Contract.
- (g) The termination or expiration of the Charter School Contract or any failure to renew or extend the Charter School Contract for any reason or no reason; unless Tenant enters into a replacement charter contract which authorizes Tenant to operate a public school academy at the Demised Premises for the same grade range as the Charter School Contract.
- (h) The failure of Tenant to comply with any Reporting Requirement set forth in Section 19 of this Agreement.
- (i) Tenant fails to maintain a minimum Lease Payment Coverage Ratio of not less than 1.10 to 1.00, measured as of the end of each of Tenant's fiscal years, commencing with Tenant's fiscal year beginning on July 1, 2012. For the purposes hereof, the "Lease Payment Coverage Ratio" shall be determined by dividing, with respect to Tenant's operation of the School, (A) Tenant's Earnings

Before Interest, Taxes, Depreciation, Amortization and Tenant's Rent obligations under this Lease by (B) the sum of Tenant's interest expense, Tenant's rent obligations under this Lease, and Tenant's Current Portion of Long-Term Debt for the prior period.

18.2 Landlord's Remedies Upon Default

- (a) In the event of the occurrence of a Default, in addition to all of its other remedies under this Lease and available at law or in equity, Landlord shall have the right to re-enter the Demised Premises, in accordance with applicable law, to remove all persons and property therefrom. Upon the occurrence of a Default, Landlord, at its option, may either terminate this Lease, or without terminating this Lease, relet the Demised Premises or any part thereof on such terms and conditions, as Landlord deems advisable in its sole and absolute discretion. No such eviction, entry or taking of possession of the Demised Premises, whether through summary eviction proceedings or by self-help, shall be construed as an election on its part to terminate this Lease unless Landlord provides written notice of such intention to Tenant or unless termination is declared by a court of competent jurisdiction.
- (b) In addition to any other remedy provided for herein, if Landlord brings suit to recover possession of the Demised Premises or money due under this Lease or a suit for the breach of an obligation Tenant should have performed under the Lease and if the Landlord prevails, the Tenant shall pay the Landlord for expenses incurred in the action, including reasonable attorneys fees. Such expenses shall be deemed to have an incurred when the action commences and shall be enforced whether or not the action is prosecuted to judgment. In the event Tenant prevails in any lawsuit in connection with the Demised Premises, Tenant shall have its expenses, including reasonable attorney fees, paid by Landlord.

18.3 Waiver of Jury Trial and Counterclaim

In the event Landlord commences any proceedings for non-payment of Rent, Additional Rent, or any other amount payable to Landlord by Tenant, Tenant shall not interpose any counterclaim of whatsoever nature or description in any such proceeding unless same is a compulsory or mandatory counterclaim. This shall not, however, be construed as a waiver of Tenant's right to assert such a claim in any separate action brought by Tenant. Landlord and Tenant waive trial by jury in any action or proceeding brought by either party on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of lessor and lessee, Tenant's use or occupancy of the Demised Premises, or any claim of injury or damage.

SECTION 19 REPORTING

19.1 School Reports

During the Lease Term, as soon as available, but in no event after the period set forth herein, Tenant shall furnish, upon written request and to the extent not otherwise

prohibited by law, or, where information is maintained on government online databases or formats, make available to Landlord the following documents with respect to the School:

- a) within sixty (60) calendar days after the beginning of each fiscal year of Tenant, annual enrollment for the School, including, without limitation, federal free and reduced-price lunch eligibility and special education and ethnicity enrollment;
- b) within thirty (30) calendar days of Tenant's receipt as to the School and to the extent not otherwise prohibited by applicable law: (A) "Annual School Report Card" required by the No Child Left Behind Act, and the following additional information if not included in the Annual School Report Card: performance on mandated state educational tests and internally-administered tests; (B) all programmatic quality reporting, including reports to the charter authorizer; and (C) all material correspondence from the charter authorizer; and
- c) Promptly after request, Tenant shall furnish to Landlord such additional information, reports, statements, and certificates with respect to the School as Landlord may from time to time reasonably request, in form and content reasonably satisfactory to the Landlord. Tenant and Landlord acknowledge and agree that certain student-identifying information (including, without limitation, names and social security numbers) may be redacted from documents provided to Landlord pursuant to this 19.1 to protect the privacy of students of the School prior to such documents being delivered to Landlord.

19.2 Financial Reports

Tenant shall deliver to Landlord (i) within one hundred twenty (120) days of the end of Tenant's fiscal year, financial statements for Tenant (including, at a minimum, a balance sheet, an income statement showing breakeven or better financial performance, and a statement of cash flow), which financial statements include specific details for Tenant Business and are certified as true and correct by an authorized officer of Tenant, in a form reasonably satisfactory to Landlord in all respects and audited by an independent certified public accountant reasonably approved by Landlord. All financial statements shall be prepared in accordance with generally accepted accounting practices for public school accounting in the State of Michigan. Tenant shall deliver to Landlord such other financial information with respect to Tenant and the Demised Premises as Landlord may reasonably request from time to time.

SECTION 20 QUIET ENJOYMENT

Landlord covenants that so long as no Tenant Default has occurred and is continuing, Tenant may peacefully and quietly hold and enjoy the Demised Premises for the Lease Term without interference by Landlord or any person claiming by, through or under Landlord.

SECTION 21 SUBORDINATION

This Lease is and shall be subject and subordinate to all mortgages and ground or underlying leases which may now or hereafter affect the Demised Premises, and to all renewals, modifications, consolidations, replacements and extensions thereof. In confirmation of such subordination, Tenant shall execute and deliver upon demand such further instrument or instruments subordinating this Lease to the lien of any such mortgage or mortgages as shall be desired by Landlord, as well as any mortgages or proposed mortgagees. Any mortgagee of the Landlord shall be entitled to rely upon and enforce the terms of this Section 21 as a third party beneficiary.

SECTION 22 SIGNS

Tenant will not place or cause to be placed or maintained any sign or advertising matter of any kind anywhere on the Demised Premises, except in the interior thereof, without Landlord's prior written approval.

SECTION 23 OPTION TO EXTEND

23.1 Option to Extend Lease Term

So long as no Tenant Default has occurred and is continuing, Tenant shall have three options to extend the Lease Term for three additional ten (10) year terms on the same terms and conditions set forth herein (each an "Option to Extend"). The Base Rent for each Lease Year of such extended term(s) shall be as set forth in Exhibit B. Each Option to Extend the Lease Term is personal to the Tenant and is not transferable or exercisable by any transferee.

23.2 Exercise of Option

Tenant may exercise an Option to Extend by providing Landlord with written notice of exercise not more than fifteen (15) months or less than twelve (12) months prior to the expiration of the then current ten (10) year Lease Term.

SECTION 24 MISCELLANEOUS

24.1 Condition of Demised Premises

This Lease and exhibits attached hereto and forming a part hereof, set forth all of the covenants, agreements, stipulations, promises, conditions, understandings and representations, hereinafter collectively "Representations" between Landlord and Tenant concerning the Demised Premises and the buildings and improvements to be constructed thereon. Landlord and Tenant agree that there are no Representations other than set forth herein and agree to make no claims against each other based upon Representations not set forth herein.

24.2 Modification

This Lease shall not be modified or amended unless by a writing signed by Landlord and Tenant.

24.3 Notices

Any notices or demands required under this Lease shall be in writing addressed to the party at the address set forth Section 1, except that after the Commencement Date any notice to Tenant shall be given in writing at the Demised Premises or such changed address provided in writing by such party and shall be served as follows: (a) by personal service with service being effective upon delivery, or (b) by certified mail, return receipt requested, with service being effective two (2) days after mailing, or (c) by telecopy, facsimile or other form of telecommunication, with service being effective upon the date of transmission with reasonable evidence that the transmission was sent, or (d) by recognized overnight courier service, with service being effective one (1) day after delivery, prepaid, to such courier service.

24.4 Survival

Any obligation of Tenant under this Lease which is not performed in full prior to the termination of this Lease shall survive the termination of this Lease and continue in full force and effect until performed in full.

24.5 Captions and Section Numbers

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

24.6 Construction

This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. If any provision of this Lease, or the application thereof to any person or circumstances, shall, to any extent be invalid or unenforceable, the remaining provisions of this Lease shall not be affected thereby and shall be valid and enforceable.

24.7 Binding Effect

This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and permitted transferees.

24.8 **Joint Drafting**

Landlord and Tenant acknowledge and agree that each has joined in and contributed to the drafting of this Lease and as a result there shall be no presumption in construing the provisions of this Lease favoring or burdening either Landlord or Tenant based upon draftsmanship or similar rule of construction.

24.9 Counterparts

This Lease may be executed in any number of separate counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same document.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first written above.

LANDLORD:

TEF-THREE, LLC, a Michigan limited liability company

By: Thompson Educational Foundation, its sole member (

By:

Robert M. Thompson

Robert M. President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By: ______Edward Parks, President

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first written above.

LANDLORD:

TEF-THREE, LLC, a Michigan limited liability company

By: Thompson Educational Foundation, its sole member

By:

Robert M. Thompson

President

TENANT:

THE PUBLIC SCHOOL ACADEMIES OF DETROIT, a Michigan nonprofit corporation

By:

Edward Parks, President

EXHIBIT A

Legal Description

LAND IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN BEING MORE PARTICULARLY DESCRIBED AS:

PARCEL NO. 1

LOTS 137 THRU 130 AND LOTS 83 THRU 77 AND THE EAST 16 FEET OF LOT 76 AND VACATED ALLEYS ADJACENT, VOIGT PARK SUBDIVISION, AS RECORDED IN LIBER 22 PAGE 94 OF PLATS, WAYNE COUNTY RECORDS.

COMMONLY KNOWN AS: 10225 THIRD STREET

TAX PARCEL I.D.: WARD 4 ITEM 002780

AFTER A FIELD SURVEY BY NOWAK & FRAUS ENGINEERS, PARCEL NO. 1 IS MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 130 OF "VOIGT PARK SUBDIVISION". AS RECORDED IN LIBER 22 OF PLATS, PAGE 94, WAYNE COUNTY RECORDS, SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF THE THIRD STREET (80' WIDE) AND GLYNN COURT (80' WIDE) INTERSECTION; THENCE S63°59'51"W, 285.00 FEET ALONG THE NORTHERLY RIGHT-OF-WAY OF SAID GLYNN COURT TO THE SOUTHWESTERLY CORNER OF LOT 137 OF SAID "VOIGT PARK SUBDIVISION"; THENCE N26°00'00"W, 117.00 FEET ALONG THE WESTERLY LINE OF SAID LOT 137 TO THE NORTHWESTERLY CORNER OF SAID LOT 137, SAID POINT BEING ON THE SOUTHERLY LINE OF A 19' WIDE PUBLIC ALLEY; THENCE N63°59'51"E, 19.00 FEET ALONG SAID SOUTHERLY LINE OF SAID ALLEY AND THE NORTHERLY LINE OF SAID LOT 137, TO A POINT ON THE EASTERLY LINE OF SAID ALLEY; THENCE N26°00'00"W, 143.17 FEET ALONG SAID EASTERLY LINE OF SAID ALLEY TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF CALVERT AVENUE (66' WIDE), AND THE NORTHERLY LINE OF LOT 76 OF SAID "VOIGT PARK SUBDIVISION": THENCE N63°59'51"E. 266.00 FEET ALONG SAID SOUTHERLY RIGHT-OF-WAY OF SAID CALVERT AVENUE TO THE NORTHEAST CORNER OF LOT 83 OF SAID "VOIGT PARK SUBDIVISION", SAID POINT ALSO BEING THE SOUTHWESTERLY CORNER OF THE SAID THIRD STREET AND SAID CALVERT AVENUE INTERSECTION; THENCE S26°00'00"E, 260.17 FEET ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID THIRD STREET TO THE POINT OF BEGINNING.

CONTAINING 71,428 SFT OR 1.64 ACRES, MORE OR LESS.

PARCEL NO. 2

LOT 138, VOIGT PARK SUBDIVISION, AS RECORDED IN LIBER 22 PAGE 94 OF PLATS, WAYNE COUNTY RECORDS.

COMMONLY KNOWN AS: 860 GLYNN COURT TAX PARCEL NO. WARD 4 ITEM 002779

PARCEL NO. 3

LOT 75, VOIGT PARK SUBDIVISION, AS RECORDED IN LIBER 22 PAGE 94 OF PLATS, WAYNE COUNTY RECORDS.

COMMONLY KNOWN AS: 861 CALVERT TAX PARCEL NO. WARD 4 ITEM 002819

PARCEL NO. 4

LOT 74, VOIGT PARK SUBDIVISION, AS RECORDED IN LIBER 22 PAGE 94 OF PLATS, WAYNE COUNTY RECORDS.

COMMONLY KNOWN AS: 867 CALVERT TAX PARCEL NO. WARD 4 ITEM 002820

EXHIBIT B Base Rent Schedule

Lease Year	Base Rent
2012	70,000
2013	185,000
2014	188,700
2015	192,474
2016	196,323
2017	200,250
2018	210,000
2019	535,000
2020	545,700
2021	556,614
2022	567,746
2023	579,101
2024	590,683
2025	602,497
2026	614,547
2027	626,838
2028	639,375
2029	652,162
2030	665,205
2031	678,509
2032	692,080
2033	705,921
2034	720,040
2035	734,440
2036	749,129
2037	764,112
2038	779,394
2039	794,982
2040	810,881
2041 on	827,099

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. B032897
Duane Doty School
10225 Third Street
Detroit, 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, Chief

Charles E. Curtis, Assistant Chief

Building Division

June 13, 2013

SCHEDULE 11

TERM OF CONTRACT

SCHEDULE 11

TERM OF CONTRACT

The Academy is authorized to operate the following Schools on the dates set forth below:

- 1. University Preparatory Academy Science and Math: December 14, 2007
 - a. UPSM Contract expiration: June 30, 2018
 - b. UPSM Contract renewed on February 2, 2018, for 10-year period: July 1, 2018-June 30, 2028
- 2. University Preparatory Academy: July 1, 2008
 - a. UPA Contract expiration: June 30, 2018
 - b. UPA Contract renewed on February 2, 2018, for 10-year period: July 1, 2018-June 30, 2028
- 3. University Preparatory Art & Design: February 13, 2009
 - a. UPAD Contract expiration: June 30, 2019
 - b. UPAD Contract renewed on April 26, 3019, for 10-year period: July 1, 2019-June 30, 2029
 - c. UPAD Name changed approved by GVSU on April 26, 3019 (previously Henry Ford Academy: School for Creative Studies)